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INDEPENDENT AUDITOR'S REPORT

To the Members of Oxyzo Financial Services Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Oxyzo Financial Services Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone 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 (the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2023, and its standalone profit, standalone total comprehensive income, the standalone changes in equity and its standalone cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

S.No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** (Refer Note 6 and 47 to the standalone financial statements) As at March 31, 2023, loan assets aggregated ₹ 4,67,159.48 lakhs, constituting 83.76% 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	**Principal audit procedures performed:** Read the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction, validation and computation.

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S.No.	Key Audit Matter	Auditor's Response
	greater level of management judgement. 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 standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • 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. Adjustments to model driven ECL results to address emerging trends.	Assessed 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. Tested that adjustment done 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. Checked disclosures made in relation to the ECL allowance in standalone financial statements.

Information Other than the Standalone 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 standalone 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 standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone 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 standalone 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 Standalone 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 standalone 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,

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implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 expect- ed to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 dis-closure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone 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 has disclosed the impact of pending litigations on its standalone financial statements. (Refer Note 56(i) to the standalone financial statements)

      ii. The Company has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (Refer Note 16 to the standalone 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 60 to the standalone financial statements)

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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 note 55(vii) to the standalone financial statements)

(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 note 55(viii) to the standalone financial statements)

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable.

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

Rahul Singhal
Partner
Membership No. 096570
UDIN: 23096570BGZGPC4360

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Place: Gurugram
Date: 23 May 2023

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 standalone financial statements as of and for the year ended March 31, 2023)

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 has maintained proper records showing full particulars of intangible assets recognized in the Standalone Financial Statements.

(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. Accordingly, no physical verification has been carried out by the company during the year hence we are not able to comment on clause 3(i)(b).

(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. 500.00 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. (Refer note 20 to the standalone 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. Details of cases, wherein the repayment(s)/receipt(s) of the principal amount and/or the interest are not regular as at year end are as follows (Refer note 47 to the financial statements):

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Category of loan	Extent of delay	Amount (Rs. In lakhs) *
Loan assets where credit risk has not significantly increased since initial recognition	1-30 Days	23,107.70
Loan assets having significant increase in credit risk	30-90 Days	14,918.65
Credit impaired loan assets (Default event triggered)	More than 90 Days	3,935.05
Total		**41,951.62**

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

In all other cases having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(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 47 to the financial statements)

No. of Customers	Total Overdue* Amount (Rs. In lakhs)
66	3,935.05

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

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

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

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

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

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable except mentioned below. The Company is in the process of depositing the same with appropriate authority. (Refer note 24 of the financial statements)

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Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	1.76	April 2022 to September 2022

(b) Details of statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Amount deposited under protest (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	52.26	52.26	FY 2019-20	CIT (Appeal)
Income Tax Act 1961	Income Tax	80.96	80.96	FY 2020-21	CIT (Appeal)

(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) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2023.

(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. According to the information and explanations given by the management, we report that the amounts 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.

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(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 and the requisite details have been disclosed in the standalone financial statements, 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) The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered, the internal audit reports for the year under audit, issued to the Company during the year.

(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 clause3 (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 clause3 (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 clause3 (xvii) of the order are not applicable.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. (Refer Note 48 and 55(x) of the financial statements).

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(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: 23096570BGZGPC4360

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Place: Gurugram
Date: 23 May 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(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, 2023 in conjunction with our audit of the standalone 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 standalone 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 with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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

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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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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, 2023, 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)

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Rahul Singhal
Partner
Membership No. 096570
UDIN: 23096570BGZGPC4360

Place: Gurugram
Date: 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Standalone Balance Sheet as at 31 March 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
A ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	3	9,847.98	53,820.78
(b) Bank Balance other than included in (a) above	4	3,107.68	868.66
(c) Derivative financial instruments	16	231.10	23.61
(d) Receivables			
(i) Trade Receivable	5	-	110.31
(ii) Other Receivable		-	-
(e) Loans	6	467,159.48	254,011.89
(f) Investments	7	75,362.59	33,648.09
(g) Other financial assets	8	67.02	53.86
		555,775.85	**342,537.20**
2 Non-financial assets			
(a) Current tax assets (Net)	9	305.98	397.85
(b) Deferred tax assets (Net)	10	1,348.08	663.60
(c) Investment Property	11	13.32	149.92
(d) Property, plant and equipment	12	131.29	84.18
(e) Other Intangible assets	13	11.13	-
(f) Other non-financial assets	14	60.34	86.99
(g) Non-current Assets held for sale	15	118.00	-
		1,988.14	**1,382.54**
TOTAL ASSETS		**557,763.99**	**343,919.74**
B LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
(a) Derivative financial instruments	16	0.76	94.19
(b) Payables			
(I) Trade payables			
(i) Total outstanding dues to micro and small enterprises	17	3.17	3.17
(ii) Total outstanding dues of creditors other than micro and small enterprises	17	501.24	227.63
(II) Other payables			
(i) Total outstanding dues to micro and small enterprises	18	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	18	953.29	263.44
(c) Debt securities	19	27,299.03	39,131.54
(d) Borrowings (Other than debt securities)	20	285,270.58	162,347.19
(e) Other financial liabilities	21	12,606.90	1,752.65
		326,634.97	**203,819.81**
2 Non-financial liabilities			
(a) Current tax liabilities (Net)	22	805.37	259.21
(b) Provisions	23	306.66	302.31
(c) Other non-financial liabilities	24	519.94	309.67
		1,631.97	**871.19**
EQUITY			
(a) Equity share capital	25(a)	5,367.86	5,147.72
(b) Instruments entirely equity in nature	25(b)	1,438.29	755.83
(c) Other equity	26	222,690.90	133,325.19
		229,497.05	**139,228.74**
TOTAL LIABILITIES AND EQUITY		**557,763.99**	**343,919.74**

See accompanying notes forming part of the standalone Ind AS financial statements 1-65

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

S. N. DHAWAN & CO. LLP Gurugram Chartered Accountants

Place : Gurugram
Date : 23 May 2023

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 : 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Revenue from operations			
(i) Interest income	27	53,514.42	29,837.66
(ii) Fee and commission income	28	1,703.72	1,339.00
(iii) Net gain on fair value changes	29	730.51	120.55
(iv) Net gain on derecognition of financial instruments under amortised cost category	30	170.98	-
(b) Other income	31	58.59	26.55
I Total Income (a+b)		**56,178.22**	**31,323.76**
Expenses			
(a) Finance costs	32	18,326.80	14,296.86
(b) Impairment on financial instruments	33	2,767.11	1,367.45
(c) Employees benefit expenses	34	7,299.51	4,577.66
(d) Depreciation, amortisation and impairment expense	35	73.67	31.00
(e) Other expenses	36	1,745.26	1,539.80
II Total expenses		**30,212.35**	**21,812.77**
III Profit before tax (I-II)		**25,965.87**	**9,510.99**
IV Tax expense			
(a) Current tax	37	6,940.73	2,709.78
(b) Deferred tax (benefits)	37	(625.37)	(132.49)
Total tax expense		**6,315.36**	**2,577.29**
V Profit for the year (III-IV)		**19,650.51**	**6,933.70**
VI Other comprehensive income/ (loss), net of tax			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plans		55.81	(46.98)
Income tax benefit/ (charge) on above		(14.05)	11.82
Sub total (a)		**41.76**	**(35.16)**
(b) Items that will be reclassified to profit or loss			
Derivative instruments in Cash flow hedge relationship		(290.69)	(70.58)
Income tax benefit on above		73.16	17.76
Sub total (b)		**(217.53)**	**(52.82)**
Other comprehensive income/(loss) for the year		**(175.77)**	**(87.98)**
VII Total comprehensive income for the year (V+VI)		**19,474.74**	**6,845.72**
Earnings per equity share (nominal value of share Rs. 10 each):			
Basic (in ₹)	38	29.08	13.66
Diluted (in ₹)	38	27.79	12.79

See accompanying notes forming part of the standalone Ind AS financial statements 1-65

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

S.N. DHAWAN & CO. LLP Gurugram Chartered Accountants

Place : Gurugram
Date : 23 May 2023

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 : 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Standalone Statement of Cash Flows for the year ended 31 March 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**25,965.87**	**9,510.99**
Adjustments for:		
Remeasurement gain/(loss) on defined benefit plans	55.81	(46.98)
Depreciation, amortisation and impairment expense	73.67	31.00
Net gain on Alternative investment funds	-	(109.92)
Net gain on mutual funds at FVTPL	(730.51)	(10.63)
Interest income on investment	(5,110.41)	(1,099.23)
Profit/ Loss from sale of investment	(170.98)	1.74
Interest income on fixed deposits	(171.14)	(74.58)
Interest on income tax refund	(9.99)	-
Loss on derecognition of financial assets	-	290.46
Impairment allowance on loans	1,911.87	690.33
Impairment allowance on investment	39.60	6.15
Loss on loans & advances written off (net of recovery)	815.64	670.97
Employee stock options expense	528.18	677.70
Operating profit before working capital changes	**23,197.61**	**10,538.00**
Changes in working capital		
Increase/(decrease) in trade payables	273.61	25.10
Increase/(decrease) in other payables	689.85	241.98
Increase/(decrease) in Other financial liabilities	10,854.25	(115.49)
Increase/(decrease) in provisions	4.35	115.12
Increase/(decrease) in Other non-financial liabilities	210.27	(121.55)
(Increase)/decrease in Loans and advances	(215,875.09)	(120,011.20)
(Increase)/decrease in Other financial assets	(13.16)	240.04
(Increase)/decrease in Receivables	110.31	(110.31)
(Increase)/decrease in Other non-financial assets	26.65	(65.70)
Cash flow from operating activities post working capital changes	**(180,521.35)**	**(109,264.01)**
Income- tax paid	(6,292.71)	(2,769.76)
Net cash flow from operating activities (A)	**(186,814.06)**	**(112,033.77)**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(142.48)	(83.44)
Purchase of Intangible assets	(11.74)	-
Proceeds from sale of property, plant and equipment	40.92	3.34
Redemption from units of Alternative investment funds	-	3,167.17
Investment in mutual fund	(190,100.00)	(32,501.39)
Proceeds from sale of mutual funds	220,832.02	2,510.51
Investment in subsidiaries	(1,407.32)	-
Investment in debentures (net of sale proceeds)	(71,838.51)	1,798.26
Investment in Pass through certificates	-	(4,059.52)
Redemption from Pass through certificates	3,591.70	2,523.09
Investment in Fixed deposits (net of redemption)	(2,176.63)	54.63
Interest received from investments	3,179.92	-
Interest received on fixed deposits	108.75	1,156.35
Net cash used in investing activities (B)	**(37,923.37)**	**(25,431.00)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt securities (including accrued interest)	6,897.38	36,044.25
Repayments of debt securities	(18,729.89)	(29,380.81)
Net proceeds from cash credit and bank overdraft	11,574.62	(3,034.33)
Proceeds from other borrowings (including accrued interest)	456,676.56	282,151.25
Repayments of other borrowings	(345,919.42)	(201,139.19)
Proceeds from issue of share capital including share premium	71,046.29	86,743.67
Repayment towards deemed equity	(780.91)	-
Net cash flow from financing activities (C)	**180,764.63**	**171,384.84**
Increase in cash and cash equivalents (A+B+C)	**(43,972.80)**	**33,920.07**
Cash and cash equivalents at the beginning of the year	53,820.78	19,900.71
Cash and cash equivalents at the end of the year	**9,847.98**	**53,820.78**

S. N. DHAWAN & CO. LLP
Gurugram
Chartered Accountants

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Standalone Statement of Cash Flows for the year ended 31 March 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

Cash and cash equivalents consist of:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Cash on hand	10.28	5.98
Balance with banks		
-In current accounts	9,837.70	46,313.90
-In deposit accounts	-	7,500.00
Accrued interest	-	0.90
	9,847.98	**53,820.78**

The above standalone statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

See accompanying notes forming part of the standalone Ind AS financial statements 1-65

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

S.N. DHAWAN & CO. LLP ★ Gurugram ★ Chartered Accountants

Place : Gurugram
Date : 23 May 2023

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 : 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED ★

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Standalone statement of changes in equity for the year ended 31 March 2023
(All amounts in Lakhs of ₹ unless otherwise stated)

A Equity share capital

(1) Current reporting year

Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
5,147.72	220.14	5,367.86

(2) Previous reporting year

Balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
5,010.34	137.38	5,147.72

B Instruments entirely equity in nature

(a) Compulsorily convertible preference shares

(1) Current reporting year

Balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
755.83	682.46	1,438.29

(2) Previous reporting year

Balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
-	755.83	755.83

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	Optionally convertible redeemable preference shares	Retained Earnings	Cash flow hedges reserves	
Balance at 1 April 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: Other comprehensive income/ (loss) (net of tax)	-	-	-	-		(35.16)	(52.82)	**(87.98)**
Total comprehensive income/ (loss) for the year	-	-	-	-	-	**6,898.54**	**(52.82)**	**6,845.72**
Transfer to statutory reserve	-	1,369.14	-	-	-	(1,369.14)	-	-
Employee stock options	-	-	564.72	112.98	-	-	-	**677.70**
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 31 March 2022	**119,110.04**	**2,686.66**	**780.91**	**112.98**	-	**10,687.42**	**(52.82)**	**133,325.19**
Add: Profit for the year	-	-	-	-	-	19,650.51	-	**19,650.51**
Add: Other comprehensive income (net of tax)	-	-	-	-	-	41.76	(217.53)	**(175.77)**
Total comprehensive income/ (loss) for the year	-	-	-	-	-	**19,692.27**	**(217.53)**	**19,474.74**
Transfer to statutory reserve	-	3,930.10	-	-	-	(3,930.10)	-	-
Employee stock options	-	-	-	528.18	-	-	-	**528.18**
Repayment towards deemed equity			(780.91)					**(780.91)**
Securities premium on issue of equity shares	-	-	-	-	-	-	-	-
Securities premium on issue of Series A - CCPS	70,378.84	-	-	-	-	-	-	**70,378.84**
Optionally Convertible Redeemable Preference Shares	(293.53)	-	-	-	293.53	-	-	-
Converted into equity shares during the year	-	-	-	-	(220.14)			**(220.14)**
Share issue expenses	(15.00)	-	-	-	-	-	-	**(15.00)**
Balance at 31 March 2023	**189,180.35**	**6,616.76**	-	**641.16**	**73.39**	**26,449.59**	**(270.35)**	**222,690.90**

See accompanying notes forming part of the standalone Ind AS financial statements 1-65

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

S. N. DHAWAN & CO. LLP
Gurugram
Chartered Accountants

Place : Gurugram
Date : 23 May 2023

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 : 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

OXYZO FINANCIAL SERVICES PRIVATE LIMITED
Notes forming part of the Ind AS standalone financial statements for the year ended March 31, 2023

1. Corporate Information

Oxyzo Financial Services Private Limited (the "Company" or "Oxyzo") is a debt listed Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is holding a Certificate of Registration ('CoR') and registered as a systemically important non-deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934 (Registration No. N-14.03380) and is primarily engaged in the business of lending. The Company has its registered office at Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016 (India).

2. Significant Accounting Policies:

2.1 Statement of compliance:

These Standalone financial statements (herein after referred to as '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 and other applicable RBI circulars/notifications.

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

The financial statements were reviewed by the audit committee and authorized for issue by the Company's Board of Directors on 23 May 2023.

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 and derivative financial instruments. 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.

S. N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

2.4 Presentation of financial statements:

The Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss is presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs"), that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7, Statement of Cash Flows. 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 Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss is presented in the format prescribed under Division III of Schedule III of 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.

Incomes are recognised net of the goods and services tax, wherever applicable.

(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) and at fair value through other comprehensive income (OCI)) 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 financial assets at amortised cost, transaction costs, and all other premiums or discounts and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. 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.

S. N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

Delayed payment interest (penal interest and the like) levied on customers for delay in repayments/non payment of contractual cashflows is recognised on realization basis.

(ii) Other revenue from operation

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fee and commission income:
Revenue (other than for those items to which IND AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. IND AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

Fee and commission income includes fees other than those that are an integral part of EIR. The fees included in the Company's statement of profit and loss includes service and administration charges towards rendering of additional services to its loan customers and others fees charged for servicing of loans, fees charged on account of loan commitments and loan advisory fees.

Foreclosure charges are collected from loan customers for early payment / closure of loan and are recognised on realisation.

(b) 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 recognized 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.

(c) 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.

(iii) Other income:
The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

S. N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

2.6 Expenditures:

(i) Finance costs:
Finance costs represents interest expense and transaction cost 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 group companies. 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 consistent with the criteria specified in Ind AS 16 'Property, plant and equipment'. 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.

Useful life as used by the Company as indicated in Schedule II are listed below:

- Computers and Laptops- 3 Years

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

S. N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

OXYZO FINANCIAL SERVICES PRIVATE LIMITED

to bring the assets to their working condition for intended use. The Company's other intangible assets mainly include the value of computer software.

Intangible assets comprise computer software which is amortized on a straight-line basis over the estimated useful economic life. The useful life of the intangible assets are estimated at 3 to 5 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted in future periods in such a manner that the carrying amount of the asset is allocated over its remaining useful life.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in the Statement of Profit and Loss when the asset is derecognized.

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. Depreciation is recognised using straight line method in same line as mentioned in para 2.7 above.

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 Assets held for sale:

Assets held for sale comprises of house & land properties, which were held as collaterals against the loans given to customer, whose physical and legal possessing has been taken over by the company due to customers' default on repayment of the loan. Management intends to sell these properties for which regular auctions are conducted. Such assets are classified as held for sale when their carrying amount is intended to be recovered principally through sale rather than through continued use.

2.11 Impairment of non-financial assets:

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognized in profit or loss.

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2.12 Employee benefits:

(i) **Short-term employee benefits**:
Employee benefits expected to be settled 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**:
The Company operates the following post-employment schemes:

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

(b) *Defined benefit plans*:

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

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The Company contributes on a lumpsum basis towards the ascertained liabilities to the LIC's New Group Gratuity Cash Accumulation Plan managed by insurance company Life Insurance Corporation of India (LIC).

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

(iii) **Long term employee benefits**:

Benefits under compensated absences constitute other employee benefits. Employee entitlements to annual leave are recognized when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees up to the Balance Sheet date. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Expenses are recognized immediately in the Statement of Profit and Loss.

2.13 Employees Stock Option Scheme:

Equity-settled shared 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 46.1 & 46.2.

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 adjustment 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. The Company has entered into repayment arrangement for the provision of share based payments with the parent company for the ESOP granted and reimburse to the parent company as and when expenses recognised on the basis of grant date fair valuation.

2.14 Investment in subsidiaries and associates:

The investment in subsidiaries are carried at cost as per Ind AS 27. Investment carried at cost is tested for impairment as per Ind AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the followings:

(a) Power over the investee;

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(b) Exposure, or rights, to variable returns from its involvement with the investee and
(c) The ability to use its power over the investee to affect the amount of the investor's returns

On disposal of investment, the difference between its carrying amount the net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.15 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.
Financial assets are measured at FVTOCI subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

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(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.

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(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 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.

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(ii) Financial Liabilities:

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

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

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

(iii) Instruments Entirely Equity in nature

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

- total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the entity (excluding any effects of such instrument or contract) and
- the effect of substantially restricting or fixing the residual return to the instrument holders.

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

(iv) Equity Instruments

An equity instruments 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.

2.16 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

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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.

2.17 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.

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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

*excluding grace period of seven days.

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.

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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.

2.18 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.

2.19 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.

2.20 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

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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.

2.21 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.

2.22 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.

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2.23 Taxation:

Current Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Deferred Tax:

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current ax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

2.24 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.

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2.25 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.

2.26 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted av7rage 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.

2.27 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.

2.28 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

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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.47.

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 47

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, provisions and useful lives of tangible assets and intangible assets.

2.29 Recent Accounting Accouncements:

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

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Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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(All amounts in Lakhs of ₹ unless otherwise stated)

3 Cash and cash equivalents	As at 31 March 2023	As at 31 March 2022
Cash on hand	10.28	5.98
Balances with banks:		
- in current accounts	9,837.70	46,313.90
- in deposit accounts	-	7,500.00
Accrued interest on deposits with bank	-	0.90
Total	**9,847.98**	**53,820.78**

4 Bank balance other than cash and cash equivalents*	As at 31 March 2023	As at 31 March 2022
Deposits with bank held as margin money against borrowings	3,002.00	825.37
Accrued interest on deposits with bank	105.68	43.29
Total	**3,107.68**	**868.66**

*Deposits marked as lien with banks against borrowings

5 Trade Receivable	As at 31 March 2023	As at 31 March 2022
Considered Good – Secured	-	-
Considered Good – Unsecured (Refer Note-5.2)	-	110.31
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- credit impaired	-	-
Total	**-**	**110.31**

Impairment allowance on trade receivable is Nil (previous year Nil)

5.1 Trade receivable aging schedule for the year ending 31 March 2023 summaried as below:

Particulars	Outstanding for following periods from due date of payments					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	-	-	-	-	-
(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	-	-	-	-	-	-

5.2 Trade receivable aging schedule for the year ending 31 March 2022 summaried as below:

Particulars	Outstanding for following periods from due date of payments					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
(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 31 March 2023	As at 31 March 2022
At amortised cost		
(A) Loans		
(i) Purchase finance	322,982.72	212,793.64
(ii) Term Loans	149,091.13	44,744.01
(iii) Others (Staff Loans)	688.04	8.45
(iv) Interest accrued on loans	1,155.52	306.90
Total (A) - Gross	**473,917.41**	**257,853.00**
Less: Impairment loss allowance	4,974.99	3,063.13
Less: Revenue received in advance	1,782.94	777.98
Total (A) - Net	**467,159.48**	**254,011.89**

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(All amounts in Lakhs of ₹ unless otherwise stated)

(B)		
(i) Secured by tangible assets*	29,947.65	10,205.97
(ii) Secured by others	138,221.12	44,685.22
(iii) Covered by bank guarantee	176,061.49	140,275.50
(iv) Unsecured	129,687.15	62,686.31
Total (B) - Gross	**473,917.41**	**257,853.00**
Less: Impairment loss allowance	4,974.99	3,063.13
Less: Revenue received in advance	1,782.94	777.98
Total (B) - Net	**467,159.48**	**254,011.89**
(C) Loans in India**		
(i) Public sector	-	-
(ii) Others	473,917.41	257,853.00
Total (C) - Gross	**473,917.41**	**257,853.00**
Less: Impairment loss allowance	4,974.99	3,063.13
Less: Revenue received in advance	1,782.94	777.98
Total (C) - Net	**467,159.48**	**254,011.89**

* 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 47 on credit risk

Amount of loans or advance in the nature of loan outstanding and Percentage

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount	Percentage	Amount	Percentage
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	130.88	0.03%	435.71	0.17%

7 **Investments**

	As at 31 March 2023	As at 31 March 2022
(A) Investment carried at cost		
Investments in equity instrument in subsidiaries*		
Unquoted Investments (all fully paid)		
(i) OXY Ventures Private Limited (refer note i)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	200.00	-
(ii) OXY B Securities Private Limited (refer note ii)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	5.10	-
(iii) Oxyzo Investment Manager Private Limited (refer note iii)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	10.10	-
(iv) Oxyzo Finvest Private Limited (refer note iv)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	0.10	-
(v) Ziel Financial Technologies Private Limited (refer note v)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	798.00	-
(vi) Zfirst Technologies Private Limited (refer note vi)		
- Equity share of ₹10 each, previous year Nil each (fully paid up)	0.02	-
Investments in compulsory convertible preference shares (CCPS)*		
(i) Zfirst Technologies Private Limited (refer note vi)		
- CCPS of ₹10 each, previous year Nil each (fully paid up)	394.00	-
(B) Investments at amortised Cost:		
Debt securities**	72,009.49	-
Interest accrued on debt securities**	1,946.65	-
Less: Impairment loss allowance	(54.18)	-
Pass through certificates (PTC)	53.02	3,644.71
Accrued interest on PTC	0.29	16.45
Less: Impairment loss allowance on pass through certificates	-	(14.58)
(C) Investments at fair value through other comprehensive income (OCI):		
Investments in compulsory convertible note of other Companies		
Unquoted Investments (all partly paid)		
Diptab Ventures Private Limited (refer note vii)		
- Convertible note of 4 each, previous year Nil each (partly paid up)	-	-
(D) Investments at fair value through profit and loss:		
Investment in Mutual funds	-	30,001.51
Total (A)	**75,362.59**	**33,648.09**

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(i) Investment outside India	-	-
(ii) Investment in India	75,362.59	33,648.09
Total (B)	**75,362.59**	**33,648.09**

* The Company has elected to account for investment in subsidiary at cost in accordance with Ind AS 27 'Separate Financial Statements'

** Includes investment in unsecured perpetual debentures of Banks amounting to ₹26,257.58 lakhs

(i) During the year ended 31 March 2023, on 6 June 2022 and 13 June 2022 the Company has invested of ₹ 200.00 lakhs in Oxy Ventures Private Limited, a wholly owned subsidiary of the Company, by subscribing to 20,00,000 lakhs equity shares of face value of ₹10 each per share.

(ii) During the year ended 31 March 2023, on 5 July 2022 and 2 August 2022 the Company has invested ₹ 5.10 lakhs in Oxy B Securities Private Limited, a wholly owned subsidiary of the Company, by subscribing to 51,000 equity shares of face value of ₹10 each per share.

(iii) During the year ended 31 March 2023, on 16 August 2022 and 23 January 2023 the Company has invested of ₹ 10.10 lakhs in Oxyzo Investment Manager Private Limited, a wholly owned subsidiary of the Company, by subscribing to 101,000 equity shares of face value of ₹10 each per share.

(iv) During the year ended 31 March 2023, on 22 November 2022 the Company has invested ₹ 0.10 lakhs in Oxyzo Finvest Private Limited, a wholly owned subsidiary of the Company, by subscribing to 1,000 equity shares of face value of ₹10 each per share.

(v) During the year ended 31 March 2023, on 24 November 2022 the Company has acquired 26,80,000 equity shares (represents 100% outstanding share capital) at face value of ₹10 each per share from the promoters of Ziel Financial Technologies Private Limited. As a result, Ziel Financial Technologies Private Limited has become the wholly owned subsidiary of the Company w.e.f 24 November 2022. Further, on 26 December 2022 and 24 March 2023, the Company has subscribed 23,00,000 and 30,00,000 equity shares at face value of ₹10 each per share respectively of the wholly owned subsidiary company.

(vi) During the year ended 31 March 2023, on 20 February 2023 the Company has completed the acquisition of 100 equity shares of face value of ₹10 each per share at a premium of ₹10 each and 19,70,000 compulsory convertible preference shares of face value of ₹10 each per share at a premium of ₹10 each from the Angel investors of ZFirst Technologies Private Limited. Consequently the Company hold 34.43% stake in ZFirst Technologies Private Limited on diluted basis. As per Ind AS, by virtue of control, the Company has classified ZFirst Technologies Private Limited as subsidiary company.

(vii) During the year ended 31 March 2023, on 21 July 2022, the Company has invested ₹130 in 130 convertible note paid up ₹1 per note of Diptab Ventures Private Limited having nominal value of ₹4 each at premium of ₹49,379 per convertible note. The Company has entered into investment agreement with the issuer and accordingly the issuer will issue compulsory convertible preference share at the price of series B to the Company.

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Other financial assets	As at 31 March 2023	As at 31 March 2022
Margin money against borrowings	-	20.83
Interest accrued on margin money against borrowings	-	0.14
Other recoverable from related party (Refer Note 43)	13.99	0.86
Other advances	53.03	32.03
Total	**67.02**	**53.86**

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Current tax assets (Net)	As at 31 March 2023	As at 31 March 2022
Current tax assets	305.98	397.85
Total	**305.98**	**397.85**

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Deferred tax assets	As at 31 March 2023	As at 31 March 2022
Tax effect of items constituting deferred tax assets		
Provision for gratuity	52.04	52.92
Provision for variable pay	-	5.31
Provision for compensated absences	25.14	22.39
Impairment on financial instruments	898.54	499.05
Impairment on Non Current Asset Held for sale	4.33	-
Deferred processing fee on loan assets	448.73	195.80
Cash Flow Hedge Reserve	90.92	17.76
	1,519.70	**793.23**
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment	2.58	1.50
Fair value changes in investment	-	0.76
Prepaid Expenses	-	21.63
Unamortised processing fees on borrowings	169.04	105.74
	171.62	**129.63**
Deferred tax assets /(liabilities) (net)	**1,348.08**	**663.60**

Deferred taxes arising from temporary differences for the year ended 31 March 2023 are summarized as follows:

Deferred tax assets /(Liabilities)	As at 1 April 2022	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2023
Tax effect of items constituting deferred tax assets				
Provision for gratuity	52.92	13.17	(14.05)	52.04
Provision for Variable pay	5.31	(5.31)	-	-
Provision for compensated absences	22.39	2.75	-	25.14
Impairment on financial instruments	499.05	399.49	-	898.54
Impairment on Non Current Asset Held for sale	-	4.33	-	4.33
Deferred processing fee	195.80	252.93	-	448.73
Cash Flow Hedge Reserve	17.76	-	73.16	90.92
	793.23	**667.36**	**59.11**	**1,519.70**

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Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of				
Fair value change in investment	1.50	1.08	-	2.58
Prepaid Expenses	0.76	(0.76)	-	-
Unamortised processing fees on borrowings	21.63	(21.63)	-	-
	105.74	63.30	-	169.04
	129.63	**41.99**	**-**	**171.62**
Deferred tax assets /(liabilities) (net)	**663.60**	**625.37**	**59.11**	**1,348.08**

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

Deferred tax assets /(Liabilities)	**As at 1 April 2021**	**Recognized in profit or loss**	**Recognized in other comprehensive income**	**As at 31 March 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	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				
Fair value change in investment	0.19	1.31	-	1.50
Prepaid Expenses	-	0.76		0.76
Unamortised processing fees on borrowings	-	21.63		21.63
	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**

11 Investment Property

Particulars	Land-freehold	Total
Gross carrying amount (at cost)		
As at 01 April 2021	**149.92**	**149.92**
Additions	-	-
Disposals	-	-
Transfer	-	-
As at 31 March 2022	**149.92**	**149.92**
Additions	-	-
Disposals -	-	-
Transfer (Refer Note 15)	**136.60**	**136.60**
As at 31 March 2023	**13.32**	**13.32**
Accumulated depreciation		
As at 01 April 2021	-	-
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2022	-	-
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2023	-	-
Carrying amount		
As at 31 March 2022	**149.92**	**149.92**
As at 31 March 2023	**13.32**	**13.32**

(i) As at 31 March 2023 and as at 31 March 2022, the fair value (Level 3) of property is ₹13.32 Lakh and ₹162.42 Lakh respectively. The property is carried at cost on basis of management's best estimate that fair value of property is higher than the carry value.

(ii) During the previous year, 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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12 Property, plant and equipment

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

Particulars	Furniture and Fixtures	Computers	Total
Gross carrying amount (at cost)			
As at 01 April 2021	-	**71.67**	**71.67**
Additions	-	83.44	83.44
Disposals	-	(10.45)	(10.45)
As at 31 March 2022	-	**144.66**	**144.66**
Additions	1.01	141.47	142.48
Disposals	-	(68.70)	(68.70)
As at 31 March 2023	**1.01**	**217.43**	**218.44**
Accumulated depreciation			
As at 01 April 2021	-	**36.59**	**36.59**
Additions	-	31.00	31.00
Disposals	-	(7.11)	(7.11)
As at 31 March 2022	-	**60.48**	**60.48**
Additions	0.01	54.44	54.45
Disposals	-	(27.78)	(27.78)
As at 31 March 2023	**0.01**	**87.14**	**87.15**
Carrying amount			
As at 31 March 2022	-	**84.18**	**84.18**
As at 31 March 2023	**1.00**	**130.29**	**131.29**

13 Other Intangible assets

Details of the Company's intangible assets and their carrying amounts are as follows:

Particulars	Computer software	Total
Gross carrying amount (at cost)		
As at 01 April 2021	-	-
Additions	-	-
Disposals	-	-
As at 31 March 2022	-	-
Additions	11.74	11.74
Disposals	-	-
As at 31 March 2023	**11.74**	**11.74**
Accumulated depreciation		
As at 31 March 2022	-	-
Additions	0.61	0.61
Disposals	-	-
As at 31 March 2023	**0.61**	**0.61**
Carrying amount		
As at 31 March 2022	-	-
As at 31 March 2023	**11.13**	**11.13**

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Other non-financial assets	**As at 31 March 2023**	**As at 31 March 2022**
Prepaid expenses (Refer Note 43)	60.34	85.94
Advance to employees	-	1.05
Total	**60.34**	**86.99**

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Non current assets held for sale	**As at 31 March 2023**	**As at 31 March 2022**
Non current assets held for sale	**136.60**	-
Less: Impairment on assets held for sale	18.60	-
Total	**118.00**	-

During the year ended 31 March 2023, the Company initiated identification and evaluation of potential buyers for its land situated at Madanpur Dabas, New Delhi. The Company anticipates completion of the sale in foreseeable future and accordingly, investments property amounting to ₹118.00 lakhs in respect of land have been reclassified under 'assets held for sale' at lower of cost or fair market value. The cost of land was ₹136.60 which has been impaired during the year on the basis of valuation report issued by registered valuer.

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Derivative financial Instruments	As at 31 March 2023			As at 31 March 2022		
	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	231.10	-	4,752.48	-	94.19
Subtotal (i)	**4,752.48**	**231.10**	-	**4,752.48**	-	**94.19**
(ii) Interest rate derivatives						
Forward Rate Agreements and interest rate swaps	**257.12**		0.76	**4,752.48**	23.61	-
Subtotal (ii)	**257.12**	-	**0.76**	**4,752.48**	**23.61**	-
Total Derivative Financial Instruments (i)+(ii)	**5,009.60**	**231.10**	**0.76**	**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	231.10	-	4,752.48	-	94.19
-Interest rate derivatives	257.12	-	0.76	4,752.48	23.61	-
Subtotal (ii)	**5,009.60**	**231.10**	**0.76**	**9,504.96**	**23.61**	**94.19**
Total Derivative Financial Instruments (i+ii)	**5,009.60**	**231.10**	**0.76**	**9,504.96**	**23.61**	**94.19**

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Trade payables	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of creditors micro enterprises and small enterprises	3.17	3.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	501.24	227.63
Total	**504.41**	**230.80**

17.1 Trade Payable aging schedule for the year ending 31 March 2023 summaried as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	490.48	2.75	3.22	0.17	**496.62**
(iii) Disputed dues - MSME	-	-		3.17	**3.17**
(iv) Disputed dues - Others	-	-	4.62	-	**4.62**
Total	**490.48**	**2.75**	**7.84**	**3.34**	**504.41**

17.2 Trade Payable aging schedule for the year ending 31 March 2022 summaried as below:

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	205.43	7.44	10.13	-	**223.00**
(iii) Disputed dues - MSME	-	-	3.17	-	**3.17**
(iv) Disputed dues - Others	-	-	4.63	-	**4.63**
Total	**205.43**	**7.44**	**17.93**	**-**	**230.80**

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Other payables	As at 31 March 2023	As at 31 March 2022
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises		
Employee related payable	68.19	51.90
Payable to OFB Tech Private Limited (Holding Company) (Refer Note 43)	885.10	211.54
Total	**953.29**	**263.44**

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Debt securities	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Unsecured		
Commercial paper (Refer Note 19.1)	-	6,328.58
Accrued interest on commercial paper	-	61.19
	-	**6,389.77**
Secured		
Debentures (Refer Note 19.2)	26,471.67	31,446.53
Accrued interest on debentures	919.51	1,426.45
	27,391.18	**32,872.98**
Less: Unamortised processing fees on borrowings	92.15	131.21
Total	**27,299.03**	**39,131.54**

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Debt securities in India	**27,299.03**	**39,131.54**
Debt securities outside India	**-**	**-**
Total	**27,299.03**	**39,131.54**

19.1 Commercial papers: Unsecured

Repayment Terms^	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Bullet	Upto 1 year	-	6.95% to 8.90%	-	6,328.58
Total				**-**	**6,328.58**

19.2 Security and terms of repayment for redeemable non-convertible debenture (NCD)

Repayment Terms	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Listed NCD:					
Fixed Interest rate					
3,500 NCD's of ₹1,00,000/- each (Previous year 1,500 NCD's of ₹100,000/- each)	Upto 3 years	9.75% to 12.75%	12.75%	3,500.00	1,500.00
250 NCD's of ₹1,000,000/- each (Previous year 250 NCD's of ₹1,000,000/- each)	Upto 3 years	9.00%	8.75% to 9.00%	2,500.00	2,500.00
Current year NIL# (Previous year 600 NCD's of ₹2,50,000/- each)	Upto 2 years	-	10.00%	-	1,500.00
Current year NIL# (Previous year 100 NCD's of ₹4,00,000/- each)	Upto 2 years	-	10.00%	-	400.00
Current year NIL# (Previous year 5000 NCD's of ₹4,000/- each)	Upto 3 years	-	12.71%	-	200.00
Floating Interest rate					
Linked with 5.77% GSec 2030 614 NCD's of ₹10,00,000/- each (Previous year 614 NCD's of ₹10,00,000/- each)	Upto 2 years	8.65% to 8.75%	8.65% to 8.75%	6,140.00	6,140.00
linked with BSE Sensex 4,000 NCD's of ₹1,00,000/- each (Previous year 4700 NCD's of ₹ 1,00,000/- each)	Upto 3 years	9.00%	11.50% to 14.95%	4,000.00	4,700.00
Linked with Repo Rate 480 NCD's of ₹250,000/- each# (Previous year 480 NCD's of ₹ 750,000/- each)	Upto 2 years	9.30%	9.30%	1,200.00	3,600.00
				17,340.00	**20,540.00**
Unlisted NCD:					
Fixed Interest rate					
519 NCD's of ₹1,000,000/- each (Previous year 519 NCD's of ₹1,000,000/- each)	Upto 4 years	11.24%	11.24%	5,190.00	5,190.00
30,000 NCD's of ₹10,000/- each (Previous year 30,000 NCD's of ₹10,000/- each)	Upto 2 years	9.50%	9.50%	3,000.00	3,000.00
2,825 NCD's of ₹33,333.33/- each# (Previous year 2,825 NCD's of ₹66,666.67/- each)	Upto 3 years	12.60%	12.60%	941.67	1,883.33
Current year NIL# (Previous year 2,500 NCD's of ₹33,328/- each)	Upto 2 years	-	11.20%	-	833.20
				9,131.67	**10,906.53**
Total				**26,471.67**	**31,446.53**

(a) Non-convertible redeemable debentures are secured by first and exclusive charge over the specific identified book debts/ loan receivables of the company.

(b) Non-convertible redeemable debentures of ₹ 7,631.67 lakhs (previous year ₹ 13,173.33 Lakhs) are secured by corporate guarantee also from the Holding Company, OFB Tech Private Limited.

(c) During the previous year, non-convertible redeemable debentures of ₹ Nil (previous year ₹ 1700.00 Lakhs) are secured by first paripassu charge on the immovable property being freehold land situated at Mappedu Village, Tiruvallur taluk and district, Chennai, Tamil Nadu.

#Non-convertible redeemable debentures ("NCD") are redeemed during the year by reducing the face value of the NCD

Interest and unamortised processing fees is not included.

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20 Borrowings (other than debt securities)	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Secured		
External commercial borrowings (Refer Note 20.1)	5,343.96	4,752.33
Term loans from banks (Refer Note 20.2)	208,566.25	102,021.73
Term loans from financial institutions (Refer Note 20.3)	58,654.09	54,394.44
Accrued interest on term loans	776.95	533.42
	273,341.25	**161,701.92**
Secured		
Cash credit and bank overdraft (Refer Note 20.4)	12,508.82	934.20
	12,508.82	**934.20**
Total (A) - Gross	**285,850.07**	**162,636.12**
Less: Unamortised processing fees on borrowings	579.49	288.93
Total (A) - Net	**285,270.58**	**162,347.19**
Borrowings (other than debt securities) in India	279,910.47	157,576.22
Borrowings (other than debt securities) outside India	5,360.11	4,770.97
Total (B) - Net	**285,270.58**	**162,347.19**

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

Repayment Terms	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Floating Interest rate Linked with USD 6M LIBOR					
Bullet	Upto 5 Years	9.81%	4.65%	5,343.96	4,752.33
Total				**5,343.96**	**4,752.33**

Note: During the previous year, the company has 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.

^ External Commercial Borrowing (ECB) is secured by first and exclusive charge on specific identified receivables of the Company.

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

Repayment Terms	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Fixed Interest rate					
Monthly	Upto 4 years	9.50% to 12.00%	9.50% to 13.00%	11,340.55	12,860.93
Floating Interest rate					
Bullet	Upto 1 Years	7.90% to 9.50%	7.00% to 9.25%	98,990.40	42,000.00
Quarterly	Upto 4 Years	8.55% to 9.90%	8.30% to 9.25%	53,768.07	8,000.00
Monthly	Upto 4 Years	8.75% to 11.90%	8.05% to 12.35%	44,467.23	39,160.80
Total				**208,566.25**	**102,021.73**

^ Term loans from bank are secured by first and exclusive charge on specific identified receivables of the Company. Term loans from banks of ₹ 2,257.90 lakhs (previous year ₹ 14,308.72 lakhs) are secured by corporate guarantee also by holding Company.

20.3 Security and terms of repayment for secured term loans from financial institutions^

Repayment Terms	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Fixed Interest rate					
Half yearly	Upto 2 years	-	12.00%	-	833.33
Quarterly	Upto 3 years	9.10% to 10.25%	9.10% to 11.60%	6,250.00	5,875.00
Monthly	Upto 4 years	9.00% to 11.75%	9.50% to 12.25%	4,640.68	9,057.41
Floating Interest rate					
Bullet	Upto 2 Years	9.50%	8.50% to 8.90%	4,300.00	2,500.00
Quarterly	Upto 3 Years	8.90%	6.85% to 11.50%	10,000.00	2,750.00
Monthly	Upto 3 Years	9.00% to 11.50%	8.70% to 12.25%	33,463.41	33,378.70
Total				**58,654.09**	**54,394.44**

^ 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 ₹ 1,715.09 lakhs (previous year ₹ 14,987.47 lakhs) are secured by corporate guarantee by holding Company. Term loan from financial institution of ₹ 474.65 lakhs (previous year ₹ 1,350.67 lakhs) secured by guarantee of third party.

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

Repayment Terms	Tenure	Interest Range (At 31 March 2023)	Interest Range (At 31 March 2022)	As at 31 March 2023	As at 31 March 2022
Floating Interest rate Bullet	Upto 1 year	8.15% to 9.65%	9.25%	12,508.82	934.20
				12,508.82	**934.20**

^ During the current year, cash credit and bank overdraft are secured by first and exclusive charge on specific identified receivables of the Company. Further cash credit and bank overdraft limit of certain banks are secured by fixed deposits.

^ During the previous year, 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'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.

21 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Margin money from borrowers	6,536.24	963.52
Interest accrued but not due on margin money	118.22	17.94
Loans pending disbursement (Refer Note 43)	5,952.44	769.90
Others	-	1.29
Total	**12,606.90**	**1,752.65**

22 Current tax liabilities

	As at 31 March 2023	As at 31 March 2022
Provision for Tax [net of taxes paid ₹ 6,135.36 Lakhs (Previous year net of taxes paid ₹ 2,450.57 Lakhs)]	805.37	259.21
Total	**805.37**	**259.21**

23 Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
Provision for gratuity (Refer Note 40(b))	206.79	213.34
Provision for compensated absences (Refer Note 40(c))	99.87	88.97
Total	**306.66**	**302.31**

24 Other non-financial liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory remittances	519.94	309.67
Total	**519.94**	**309.67**

Undisputed statutory dues related to provident fund amounting to Rs. 3.19 lakhs have not been deposited for the FY 2022-23 which includes 1.76 lakhs outstanding for more than 6 months due to Aadhaar verification issue. The Company is in the process to get the verification completed and deposit the amount with the statutory authority.

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25 Equity

(a) Equity Share Capital

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

Particulars	As at 31 March 2023 No. of shares	As at 31 March 2023 (₹ in lakhs)	As at 31 March 2022 No. of shares	As at 31 March 2022 (₹ in lakhs)
Authorised Equity share capital				
Equity shares of Rs.10 each	73,381,715	7,338.17	73,381,715	7,338.17
Total	**73,381,715**	**7,338.17**	**73,381,715**	**7,338.17**
Issued, subscribed and paid up Equity share capital				
Equity shares of Rs.10 each	53,678,676	5,367.86	51,477,209	5,147.72
	53,678,676	**5,367.86**	**51,477,209**	**5,147.72**

(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 31 March 2023 No. of shares	As at 31 March 2023 (₹ in lakhs)	As at 31 March 2022 No. of shares	As at 31 March 2022 (₹ in lakhs)
At the beginning of the year	**51,477,209**	**5,147.72**	**50,103,388**	**5,010.34**
Add:				
- Issued during the year (refer note vi)	20	-	1,373,821	137.38
- Converted during the year (refer note vii)	2,201,447	220.14	-	-
Outstanding at the end of the year^	**53,678,676**	**5,367.86**	**51,477,209**	**5,147.72**

(iv) Equity shares in the Company held by the promoter of the Company

Particulars	As at 31 March 2023 No. of shares	As at 31 March 2023 % of holding	As at 31 March 2022 No. of shares	As at 31 March 2022 % of holding
OFB Tech Private Limited (holding company)	51,477,159	95.90	51,477,159	100.00
Ruchi Kalra (including nominee shares)^	2,201,467	4.10	20	-

^Till February 2022, Ms. Ruchi Kalra was holding 10 shares as nominee shareholder of OFB Tech Private Limited and on 25 February 2022 10 shares were transferred from OFB Tech Private Limited in her name as beneficiary shareholder; Cumulative holding as on 31 March 2022 was 20 Equity Shares.

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

Particulars	As at 31 March 2023 No. of shares	As at 31 March 2023 % of holding	As at 31 March 2022 No. of shares	As at 31 March 2022 % of holding
OFB Tech Private Limited (holding company)	51,477,159	95.90	51,477,159	100.00

(vi) The Company under the provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013, as amended, including the rules made thereunder, has concluded Private Placement, by allotting 10 equity shares at a price of ₹ 1,041.26 per equity share with a face value of ₹ 10 per share including a premium of ₹ 1,031.26 per share aggregating ₹ 0.10 lakhs, on 05 April 2022 and further another allotment of 10 equity shares at a price of ₹ 1,041.26 per equity share with a face value of ₹ 10 per share including a premium of ₹ 1,031.26 per share aggregating ₹ 0.10 lakhs, on 06 April 2022.

During the previous year, the Company has issued 1,080,263 Equity shares and 2,93,558 equity shares of face value of ₹ 10 each fully paid-up at ₹ 462.85 per share and ₹ 1,041.26 per share fully paid up including a premium of ₹ 452.85 and ₹ 1,031.26 per share in September 2021 and March 2022 respectively. Out of these, 1,080,263 and 2,93,528 equity shares were allotted to the holding company.

(vii) Pursuant to the applicable provisions of Section 55 of the Companies Act, 2013 and applicable rules made thereunder and pursuant to the request received from the Promoter, the Company has converted 22,01,447 Series A OCRPS held by the Promoter into Equity Shares having face value ₹ 10 each in the ratio of 1:1, on 11 April 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 2023		As at 31 March 2022	
	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	14,382,874	1,438.29
Total	**14,382,874**	**1,438.29**	**14,382,874**	**1,438.29**
Issued, subscribed and paid up				
-Series A cumulative, mandatory and fully convertible preference shares of Rs. 10 each	14,382,868	1,438.29	7,558,340	755.83
Total	**14,382,868**	**1,438.29**	**7,558,340**	**755.83**

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

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 shared 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 2023		As at 31 March 2022	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
At the beginning of the year	**7,558,340**	**755.83**	-	-
Add:				
-Issued during the year (refer note v)	6,824,528	682.46	7,558,340	755.83
Outstanding at the end of the year	**14,382,868**	**1,438.29**	**7,558,340**	**755.83**

(iv) Details of shareholders holding more than 5% cumulative, mandatorily and compulsorily convertible preference shares ("CCPS")

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Alpha Wave Ventures II LP	5,430,276	37.76	-	-
Internet Fund VII Pte. Ltd.	3,302,191	22.96	3,302,191	43.69
Norwest Capital, LLC	2,788,515	19.39	2,788,515	36.89
Creation Investments Social Ventures Fund V, LP	1,467,634	10.20	1,467,634	19.42
Matrix Partners India Investments IV, LLC	1,382,145	9.61	-	-

(v) During the year ended 31 March 2023, pursuant to the provisions of Sections 42, 62(1)(c) and 55 of the Companies Act, 2013, as amended, including the rules made thereunder the Company has issued 68,24,528 Series A CCPS at a price of ₹ 1,041.26 per CCPS with a face value of ₹ 10 per share including a premium of ₹ 1,031.26 per share aggregating ₹ 71,061.08 lakhs on private placement basis on 05 April 2022, 06 April 2022 and 06 August 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. During the previous year, the Company has issued 7,558,340 Series A CCPS at a price of ₹ 1,041.26 per CCPS with a face value of ₹ 10 per share including a premium of ₹ 1,031.26 per share aggregating ₹ 78,701.97 lakhs on private placement basis between 29 March 2022, 30 March 2022 and 31 March 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.

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26 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium reserve	189,180.35	119,110.04
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	6,616.76	2,686.66
Deemed equity contribution	-	780.91
Retained earnings	26,449.59	10,687.42
Employee stock Options Outstanding Account	641.16	112.98
Optionally convertible redeemable preference shares	73.39	-
Cash flow hedges reserve	(270.35)	(52.82)
Total	**222,690.90**	**133,325.19**

(i) Securities premium reserve(1)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	119,110.04	33,259.58
Add: Securities premium on issue of Series A-CCPS (Refer note 25b(v))	70,378.63	77,946.14
Add: Securities premium on issue of Equity shares (Refer note 25a(vi))	0.21	7,919.32
Less: Optionally Convertible Redeemable Preference Shares (Refer note (vi))	293.53	-
Less: Share issue expenses	15.00	15.00
Closing balance	**189,180.35**	**119,110.04**

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1934)(2)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	2,686.66	1,317.52
Add: Transferred from retained earnings	3,930.10	1,369.14
Closing balance	**6,616.76**	**2,686.66**

(iii) Cash flow hedges reserves(3)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**(52.82)**	-
Add: Transferred from other comprehensive income	(217.53)	(52.82)
Closing balance	**(270.35)**	**(52.82)**

(iv) Deemed equity contribution(4)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**780.91**	**216.19**
Less: Transferred to payable (Refer note 26(7))	(780.91)	-
Add: Share based payment expense as per Statement of profit		564.72
Closing balance	-	**780.91**

(v)Employee stock Options Outstanding Account(5)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**112.98**	-
Add: Share based payment expense as per Statement of profit and loss (refer note 46.2)	528.18	112.98
Closing balance	**641.16**	**112.98**

(vi) Equity Component of Optionally convertible redeemable preference shares

(a) Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023 No. of shares	As at 31 March 2023 (₹ in lakhs)	As at 31 March 2022 No. of shares	As at 31 March 2022 (₹ in lakhs)
Authorised				
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	2,935,263	293.53	2,935,263	293.53
Total	**2,935,263**	**293.53**	**2,935,263**	**293.53**

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Issued, subscribed and paid up				
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	733,816	73.39	-	-
Total	**733,816**	**73.39**	**-**	**-**

(b) Reconciliation of Optionally convertible redeemable preference shares

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Add: Transferred from Securities premium reserve (Refer Note 26(8))	293.53	-
Less: Converted into equity shares during the year (Refer Note 25(a)(vii))	220.14	-
Closing balance	**73.39**	**-**

Terms/rights attached to optionally convertible redeemable preference shares ("OCRPS")

Company has issued Series A OCRPS, without any dividend right, will rank pari passu among themselves, convertible into one equity shares each as per conditions mentioned below. Upon conversion of Series A OCRPS into Equity Shares, the holder of the Equity Shares shall be entitled to participate in the dividend of equity shares on pari passu basis with the holder of all other Equity Shares.

Out of these 22,01,447 Series A OCRPS convertible into equity upon closing of issue, 3,66,908 Series A OCRPS convertible into equity shares upon the Company achieving a pre-tax return on asset of 6% per quarter and remaining 3,66,908 Series A OCRPS convertible into equity shares upon the earlier of (a) completion of an equity capital raise by the Company of not less than USD 100,000,000 (United States Dollars One Hundred Million) (including through a (i) primary investment or a (ii) simultaneous primary investment and secondary sale of Equity Securities) at a pre-money valuation of not less than USD 2500,000,000 (United States Dollars Two Billion Five Hundred Million Thousand and Five Hundred Million) or (b) a Qualified IPO at a pre-money valuation of not less than USD 2500,000,000 (United States Dollars Two Billion Five Hundred Million).

(vii) Retained earnings[(6)]

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**10,687.42**	**5,158.02**
Add: Profit for the year	19,650.51	6,933.70
Add: Transferred from other comprehensive income	41.76	(35.16)
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	3,930.10	1,369.14
Closing balance	**26,449.59**	**10,687.42**

Nature and purpose of other equity

(1) Securities premium
Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(2) Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934
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.

(3) Cash flow hedge reserve
It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

(4) Deemed equity contribution
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 46.1.

(5) Employee stock Options Outstanding Account
Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company.

(6) Retained earnings
Retained earnings represents the surplus in Profit and Loss Account and appropriations.
The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure,
which comprises of:
(a) actuarial gains and losses;
(b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset) ; and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

(7) During the year, the Company has reimbursed the Stock Option costs classified under deemed equity to the Holding Company pursuant to agreement executed between the company and holding company.

(8) During the year ended 31 March 2023, on 06 April 2022 the Company has allotted 29,35,263 Series A OCRPS of ₹ 10 each as bonus shares on selective basis of an aggregate nominal value of ₹ 293.53 lakhs credited as fully paid up bonus shares to the one of the Promoter out of the Securities Premium Account.

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Interest income (on financial assets measured at amortised cost)	Year ended 31 March 2023	Year ended 31 March 2022
Interest on loans (Refer note 43)	48,232.87	28,663.85
Interest income from investments	5,110.41	1,099.23
Interest on deposits with banks	171.14	74.58
Total	**53,514.42**	**29,837.66**

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Fee and commission income	Year ended 31 March 2023	Year ended 31 March 2022
Service and other fees (Refer note 43)	956.59	1,244.66
Subvention charges (Refer note 43)	747.13	94.34
Total	**1,703.72**	**1,339.00**

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Net gain on fair value changes (on financial assets measured at FVTPL)	Year ended 31 March 2023	Year ended 31 March 2022
-On Alternative investment funds	-	109.92
-On Mutual fund investments	730.51	10.63
Total	**730.51**	**120.55**

Fair value changes:		
-Realised (Including reinvested)	730.51	117.54
-Unrealised	-	3.01
Total	**730.51**	**120.55**

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Net gain on derecognition of financial instruments under amortised cost category	Year ended 31 March 2023	Year ended 31 March 2022
-On Debt Securities	170.98	-
Total	**170.98**	**-**

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Other income	Year ended 31 March 2023	Year ended 31 March 2022
Interest on income tax refund	9.99	-
Ex-Gratia grant received	-	19.64
Miscellaneous income	-	6.91
Excess liabilities written back	48.60	-
Total	**58.59**	**26.55**

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Finance costs (on financial liabilities measured at amortised cost)	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses on:		
Borrowings:		
-On Loans from banks	10,120.38	5,167.78
-On Loans from financial institutions*	4,901.95	5,124.85
Debt securities		
-On Debentures	3,059.02	3,728.46
-On Commercial paper	114.22	224.85
Others:		
-On security deposits	131.23	50.92
Total	**18,326.80**	**14,296.86**

*includes premium on principal only swaps on foreign currency loans to ₹ 241.26 lakhs (previous year ₹ 205.09 lakhs)

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Impairment on financial instruments	Year ended 31 March 2023	Year ended 31 March 2022
Impairment on financial instruments measured at amortised cost		
Impairment allowance on loans (Refer Note 47)	1,911.87	690.33
Impairment allowance on investment	39.60	6.15
Loss on loans & advances written off	815.64	670.97
[Net off recovery ₹ 76.91 lakhs (Previous year ₹ 6.9 Lakhs)]		
Total	**2,767.11**	**1,367.45**

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Employees benefit expense	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages (Refer note 43)	5,294.35	3,712.39
Contribution to provident and other fund (Refer note 40(a))	115.21	78.30
Share based payment to employees (Refer note 43, 46.1 & 46.2)	1,719.50	677.70
Gratuity (refer note 40(b))	132.77	87.21
Staff welfare expense	37.68	22.06
Total	**7,299.51**	**4,577.66**

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Depreciation, amortisation and impairment expense	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment	54.45	31.00
Amortisation of intangible assets	0.61	-
Impairment of non-financial assets	18.61	-
Total	**73.67**	**31.00**

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Other expenses	Year ended 31 March 2023	Year ended 31 March 2022
Rates and taxes	235.58	177.25
Communication costs	18.10	14.82
Printing and stationery	2.63	1.35
Auditor remuneration (net of GST):		
- For statutory audit	21.00	15.00
- For limited review	9.00	6.00
- For tax audit	3.00	3.00
- For other certification and reporting	4.50	3.90
- For out of pocket expenses	-	0.30
Legal and professional (Refer note 43)	234.64	205.96
Insurance	46.99	17.47
Travelling and conveyance (Refer note 43)	396.71	186.27
Information technology expenses (Refer note 43)	239.81	216.72
Corporate Social Responsibility (refer note 53)	120.00	60.00
Loss on sale of bonds	-	1.74
Loss on derecognition of financial assets	-	290.46
Business auxiliary services (refer note 43)	377.40	314.89
Bank charges	2.87	6.58
Directors' sitting fees	14.75	8.00
Miscellaneous	18.28	10.09
Total	**1,745.26**	**1,539.80**

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37 Income tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
In respect of the current year	6,940.73	2,709.78
In respect of earlier years		
	6,940.73	**2,709.78**
Deferred tax charge/ (benefits)		
In respect of the current year	(625.37)	(132.49)
	(625.37)	**(132.49)**

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 31 March 2023	Year ended 31 March 2022
Profit before tax	25,965.87	9,510.99
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	**6,535.09**	**2,393.73**
Tax effect of adjustments to reconcile expected income tax expense		
Corporate Social responsibility expenses not allowable for tax purpose	30.20	-
Relating to origination and reversal of temporary differences	(196.54)	-
Net Addition/deduction u/s 36(i)(viia)	146.83	-
Non deductible expenses	(200.22)	183.91
Others	-	(0.35)
Total adjustments [B]	**(219.73)**	**183.56**
Actual tax expense [C=A+B]	**6,315.36**	**2,577.29**
Tax expense comprises:		
Current tax expense	6,940.73	2,709.78
Deferred tax credit	(625.37)	(132.49)
Tax expense recognized in profit or loss [D]	**6,315.36**	**2,577.29**

Income tax expense recognized in other comprehensive income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(14.05)	11.82
Derivative instruments in Cash flow hedge relationship	73.16	17.76
	59.11	**29.58**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(14.05)	11.82
Items that will be reclassified to profit or loss	73.16	17.76
	59.11	**29.58**

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38 Earnings per share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
a) Basic earnings ₹ per share	29.08	13.66
b) Diluted earnings ₹ per share	27.79	12.79

During the year, on 06 April 2022 the Company has issued 29,35,263 Series A OCRPS of ₹ 10 each as bonus shares on selective basis of an aggregate nominal value of ₹ 293.53 lakhs credited as fully paid up bonus shares to the one of the Promoter of the company out of the Securities Premium Account. Accordingly, basic and diluted earnings per share has been calculated based on the weighted average number of shares outstanding in the current and previous year, as adjusted by issuance of OCRPS.

c) Reconciliations of earnings used in calculating earnings per share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	19,650.51	6,933.70
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	19,650.51	6,933.70

d) Weighted average number of shares used as the denominator

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	67,565,360	50,766,525
Adjustments for calculation of diluted earnings per share	3,143,331	3,449,436
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	70,708,691	54,215,961

39 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at 1 April 2021	**32,468.10**	**84,369.46**	**116,837.56**
Cash flows:			
Proceeds from debt securities/borrowings	36,044.25	279,116.92	315,161.17
Repayment of debt securities/borrowings	(29,380.81)	(201,139.19)	(230,520.00)
As at 31 March 2022	**39,131.54**	**162,347.19**	**201,478.73**
Cash flows:			
Proceeds from debt securities/borrowings	6,897.38	468,251.18	475,148.56
Repayment of debt securities/borrowings	(18,729.89)	(345,919.42)	(364,649.31)
As at 31 March 2023	**27,299.03**	**284,678.95**	**311,977.98**

40 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 31 March 2023	Year ended 31 March 2022
Contribution to employees provident fund	114.99	78.06
Contribution to employee state insurance schemes	0.22	0.24
Total	**115.21**	**78.30**

(b) Defined benefit plans:

The Company operates a funded gratuity benefit plan wherein every employee is entitled to a benefit equivalent to 15/26 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 trust named "Oxyzo Financial Services Private Limited Employee Group Gratuity Trust" was formed on 25 March 2022, approval of which from Income Tax department is received on 24 March 2023 w.e.f 25 March 2022. Currently, company manages employee gratuity fund and have fund policy with LIC.

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The gratuity plan of the company is funded gratuity plan. 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 standalone 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).
Asset Liability Mismatching or Market Ris	The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.
Investment Risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2023 by Ms. Vichitra Malhotra (FIAI M.No. 10336), 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 31 March 2023	**As at 31 March 2022**
Discount rate (per annum)	7.45%	7.30%
Salary growth rate (per annum)	9.00%	9.00%
Retirement age	60 Years	60 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	9.44%	5.00%
31-44 years	5.71%	2.00%
Above 44 years	0.00%	0.00%
In service mortality	IALM 2012-14	IALM 2012-14

Assets and Liability (Balance Sheet Position)

Particulars	**Gratuity**	
	As at 31 March 2023	**As at 31 March 2022**
Present Value of Obligation	374.09	280.81
Less: Fair Value of Plan Assets	167.30	67.47
Net Asset / (Liability)	**206.79**	**213.34**

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows :-

Particulars	**Gratuity**	
	Year ended 31 March 2023	**Year ended 31 March 2022**
Current service cost	116.41	77.38
Past service cost and (gain)/Loss from settlements	-	-
Net interest cost/ (Income) on the Net Defined Benefit/(Liability)/Asset	16.36	9.83
Component of defined benefit cost recognised in profit or loss	**132.77**	**87.21**
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(16.70)	21.97
Actuarial (gains)/ losses arising from changes in financial assumptions	(12.66)	8.35
Actuarial (gains)/ losses arising from experience adjustment	(25.24)	17.64
Return on plan assets, excluding amount recognised in net interest expense	(1.21)	(0.98)
Component of defined benefit cost recognised in Other comprehensive Income	**(55.81)**	**46.98**

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.

Changes in the Fair Value of Plan Assets

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Fair Value of Plan Assets as at the beginning	**67.47**	**-**
Investment Income	4.92	-
Employer's Contribution	93.70	66.49
Return on plan assets , excluding amount recognised in net interest expense	1.21	0.98
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	**167.30**	**67.47**

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Movements in the present value of the defined benefit obligation are as follows :-

Particulars	**Gratuity**	
	Year ended 31 March 2023	**Year ended 31 March 2022**
Present value of obligation as at the beginning	280.81	136.60
Current service cost	116.41	77.38
Interest cost	21.28	9.82
Re-measurement (or Actuarial) (gain) / loss arising from:		
- changes in demographic assumptions	(16.70)	21.97
- changes in financial assumptions	(12.66)	8.35
- experience adjustment	(25.24)	17.64
- Others	-	-
Past service cost	-	-
Benefits paid	(0.74)	-
Transfer in/(out)	10.93	9.05
Present value of obligation as at the end	**374.09**	**280.81**

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 year, while holding all other assumptions constant.

Particulars	**31 March 2023**		**31 March 2022**	
	Decrease	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+ 1%)	440.56	321.38	351.02	226.84
(% change compared to base due to sensitivity)	17.80%	-14.10%	25.00%	-19.20%
Salary Growth Rate (-/+ 1%)	335.58	414.42	239.96	325.40
(% change compared to base due to sensitivity)	-10.30%	10.80%	-14.50%	15.90%
Attrition Rate (-/+ 50% of attrition rates)	389.22	360.93	289.70	272.66
(% change compared to base due to sensitivity)	4.00%	-3.50%	3.20%	-2.90%
Mortality Rate (-/+ 10% of mortality rates)	374.00	374.20	280.82	280.82
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Sensitivity Analysis

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation for the prior period.

Other disclosures

Maturity profile of defined benefit obligation

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Weighted average duration (based on discounted cashflows)	17 Years	23 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	15.61	3.13
2-5 years	88.80	25.47
6-10 years	109.72	37.40
More than 10 years	1,464.54	1,675.48

(c) Other long-term benefits:

Provision for unfunded Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (Ind AS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions

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 benefit 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 above 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.

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Assets and Liability (Balance Sheet Position)

Particulars	Leave	
	As at 31 March 2023	As at 31 March 2022
Present Value of Obligation	99.87	88.97

Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	As at 31 March 2023	As at 31 March 2022
Current Liability (Short term)	6.17	2.26
Non-Current Liability (Long term)	93.70	86.71
Present Value of Obligation as at the end	**99.87**	**88.97**

Expense Recognised in Income Statement

Particulars	As at 31 March 2023	As at 31 March 2022
Expense Recognised in Income Statement	19.65	44.46
Expense Recognised in Income Statement	**19.65**	**44.46**

Demographic Assumptions

The principal demographic assumptions used in the valuation are shown in the table below

Principal assumptions:	Leave	
	As at 31 March 2023	As at 31 March 2022
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 Years	60 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	9.44%	5.00%
31-44 years	5.71%	2.00%
Above 44 years	0.00%	0.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

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 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	118.32	85.38	111.70	71.61
(% change compared to base due to sensitivity)	18.50%	-14.50%	25.60%	-19.50%
Salary Growth Rate (-/+ 1%)	85.44	117.84	71.71	111.07
(% change compared to base due to sensitivity)	-14.40%	18.00%	-19.40%	24.80%
Attrition Rate (-/+ 50% of attrition rates)	107.02	94.89	92.48	85.94
(% change compared to base due to sensitivity)	7.20%	-5.00%	3.90%	-3.40%
Mortality Rate (-/+ 10% of mortality rates)	99.93	99.80	89.06	88.88
(% change compared to base due to sensitivity)	0.10%	-0.10%	0.10%	-0.10%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the present value of 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

Other disclosures

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Weighted average duration (based on discounted cashflows)	17 Years	23 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	6.17	2.26
2-5 years	22.61	8.10
6-10 years	24.73	9.86
More than 10 years	424.13	555.25

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41 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.

42 Cost allocation

The Company has received allocation of common costs viz. rent, cost of utilities, payroll, technical support etc. on an appropriate basis, from its holding company, OFB Tech Private Limited and other group companies, pursuant to cost sharing arrangement between the group companies. (Refer Note 43)

Further, the Company has also allocated common costs related to Payroll and other expenses to holding company, OFB Tech Private Limited, and Other group companies. (Refer Note 43)

43 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
OXY Ventures Private Limited	Wholly-owned subsidiary (w.e.f. 26 April 2022)
OXY B Securities Private Limited	Wholly-owned subsidiary (w.e.f. 20 June 2022)
Oxyzo Investment Manager Private Limited	Wholly-owned subsidiary (w.e.f. 13 July 2022)
Oxyzo Finvest Private Limited	Wholly-owned subsidiary (w.e.f. 18 July 2022)
Ziel Financial Technologies Private Limited	Wholly-owned subsidiary (w.e.f. 24 November 2022)
Zfirst Technologies Private Limited	Subsidiary (w.e.f. 20 February 2023)
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. 08 November 2021)
E-Mox Manufacturing Private Limited	Fellow subsidiary company (w.e.f. 01 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 (till 13 May 2022)
Praveen Kumar Bhambani	Independent director (w.e.f 06 August 2022)
Rohit Kapoor	Independent director
Brij Kishore Kiradoo	Company Secretary (till 17 May 2022)
Pinki Jha	Company Secretary (w.e.f 26 May 2022)

Transactions with the related parties and key management personnel during the year:

Particulars	**Nature of transaction**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
OFB Tech Private Limited	Issue and allotment of equity share capital	-	8,056.38
	Purchase of property, plant and equipment	33.53	
	Sale of property, plant and equipment	37.21	0.60
	Business auxiliary services (cost allocation received)	379.53	315.36
	Business auxiliary services (cost allocation made)	0.26	-
	Employee costs and reimbursements (cost allocation received)*	33.26	29.30
	Employee costs and reimbursements (cost allocation made)#	561.30	82.65
	Tech Support Services (cost allocation received)	122.89	147.07
	Interest and subvention Income (Net of expenses)	1,670.97	1,052.32
	Travelling and other expenses (cost allocation received)	30.66	63.87
	Travelling and other expenses (cost allocation made)	5.93	27.02
	Gratuity and leave encashment recoverable	29.40	16.68
	Gratuity and leave encashment payable	18.10	1.43
	Payment on behalf of borrowers	159,464.50	107,189.27
	Employee stock options (cost allocation received)	1,191.32	564.72
	Prepaid Insurance (on allocation basis)	31.21	-
OXY Ventures Private Limited	Investment in equity share capital	200.00	-
	Employee costs and reimbursements (cost allocation made)	11.06	-
	Business auxiliary services (Cost allocation made)	0.07	-
	Debt arrangement and facilitation fee	4.00	
	Sale of property, plant and equipment	0.24	-
OXY B Securities Private Limited	Investment in equity share capital	5.10	-
Oxyzo Finvest Private Limited	Investment in equity share capital	0.10	-
Oxyzo Investment Manager Private Limited	Investment in equity share capital	10.10	-
Ziel Financial Technologies Private Limited	Reimbursement of business loan premium	37.60	-
	Service fees expenses	100.09	-
Zfirst Technologies Private Limited	Reimbursement of business loan premium	6.59	
	Service fees expenses	101.68	-
OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited)	Business auxiliary services (cost allocation made)	1.84	0.63
	Loan Given	-	224.00
	Loan Repaid	99.96	11.62
	Purchase of property, plant and equipment	0.39	-
	Sale of property, plant and equipment	3.47	2.19
	Interest and other income	10.88	13.87
	Gratuity and leave encashment recoverable	4.93	3.39
	Gratuity and leave encashment payable	1.18	2.52
	Legal and other expenses (cost allocation made)	-	1.95
	Payment on behalf of borrowers	-	1,019.63

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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	11.62	5.54
	Loan Given	134.11	146.43
	Loan Repaid	359.84	140.54
Oagri Farm Private Limited	Business auxiliary services (cost allocation made)	0.58	-
	Business auxiliary services (cost allocation received)	-	0.16
	Purchase of property, plant and equipment	-	0.60
	Legal and other expenses (cost allocation made)	-	0.47
	Legal and other expenses (cost allocation received)	-	0.18
	Interest Income	-	6.36
	Payment on behalf of borrowers	-	184.77
	Gratuity and leave encashment payable	-	4.29

Ruchi Kalra	Managerial remuneration	21.41	26.65
	Reimbursement	4.24	-
	Post employment benefits	4.64	-
	Optionally convertible redeemable preference shares	293.53	-
		323.82	**26.65**
Vasant Sridhar	Managerial remuneration	34.94	38.70
	Reimbursement	4.74	-
	Value of Stock option exercised	-	368.22
	Fair Value of Employee Stock Option	267.67	144.34
	Post employment benefits	4.64	-
	Keyman Insurance Policy	0.50	-
		312.49	**551.26**
Brij Kishore Kiradoo	Remuneration	6.96	16.15
	Employee stock option compensation expense	-	144.40
		6.96	**160.55**
Pinki Jha	Remuneration	29.45	-
	Reimbursement	4.27	-
	Fair Value of Employee Stock Option	13.72	-
	Post employment benefits	1.67	-
		49.11	-
Sathyan David	Directors sitting fees	9.00	5.25
Akshat Vikram Pande	Directors sitting fees	-	1.75
Praveen Kumar Bhambani	Directors sitting fees	3.00	-
Rohit Kapoor	Directors sitting fees	2.75	1.00

* Includes KMP salary cross charged amounting ₹ 33.26 Lakhs (previous year ₹ 29.30 Lakhs)
# Includes KMP salary cross charged amounting ₹ 10.37 Lakhs (previous year ₹ 10.14 Lakhs)

Balance outstanding at year end

Name of related party	**Nature**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
OFB Tech Private Limited	Other Payables	885.10	211.54
	Payable- loan pending disbursement	5,952.44	769.90
OXY Ventures Private Limited	Investment in Equity share capital	200.00	-
	Other recoverable	13.32	-
OXY B Securities Private Limited	Investment in Equity share capital	5.10	-
Oxyzo Finvest Private Limited	Investment in Equity share capital	0.10	-
	Receivable	0.17	-
	Payables	-	-
Oxyzo Investment Manager Private Limited	Investment in Equity share capital	10.10	-
Zfirst Technologies Private Limited	Investment in Equity share capital	0.02	-
	Investment in compulsory convertible preference shares	394.00	-
	Trade Payables	54.36	-
Ziel Financial Technologies Private Limited	Investment in Equity share capital	798.00	-
	Trade Payables	75.37	-
OFG Manufacturing Businesses Private Limited (Formerly known as Ofcons Projects And Services Private Limited)	Receivable	9.10	5.61
	Receivable against loan given	130.88	221.62
Oagri Farm Private Limited	Other recoverable	0.69	-
	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 31 March 2023 ₹ 11,604.38 lakhs and 31 March 2022 ₹ 43,403.72 lakhs

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44. 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 year.

44.1 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 cash equivalents and other bank balances as presented in the 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 2.50 to 3.00 determined as a proportion of net debt to total equity.

44.2 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 as at 31 March 2023 of the Company are as under:

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Adequacy ratio - Tier I	42.21%	47.99%
Capital Adequacy ratio - Tier II	0.44%	0.38%
	42.65%	**48.38%**

45. Financial instruments

45.1 Financial instruments by category and fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at 31 March 2023	Carrying amount					Fair Value		
Particulars	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial Assets								
Cash and cash equivalents*	-	-	9,847.98	-	9,847.98	-	-	-
Bank balances other than above*	-	-	3,107.68	-	3,107.68	-	-	-
Derivative financial instruments	-	231.10	-	-	231.10	-	231.10	-
Trade Receivables*	-	-	-	-	-	-	-	-
Loans	-	-	467,159.48	-	467,159.48	-	-	467,159.48
Investments	-	-	73,955.27	1,407.32	75,362.59	-	-	73,955.27
Other financial assets*	-	-	67.02	-	67.02	-	-	-
Total financial assets	**-**	**231.10**	**554,137.43**	**1,407.32**	**555,775.85**	**-**	**231.10**	**541,114.75**
Financial liabilities								
Derivative financial instruments	-	0.76	-	-	0.76	-	0.76	-
Trade payables*	-	-	504.41	-	504.41	-	-	-
Other payables*	-	-	953.29	-	953.29	-	-	-
Debt Securities	-	-	27,299.03	-	27,299.03	-	27,299.03	-
Borrowings (Other than debt securities)	-	-	285,270.58	-	285,270.58	-	-	285,270.58
Other financial liabilities*	-	-	12,606.90	-	12,606.90	-	-	-
Total financial liabilities	**-**	**0.76**	**326,634.21**	**-**	**326,634.97**	**-**	**27,299.79**	**285,270.58**

As at 31 March 2022	Carrying amount					Fair Value		
Particulars	**FVTPL**	**FVTOCI**	**Amortised Cost**	**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	33,648.09	-	-	-	33,648.09	33,648.09	-	-
Other financial assets*	-	-	53.86	-	53.86	-	-	-
Total financial assets	**33,648.09**	**23.61**	**308,865.50**	**-**	**342,537.20**	**33,648.09**	**23.61**	**254,011.89**

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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**	**-**	**39,225.73**	**162,347.19**

*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.

45.2 Valuation framework

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. The Company measures fair values using fair value hierarchy, which reflects the significance of the inputs used in making the measurements. Refer note 2.15 for details on fair value measurement and hierarchy.

The Company uses suitable valuation models to determine the fair value of common and simple financial instruments, that use only observable market data and require little management judgement and estimation.

Loans: The fair value of loan and advances are estimated by discounted cash flow models and using Effective Interest Rate (EIR) method. Fair value is then reduced by the impairment loss allowance on loans which is already calculated incorporating probability of default and loss given defaults.

Debt securities, borrowings (other than debt securities): The fair values of the Company's borrowings and other debt securities are calculated based on a discounted cash flow model and for the purpose of disclosures debt securities are classified under Level 2 and borrowings (other than debt securities) are classified under Level 3 and are measured at amortised cost using Effective Interest Rate (EIR) method. The discount rates were based on the available interest rates in the market.

Investments: Investment in debt securities is recorded at discounted cash flow models and using Effective Interest Rate (EIR) method. Fair value in other Investment is based on the information available from external sources such as market-observable including secondary market prices or NAV and where no data is available, it is estimated using prevailing rate on balance sheet date. Management believes that the carrying value of the investments approximates the fair value.

There were no transfers between levels during the year.

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46.1 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. From 08 April 2016 to 31 March 2018, the options expire within 7 years from the date of last vesting and from 01 April 2018 onwards, the options expire within 3 years from the date of last vesting.

During the year OFB had sub-divided it's 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. Further the plan has been extended to the employees of the company by the holding company.

Particulars	**Grant Date**	**Number of options**
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-XIV to Grant XXV (FY 21-22)	01-Apr-21 to 01-Jan-22	6,327,367
Grant-XXVIII to Grant XXXX (FY 22-23)	01-Apr-22 to 01-Mar-2023	2,831,457

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. From 08 April 2016 to 31 March 2018, the options expire within 7 years from the date of last vesting and from 01 April 2018 onwards, 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 2023**	**For the year ended 31 March 2022**
Expense arising from share-based payment transactions (Refer note 34)	1,191.32	564.72
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**1,191.32**	**564.72**

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

Particulars	**31 March 2023**		**31 March 2022**	
	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	12,589,408	45.64	7,890,120	22.48
Granted during the year	2,831,457	302.59	6,327,367	74.24
Exercised during the year	(65,753)	(26.28)	(1,246,300)	(15.84)
Forfeited during the year*	(116,188)	(70.96)	(381,780)	(25.83)
Outstanding at the end of the year**	15,238,923	93.27	12,589,408	45.64
Exercisable at the end of the year	4,692,464	77.98	938,330	7.36
Weighted average remaining contractual life of the options outstanding at the end of the year	6.05 Years		6.07 years	

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

** Includes 318,150 numbers of ESOP expired but has not been forfeited by the holding company.

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2016 plan is ₹ 60.19 (previous year ₹ 15.22). 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**	
	31 March 2023	**31 March 2022**
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	44.3%-44.5%	30.50% - 35.00%
Risk free interest rate (%)	7.4% -7.5%	5.70% - 6.10%
Expected life of share options (in years)	4.85	4.80
Fair value of options at grant date (in Rupees)	58.88-132.20	8.19 - 138.71
Fair value of share at grant date (in Rupees)	18.12-20.24	49.84 - 231.24
Exercise price (in Rupees)	76.74-347.21	48.17-347.21

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46.2 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	Monday, January 3, 2022	2,132,651
Grant-II	Wednesday, April 6, 2022	280,709

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 2023	For the year ended 31 March 2022
Expense arising from share-based payment transactions (Refer note 34)	528.18	112.98
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**528.18**	**112.98**

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

Particulars	31 March 2023		31 March 2022	
	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	2,132,651	650	-	-
Granted during the year	280,709	1,042	2,132,651	650
Outstanding at the end of the year	2,413,360	696	2,132,651	650
Weighted average remaining contractual life of the options outstanding at the end of the year	3.4 years		3.4 years	

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2022 plan is ₹ 86.10 (previous year ₹ 50.80). 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	
	31 March 2023	31 March 2022
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	39.00%	38.00%
Risk free interest rate (%)	5.90%	5.40%
Expected life of share options (in years)	3.4	3.4
Fair value of options at grant date (in Rupees)	86.10	50.80
Exercise price (in Rupees)	1,042.00	650.00

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47 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 carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	Balance as at 31 March 2023	Balance as at 31 March 2022
Loans	467,159.48	254,011.89
Investments	75,362.59	33,648.09
Trade Receivables	-	110.31
Cash and cash equivalents	9,847.98	53,820.78
Other bank balances	3,107.68	868.66
Other financials asset	67.02	53.86

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 guidelines.

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-montd PD in the given case) while Stage 3 assets are considered to have a 100% PD. (Refer Note 2.17)

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

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

Exposure at Default ('EAD')
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.

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

Collateral and other credit enhancements
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 31 March 2023		As at 31 March 2022	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	3,935.05	1,996.15	2,609.84	1,508.88
Loan assets having significant increase in credit risk (Stage 2)	14,918.65	677.82	10,757.29	249.87
Other loan assets (Stage 1)	455,063.71	2,301.02	244,485.87	1,104.38
Impairment on account of COVID-19		-		200.00
Total	**473,917.41**	**4,974.99**	**257,853.00**	**3,063.13**

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An analysis of Expected credit loss rate* :

	As at 31 March 2023	As at 31 March 2022
Stage-1	0.51%	0.45%
Stage-2	4.54%	2.32%
Stage-3	50.73%	57.82%
Total	**1.05%**	**1.19%**

* Expected credit loss rate is computed ECL divided by EAD

Specific Provision
Company reviews and monitors all cases 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.

Reconciliation of gross carrying amount is given below:

Particulars	31 March 2023				31 March 2022			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Gross carrying amount opening balance	**244,485.87**	**10,757.29**	**2,609.84**	**257,853.00**	**121,789.30**	**14,946.90**	**1,672.30**	**138,408.50**
New assets originated	383,880.73	6,858.20	279.22	391,018.15	221,271.52	7,416.07	136.73	228,824.32
Assets repaid (excluding write offs)	(165,678.83)	(7,696.67)	(685.69)	(174,061.19)	(96,093.82)	(12,011.76)	(596.36)	(108,701.94)
Transfers from Stage 1	(9,755.27)	7,964.85	1,790.42	-	(5,007.59)	3,666.67	1,340.92	-
Transfers from Stage 2	2,204.34	(3,146.29)	941.95	-	2,546.34	(3,203.07)	656.73	-
Transfers from Stage 3	-	259.70	(259.70)	-	43.49	-	(43.49)	-
Settlement loss and bad debts written off	(73.13)	(78.43)	(740.99)	(892.55)	(63.37)	(57.52)	(556.99)	(677.88)
Gross carrying amount closing balance	**455,063.71**	**14,918.65**	**3,935.05**	**473,917.41**	**244,485.87**	**10,757.29**	**2,609.84**	**257,853.00**

Reconciliation of ECL balance is given below:

Particulars	31 March 2023				31 March 2022			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
ECL allowance opening balance	**1,304.38**	**249.87**	**1,508.88**	**3,063.13**	**1,060.34**	**324.43**	**988.03**	**2,372.80**
New assets originated/change in ECL estimate	2,325.15	551.59	1,489.52	4,366.26	1,812.67	483.32	913.04	3,209.03
Assets repaid (excluding write offs)	(278.92)	(22.84)	(1,260.09)	(1,561.85)	(633.53)	(423.38)	(783.91)	(1,840.82)
Transfers from Stage 1	(980.86)	303.58	677.28	-	(878.41)	123.84	754.57	-
Transfers from Stage 2	4.40	(371.42)	367.02	-	5.13	(200.82)	195.69	-
Transfers from Stage 3	-	45.47	(45.47)	-	1.55	-	(1.55)	-
Settlement loss and bad debts written off	(73.13)	(78.43)	(740.99)	(892.55)	(63.37)	(57.52)	(556.99)	(677.88)
ECL allowance closing balance	**2,301.02**	**677.82**	**1,996.15**	**4,974.99**	**1,304.38**	**249.87**	**1,508.88**	**3,063.13**

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.

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 31 March 2023, the net of expected cash inflows and outflows within 12 months are Rs. 198,065.82 (31 March 2022: Rs. 188,990.02). Refer note 48 for Maturity analysis of assets and liabilities and note 51 (IX) for asset liability management (ALM).

Refer note 48 for maturity analysis of assets and liabilities.

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 31 March 2023**	**As at 31 March 2022**
Variable rate borrowing	274,788.26	134,853.31
Fixed rate borrowing	37,781.35	66,625.41
Total borrowings	**312,569.61**	**201,478.72**

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

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Interest sensitivity		
Interest rates – increase by 100 basis points (31 March 2022: 100 bps)	1,467.56	1,196.71
Interest rates – decrease by 100 basis points (31 March 2022: 100 bps)	(1,467.56)	(1,196.71)

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D) **Foreign currency risk**

There are no un-hedged liability or assets denominated in foreign currency with the Company as at 31 March 2023 and 31 March 2022.

Particulars	Foreign Currency	Year Ended 31 March 2023			Year Ended 31 March 2022		
		Exchange Rate	Amount in Foreign Currency in	Amount	Exchange Rate	Amount in Foreign Currency in Lakhs	Amount
I. Assets							
Receivables (trade & other)	N.A.	-	-	-	-	-	-
Other Monetary assets	N.A.	-	-	-	-	-	-
Total Receivables (A)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts (B)	N.A.	-	-	-	-	-	-
Unhedged receivables (C=A-B)	N.A.	-	-	-	-	-	-
II. Liabilities							
Payables (trade & other)	USD	-	-	-	-	-	-
Borrowings (ECB and Others)	USD	82.2148	65.00	5,343.96	73.1128	65.00	4,752.33
Total Payables (D)	USD	82.2148	65.00	5,343.96	73.1128	65.00	4,752.33
Hedges by derivative contracts (E)	USD	82.2148	65.00	5,343.96	73.1128	65.00	4,752.33
Unhedged Payables F=D-E)	USD	-	-	-	-	-	-
III. Contingent Liabilities and Commitments							
Contingent Liabilities	N.A.	-	-	-	-	-	-
Commitments	N.A.	-	-	-	-	-	-
Total (G)	N.A.	-	-	-	-	-	-
Hedges by derivative contracts(H)	N.A.	-	-	-	-	-	-
Unhedged Payables (I=G-H)	N.A.	-	-	-	-	-	-
Total unhedged FC Exposures (J=C+F+I)	N.A.	-	-	-	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

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48 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	31 March 2023			31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9,847.98	-	9,847.98	53,820.78	-	53,820.78
Bank balances other than (a) above	3,107.68	-	3,107.68	868.66	-	868.66
Derivative financial instruments	-	231.10	231.10	23.61	-	23.61
Trade Receivable	-	-	-	110.31	-	110.31
Loans*	382,008.25	85,151.23	467,159.48	228,799.80	25,212.09	254,011.89
Investments	28,281.34	47,081.25	75,362.59	32,827.53	820.56	33,648.09
Other financial assets	67.02	-	67.02	53.86	-	53.86
Non-financial assets						
Current tax assets (Net)	-	305.98	305.98	-	397.85	397.85
Deferred tax assets (Net)	-	1,348.08	1,348.08	-	663.60	663.60
Investment Property	-	13.32	13.32	-	149.92	149.92
Property, Plant and Equipment	-	131.29	131.29	-	84.18	84.18
Other intangible assets	-	11.13	11.13	-	-	-
Other non-financial assets	60.34	-	60.34	86.99	-	86.99
Non-current Assets held for sale	118.00	-	118.00	-	-	-
Total Assets	**423,490.61**	**134,273.38**	**557,763.99**	**316,591.54**	**27,328.20**	**343,919.74**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	0.76	-	0.76	94.19	-	94.19
Trade Payables						
(i) Total outstanding dues to micro and small enterprises	3.17	-	3.17	3.17	-	3.17
(ii) Total outstanding dues of creditors other than micro and small enterprises	501.24	-	501.24	227.63	-	227.63
Other payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	953.29	-	953.29	263.44	-	263.44
Debt securities	13,572.85	13,726.18	27,299.03	18,562.08	20,569.46	39,131.54
Borrowings (Other than debt securities)	199,275.10	85,995.48	285,270.58	106,354.18	55,993.01	162,347.19
Other financial liabilities	9,771.83	2,835.07	12,606.90	1,752.65	-	1,752.65
Non-Financial Liabilities						
Provisions	21.24	285.42	306.66	5.39	296.92	302.31
Current tax liabilities	805.37	-	805.37	259.21	-	259.21
Other non-financial liabilities	519.94	-	519.94	309.67	-	309.67
Total Liabilities	**225,424.79**	**102,842.15**	**328,266.94**	**127,831.61**	**76,859.39**	**204,691.00**
Equity (including other equity)	-	**229,497.05**	**229,497.05**	-	**139,228.74**	**139,228.74**

* Loans is net of impairment loss allowance on loans considering realisability, the amount recoverable from Stage-3 assets is classified under after 12 months .

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49 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, 2023 is as under:

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

Particulars	Number of Significant counterparties (Borrowings)	Amount (Rs. lakhs)	% of Total deposits	% of Total Liabilities
As at 31 March 2023	10	191,073.57	NA	58.21%
As at 31 March 2022	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

(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)

Particulars	Number of Significant counterparties (Borrowings)	Amount (Rs. lakhs)	% of Total deposits	% of Total Liabilities
As at 31 March 2023	10	191,073.57	NA	58.21%
As at 31 March 2022	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	As at 31 March 2023		As at 31 March 2022	
		Amount (Rs. lakhs)	% of Total Liabilities	Amount (Rs. lakhs)	% of Total Liabilities
1	Non Convertible Debentures	27,299.03	8.32%	32,741.77	16.00%
2	Commercial Paper	-	0.00%	6,389.77	3.12%
3	Borrowings (Other than debt securities)	285,270.58	86.90%	162,347.19	79.31%
	TOTAL	**312,569.61**	**95.22%**	**201,478.73**	**98.43%**

(v) Stock Ratios:

S.No.	Stock Ratio	% As at 31 March 2023	% As at 31 March 2022
	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	3.83%	1.38%
6	Other short-term liabilities as a % of total assets	2.25%	0.82%

Notes:
- Commercial Paper and NCDs for stock ratio is the Gross outstanding as at 31st March, 2023 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. Further Company has board approved Internal Capital Adequacy Assessment Process (ICAAP) policy in place as per RBI Scale Based Regulation (SBR).

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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 31 March 2023		As at 31 March 2022	
		Liabilities side:				
(1)		**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**	**Amount out-standing**	**Amount overdue**	**Amount out-standing**	**Amount overdue**
	(a)	Debentures : Secured	27,299.03	-	32,741.77	-
		: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	272,761.76	-	161,412.99	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	-	-	6,389.77	-
	(f)	Public Deposits	-	-	-	-
	(g)	Other Loans (short term bank loan)	12,508.82	-	934.20	-
(2)		**Breakup of (1)(f) above (Outstanding Public Deposit inclusive of interest accrued thereon but not paid:**				
	(a)	In the form of unsecured debentures	-	-	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c)	Other Public Deposits	-	-	-	-
		Assets side:	**Amount out-standing**		**Amount out-standing**	
(3)		**Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:**				
	(a)	Secured (net of provision and revenue received in advance of Rs. 1,427.22 lakhs (previous year Rs. 493.46 lakhs))	342,803.04		194,673.23	
	(b)	Unsecured (net of provision and revenue received in advance of Rs. 5,330.71 lakhs (previous year Rs. 3,347.65 lakhs))	124,356.44		59,338.66	
(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	-		-	
4	(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) Debentures and Bonds	26,929.46		-	
		(iii) Units of mutual funds	-		30,001.51	
		(iv) Government Securities	203.99		-	
		(v) Others (AT-1 Debentures of Banks)	1,094.57		-	
	2.	Unquoted:				
		(i) Shares: (a) Equity	-		-	
		(b) Preference	-		-	
		(ii) Debentures and Bonds	-		-	
		(iii) Units of mutual funds	-		-	
		(iv) Government Securities	-		-	
		(v) Fixed deposit with bank (Including interest accrued on deposits)	-		7,500.90	
		(vi) Pass through certificates	53.31		2,851.88	
		(vii) Others (Alternative investment funds)			-	
		Long Term investments:				
	1.	Quoted:				
		(i) Shares: (a) Equity	-		-	
		(b) Preference	-		-	
		(ii) Debentures and Bonds	20,510.93		-	
		(iii) Units of mutual funds	-		-	
		(iv) Government Securities	-		-	
		(v) Others (AT-1 Debentures of Banks)	25,163.01		-	
	2.	Unquoted:				
		(i) Shares: (a) Equity (net of provisions)	1,013.32		-	
		(b) Preference	394.00		-	
		(ii) Debentures and Bonds (net of provisions)	-		-	
		(iii) Units of mutual funds	-		-	
		(iv) Government Securities	-		-	
		(v) Fixed deposit with bank (Including interest accrued on deposits)	3,107.68		-	
		(vi) Pass through certificates	-		868.66	
		(vii) Others	-		823.86	

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

Category	As at 31 March 2023			As at 31 March 2022		
	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	130.88	-	130.88	212.63	221.62	434.25
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	342,672.16	124,356.44	467,028.60	194,460.60	59,117.04	253,577.64
Total	**342,803.04**	**124,356.44**	**467,159.48**	**194,673.23**	**59,338.66**	**254,011.89**

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

Category	As at 31 March 2023		As at 31 March 2022	
	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	1,407.32	1,407.32	-	-
(b) Associates	-	-		
(c) Companies in the same group	-	-	-	-
(d) Other related parties	-	-	-	-
2. Other than related parties	73,955.27	74,009.45	33,648.09	33,648.09
Total	**75,362.59**	**75,416.77**	**33,648.09**	**33,648.09**

* Quoted value on stock exchange as of 31 March 2023 is not readily available.

(8) Other information

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	4,194.75	2,609.84
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	2,153.13	1,100.96
(iii) Assets acquired in satisfaction of debt	118.00	136.60

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51 Disclosures required pursuant to Non-banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 amended time to time and requirements under scale based regulations for NBFCs

I. Capital

Particulars		As at 31 March 2023	As at 31 March 2022
(i)	CRAR (%)	42.65%	48.38%
(ii)	CRAR - Tier I Capital (%)	42.21%	47.99%
(iii)	CRAR - Tier II Capital (%)	0.44%	0.38%
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-
(v)	Amount raised by issue of Perpetual DebtInstruments	-	-

II. Investments

Particulars		As at 31 March 2023	As at 31 March 2022
1.	**Value of Investments**		
(i)	Gross Value of Investments		
	(a) In India	75,416.77	33,648.09
	(b) Outside India	-	-
(ii)	Provisions for Depreciation		
	(a) In India	(54.18)	(14.58)
	(b) Outside India	-	-
(iii)	Net Value of Investments		
	(a) In India	75,362.59	33,662.67
	(b) Outside India	-	-
2.	**Movement of provisions held towards depreciation on investments**		
(i)	Opening balance	(14.58)	8.43
(ii)	Add : Provisions made during the year	(54.18)	(23.01)
(iii)	Less : Write-off / write-back of excess provisions during the year	14.58	-
(iv)	Closing balance	**(54.18)**	**(14.58)**

III. Disclosure on Un-hedged Foreign Currency Exposure

The Company has no unhedged foreign currency exposure as on 31 March 2023 and 31 March 2022.

IV. (a) Derivatives

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	The notional principal of swap agreements	5,009.60	4,752.48
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	591.48	-
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps $	-	-
(v)	The fair value of the swap book @	230.34	(70.58)

(b) Exchange traded interest rate derivatives

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

(c) 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 31 March 2023	As at 31 March 2022
Opening Balance	(52.82)	-
Credit/(Debit) in cash flow hedge reserves	(217.53)	(52.82)
Closing Balance	**(270.35)**	**(52.82)**

Quantitative disclosure

Particulars	As at 31 March 2023		As at 31 March 2022	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount) [1]				
For hedging	4,752.48	257.12	4,752.48	4,752.48
Marked to Market Positions				
Asset (+)	231.10	-	-	23.61
Liability (-)	-	(0.76)	(94.19)	-
Credit Exposure [2]	-	-	-	-
Unhedged Exposures	-	-	-	-

V. Disclosures relating to securitisation
The Company has not entered into securitisation transactions during the current and previous year.

VI. 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 current and previous year.

VII. Details of assignment transaction undertaken by applicable NBFCs
The Company has not undertaken any assignment transaction during the current and previous year.

VIII. 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

(a) The company has not transfer any standard loans through assignment during the financial year ended 31 March 2023 and 31 March 2022.

(b) The company has not acquired any loans through assignment during the financial year ended 31 March 2023 and 31 March 2022.

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

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	To permitted transferees		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 Nil (PY ₹ 559.10 lakhs). The Company has reversed provision for impairment loss of Nil (PY ₹ 390.04 lakhs) by netting off from provision for impairment loss created during the year and booked loss of Nil (PY ₹ 290.46 Lakhs) (Refer note 32) on derecognition of financials assets to the statement of profit and loss account.

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Chartered Accountants

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IX. Asset Liability Management Maturity pattern of certain items of assets and liabilities

As at 31 March 2023

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 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Debt securities	-	-	600.96	-	36.90	4,554.50	8,380.49	13,726.18	-	-	27,299.03
Borrowings (other than debt securities)	15,896.03	8,171.97	15,194.69	35,908.58	30,421.00	21,006.56	72,676.27	77,904.77	8,090.71	-	285,270.58
Total	**15,896.03**	**8,171.97**	**15,795.65**	**35,908.58**	**30,457.90**	**25,561.06**	**81,056.76**	**91,630.95**	**8,090.71**	-	**312,569.61**
Assets											
Loans given	7,438.19	12,238.21	21,722.05	71,502.17	91,679.43	127,846.24	49,581.96	75,235.20	7,883.94	2,032.09	467,159.48
Investment (net)*	9,847.98	-	142.63	346.06	229.20	8,420.28	19,143.17	6,066.07	26,866.48	14,148.70	85,210.57
Total	**17,286.17**	**12,238.21**	**21,864.68**	**71,848.23**	**91,908.63**	**136,266.52**	**68,725.13**	**81,301.27**	**34,750.42**	**16,180.79**	**552,370.05**

including cash & cash equivalents and Other bank balances

As at 31 March 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 1year 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)*	83,822.28	-	283.71	284.55	261.07	720.69	1,276.01	820.56	-	-	87,468.87
Total	**90,670.96**	**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**	**341,480.76**

including cash & cash equivalents and Other bank balances

Note: The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors.

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

	Category	As at 31 March 2023	As at 31 March 2022
	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.	10,743.62	4,691.75
(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.	10,617.30	3,540.95
(c)	Investments in Mortgage Backed Securities (MBS) and othersecuritised exposures:		
	(i) Residential Mortgages	-	-
	(ii) Commercial Real Estate	-	-
	Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	2,445.35	-
	Total exposure to real estate sector	**23,806.27**	**8,232.70**

Note: The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors.

XI. Exposure to Capital Market

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,407.32	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix)	Financing to stockbrokers for margin trading;	-	-
(x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
	Total Exposure to Capital Market	1,407.32	-

XII. 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 31 March 2023 as well as in the previous year ended 31 March 2022.

XIII. Details of financing of parent company's products

Out of total financing activity undertaken by the Company during the financial year 2022-23, 12.80% (previous year 16.08%) of the financing goes towards parent Company products. Refer note 43

XIV. Registration obtained from other financial regulators

The Company is not registered under any other regulator other than Reserve Bank of India (RBI).

XV. Miscellaneous

(a) Reserve Bank of India - Registration Number :

(b) Credit Rating

Instrument	Rating Agency	Rating As at 31 March 2023	Rating As at 31 March 2022
Non convertible debentures	ICRA Ltd	ICRA A+ (Stable)	ICRA A+ Stable
Commercial paper	ICRA Ltd	ICRA A1+	ICRA A1+
Bank Lines	ICRA Ltd	ICRA A+ (Stable)	ICRA A+ Stable
Principal Protected Market Linked Debenture	ICRA Ltd	PP-MLD ICRA A+ (Stable)	PP-MLD A+ Stable
Other Instruments	ICRA Ltd	-	-
Bank Lines	CARE	CARE A+ (Stable)	CARE A+ (Stable)
Non convertible debentures	CARE	CARE A+ (Stable)	CARE A+ (Stable)
Bank Lines	CRISIL	CRISIL A+/Stable	CRISIL A/Stable
Principal Protected Market Linked Debenture	CRISIL	CRISIL PP MLD A + /Stable	CRISIL PP MLD A r /Stable
Non convertible debentures	CRISIL	CRISIL A+/Stable	CRISIL A/Stable

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 31 March 2023	As at 31 March 2022
Impairment allowance on loans	1,911.87	690.33
Impairment allowance on investment	39.60	6.15
Impairment on account of COVID-19	-	-
Provision made towards Income tax	6,940.73	2,709.78

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XVII. Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Advances

Particulars	As at 31 March 2023	As at 31 March 2022
Total Advances to twenty largest borrowers	69,368.58	52,721.56
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	14.85%	20.76%

(b) Concentration of Exposures

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to twenty largest borrowers /customers	69,696.76	52,989.37
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	14.92%	20.86%

(c) Sectorial Exposures

Particulars	As at			As at		
	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry (2.1 to 2.4)	**327,376.57**	**2,931.25**	**0.90%**	**206,017.54**	**2,390.56**	**1.16%**
2.1 Micro and Small	61,759.63	1,802.19	2.92%	43,547.79	2,057.58	4.72%
2.2 Medium	131,036.92	627.28	0.48%	84,956.28	201.02	0.24%
2.3 Large	134,580.02	501.78	0.37%	77,513.47	131.96	0.17%
2.4 Others, if any, Please specify	-	-	-	-	-	-
3. Services (3.1 to 3.10 equals 3.a to 3.d)	**139,514.01**	**964.97**	**0.69%**	**51,349.37**	**219.28**	**0.43%**
3.1 Transport Operators	8,375.47	16.55	0.20%	3,247.39	16.98	0.52%
3.2 Computer Software	-	-	-	-	-	-
3.3 Tourism, Hotel and Restaurants	1,387.16	33.51	2.42%	42.26	32.53	-
3.4 Shipping	-	-	-	-	-	-
3.5 Professional Services	-	-	-	-	-	-
3.6 Trade						
3.6.1 Wholesale Trade (other than Food Procurement)	15,906.64	542.05	3.41%	5,246.63	145.34	2.77%
3.6.2 Retail Trade	794.49	-	-	-	-	-
3.7 Commercial Real Estate	-	-	-	-	-	-
3.8 NBFCs	54,204.12	-	-	12,842.69	-	-
3.9 Aviation	-	-	-	-	-	-
3.10 Other Services	58,846.13	372.86	0.63%	29,970.40	24.43	0.08%
Total 3.a to 3.d	**139,514.01**	**964.97**	**0.69%**	**51,349.37**	**219.28**	**0.43%**
3.a Micro and Small	48,425.63	420.89	0.87%	15,975.55	219.28	1.37%
3.b Medium	50,990.25	536.99	1.05%	26,500.98	-	-
3.c Large	40,098.13	7.09	0.02%	8,872.84	-	-
3.d Others, if any, Please specify	-	-		-	-	
4. Retail Loans (4.1 to 4.10)	**7,026.83**	**298.54**	**4.25%**	**486.09**	-	-
4.1 Housing Loans (incl. priority sector Housing)	-	-	-	-	-	-
4.2 Consumer Durables	-	-	-	-	-	-
4.3 Credit Card Receivables	-	-	-	-	-	-
4.4 Vehicle/Auto Loans	-	-	-	-	-	-
4.5 Education Loans	-	-		-	-	-
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	-	-	-	-	-	-
4.7 Advances to Individuals against Shares, Bonds	-	-	-	-	-	-
4.8 Advances to Individuals against Gold	-	-	-	-	-	-
4.9 Micro finance loan/SHG Loan	-	-	-	-	-	-
4.10 Other Retail loans , if any, Please specify	7,026.83	298.54	4.25%	486.09	-	-
5. Other Non-food Credit, if any	-	-		-	-	
Total	**473,917.41**	**4,194.76**	**0.89%**	**257,853.00**	**2,609.84**	**1.01%**

Note: The above computation is based on management's estimates, assumptions and adjustments / Borrower's confirmation which have been relied upon by the auditors.

(d) Intra-group exposures

Particulars	As at 31 March 2023	As at 31 March 2022
Total amount of intra-group exposures	48,521.20	19,512.82
Total amount of top 20 intra-group exposures	39,764.64	15,806.27
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	8.51%	6.22%

(e) Concentration of NPAs

Particulars	As at 31 March 2023	As at 31 March 2022
Total Exposure to top four NPA accounts	1,461.21	984.51

(f) Movement of NPAs

Particulars		As at 31 March 2023	As at 31 March 2022
(i)	Net NPAs to Net Advances (%)	0.46%	0.43%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	2,609.84	1,672.30
(b)	Additions during the year*	3,271.28	2,134.39
(c)	Reductions during the year	1,686.37	1,196.85
(d)	Closing balance	4,194.75	2,609.84
(iii)	Movement of Net NPAs		
(a)	Opening balance	1,100.96	684.27
(b)	Additions during the year	2,034.32	1,126.67
(c)	Reductions during the year	982.15	709.98
(d)	Closing balance	2,153.13	1,100.96
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	1,508.88	988.03
(b)	Provisions made during the year	1,236.96	1,007.72
(c)	Write-off / write-back of excess provisions	704.22	486.87
(d)	Closing balance	2,041.62	1,508.88

*Include Rs. 259.70 Lakhs classified as NPA in terms of circular DOR.STR.REC.68/21.04.048/2021-22 dated 21 November 2021

XVIII. Related Party Disclosure

Nature wise and party wise details of related party transactions has been disclosed under Note 43.

XIX. The Company does not have any joint ventures and subsidiaries abroad as at 31 March 2023 as well as in the previous year ended 31 March 2022.

XX. The Company does not have any SPVs sponsored as at 31 March 2023 as well as in the previous year ended 31 March 2022.

XXI. Disclosure of Complaints

(a) Customer Complaints

Particulars	As at 31 March 2023	As at 31 March 2022
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	8	11
No. of complaints redressed during the year	8	11
No. of complaints pending at the end of the year	Nil	Nil

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(b) The disclosures as required by the Master Direction -Monitoring of frauds inNBFCs issued by RBI dated September 29, 2016

There were 3 cases (Previous year 5) reported as fraud during the year.

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 of the FY (opening figures)	No. of borrowers	21	3	-	-	24
	Amount outstanding	700.91	66.98	-	-	**767.89**
Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
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	7	-	-	-	7
	Amount outstanding	274.66	18.32	-	-	292.98
Restructured accounts as on 31 March of the FY (closing figures)	No. of borrowers	14	3	-	-	**17**
	Amount outstanding	426.25	48.66	-	-	**474.91**

XXIII. Disclosures related to Corporate governance

(a) Composition of the Board

S.No.	Name of Director	DIN	Director since	Capacity	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Sathyan David	08386521	11-04-19	Independent Director	11	11	3	-	9.00	-	-
2	Praveen Kumar Bhambani	09681934	06-08-22	Independent Director	11	06	1	-	3.00	-	-
3	Rohit Kapoor	06529360	05-02-19	Independent Director	11	11	2	-	2.75	-	-
4	Asish Mohapatra	06666246	05-02-19	Non Executive Director	11	10	9	-	-	-	-
5	Vasant Sridhar	07685035	26-12-16	Executive Director	11	10	6	44.32	-	-	-
6	Ruchi Kalra	03103474	21-09-16	Whole time Director and CFO (KMP)	11	11	7	30.29	-	-	2,935,263

Details of change in composition of the Board during the year ended

S.No.	Name of Director	Capacity	Nature of change	Effective date
1	Mr. Akshat Vikram Pandey	Independent Director	Personal and Professional Circumstances	13-05-22
2	Praveen Kumar Bhambani	Independent Director	Appointment	06-08-22

(b) Committees of the Board and their composition

(i) Summarized terms of reference for each committee

S.No.	Name of Committee	Name of Director	DIN	Director since	Capacity	Number of Board Meetings		Terms of Reference
						Held	Attended	
1	Audit Committee	Praveen Kumar Bhambani	09681934	06-08-22	Chairman	6	1	Refer Corporate Governance Report dated 23 May 2023 for detail terms of reference
		Rohit Kapoor	06529360	05-02-19	Chairperson till 10/11/2022	6	5	
		Sathyan David	08386521	11-04-19	Member	6	6	
		Ruchi Kalra	03103474	21-09-16	Member	6	6	
2	Nomination and Remuneration Committee	Rohit Kapoor	06529360	05-02-19	Chairman	3	3	Refer Corporate Governance Report dated 23 May 2023 for detail terms of reference
		Asish Mohapatra	08386521	05-02-19	Member	3	3	
		Sathyan David	08386521	11-04-19	Member	3	3	
3	Risk Management Committee	Sathyan David	08386521	11-04-19	Chairman	6	6	Refer Corporate Governance Report dated 23 May 2023 for detail terms of reference
		Ruchi Kalra	03103474	21-09-16	Member	6	6	
		Asish Mohapatra	08386521	05-02-19	Member	3	3	
4	Corporate Social Responsibility Committee	Asish Mohapatra	08386521	05-02-19	Chairman	1	1	Refer Corporate Governance Report dated 23 May 2023 for detail terms of reference
		Rohit Kapoor	06529360	05-02-19	Member	1	1	
		Ruchi Kalra	03103474	21-09-16	Member	1	1	

(c) General Body Meetings

Year	Date	Location	Special Resolution
AGM	26 September 2022	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1. To adopt restated and amended Articles of Association of the Company 2. To adopt the entrenched provisions contained in the Amended Articles of Association
EGM	08 April 2022	6Th Floor, Tower A, Global Business Park, M.G. Road, Gurugram-122001	1. Adoption of restated and amended Articles of Association of the Company 2.To adopt the entrenched provisions contained in the Amended Articles of Association
EGM	07 July 2022	6Th Floor, Tower A, Global Business Park, M.G. Road, Gurugram-122001	1.Approval Of The Offer And Issuance Of Series A CCPS On A Preferential Basis (Private Placement)
EGM	03 January 2023	6Th Floor, Tower A, Global Business Park, M.G. Road, Gurugram-122001	1. Approval to issue and offer of Rated, Senior, Secured, Transferable, Redeemable, Principal protected, Non-Convertible Market Linked Debentures ("NCDs" or "Debentures")
EGM	10 March 2023	6Th Floor, Tower A, Global Business Park, M.G. Road, Gurugram-122001	1. Approval To Issue And Offer Of Rated, Listed, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures ("Ncds" Or "Debentures")

XXIV Details of non-compliance with requirements of Companies Act, 2013

There is no non-compliance of any provision of Companies Act, 2013 during the FY 2022-23 and FY 2021-22.

Details of penalties and strictures

Regulation	Date of Receiving email from BSE	Penalty Amount	Date of filing Representation	Penalty payment date	Remarks
60(2)	28-Sep-22	188,800	12-Oct-22	22-Nov-22	Penalty paid off
50	28-Sep-22	1,180	12-Oct-22	22-Nov-22	Penalty paid off
60(2)	31-Oct-22	11,800	12-Nov-22	22-Nov-22	Penalty paid off
60(2)	30-Nov-22	23,600	01-Dec-22	04-Jan-23	Penalty paid off

XXV. Breach of covenant

There is no breach of covenant with terms of any borrowing arrangements during the FY 2022-23 and FY 2021-22.

XXVI Divergence in Asset Classification and Provisioning-
The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended 31 March 2022, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

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52 Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 (as required in terms of Appendix to RBI Circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 applicable on Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies:

As at 31 March 2023

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	455,063.71	2,301.02	452,762.69	1,820.25	480.77
	Stage 2	14,658.95	632.35	14,026.60	58.64	573.71
Subtotal		**469,722.66**	**2,933.37**	**466,789.29**	**1,878.89**	**1,054.48**
Non-Performing Assets (NPA)						
Substandard	Stage 2*	259.70	45.47	214.23	25.97	19.50
	Stage 3	2,421.35	1,033.00	1,388.35	242.13	790.87
Doubtful - up to 1 year	Stage 3	453.61	235.90	217.71	290.51	(54.61)
1 to 3 years	Stage 3	1,060.09	727.25	332.83	821.76	-94.51
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,513.70**	**963.15**	**550.54**	**1,112.27**	**(149.12)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**4,194.75**	**2,041.62**	**2,153.13**	**1,380.37**	**661.25**
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**	455,063.71	2,301.02	452,762.69	1,820.25	480.77
	Stage 2	14,918.65	677.82	14,240.83	84.61	593.21
	Stage 3	3,935.05	1,996.15	1,938.90	1,354.40	641.75
	Total	**473,917.41**	**4,974.99**	**468,942.42**	**3,259.26**	**1,715.73**

* represents cases classified under substandard as per ICACP norms as pursuant to circular DOR.STR.REC.68/21.04.048/2021-22 dated 12 November 2021.

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	244,485.87	1,304.38	243,181.49	1,029.47	274.91
	Stage 2	10,757.29	249.87	10,507.42	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**	244,485.87	1,304.38	243,181.49	1,029.47	274.91
	Stage 2	10,757.29	249.87	10,507.42	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**

Since the total impairment allowances under Ind AS 109 is higher than the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2023 and 31 March 2022, no amount is required to be transferred to 'Impairment Reserve' for both the financial years.

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(All amounts in Lakhs of ₹ unless otherwise stated)

53 Expenditure on Corporate Social Responsibility

Particulars	31 March 2023	31 March 2022
(a) Gross amount required to be spent	116.74	59.20
(b) Amount spent:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
(c) Shortfall at the end of the year	120.00	60.00
(d) Total of previous years shortfall	-	-
(c) 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.

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

Particulars	As at	
	31 March 2023	31 March 2022
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	3.17	3.17
(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 year 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	-	-

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

55 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, 1956.

(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) The Company has not been declared a willful defaulter by any bank or financial institution or other lender during the year.

(vii) 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.

(viii) 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.

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(ix) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Company has fully redeemed certain secured debentures and borrowings aggregating to Rs. 72,200.67 lakhs in respect of which the Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course.

(x) Ratios

Particulars	**Computation**	**As at**	
		31 March 2023	**31 March 2022**
(a) Capital to risk-weighted assets ratio (CRAR)	Total Net owned funds / Adjusted value of funded risk assets on balance sheet items	42.65%	48.38%
(b) Tier I CRAR	Total Net owned funds/Adjusted value of funded risk assets on balance sheet items	42.21%	47.99%
(c) Tier II CRAR	ECL Stage-I provision/Adjusted value of funded risk assets on balance sheet items	0.44%	0.38%
(d) Liquidity Coverage Ratio	Current assets/Current liabilities	1.88	2.48

56 Contingent liabilities, commitments and leasing arrangements

(i) Contingent liability

Particulars	**As at**	
	31 March 2023	**31 March 2022**
Disputed claims and proceedings against the Company, which arise in the ordinary course of business	8.21	-
Income tax matters		
Appeals by the Company	133.22	-

For FY 2019-2020 (AY 2020-2021) and for FY 2020-2021 (AY 2021-2022), Income tax department issued order u/s 143(3) dated 28 September 2022 and 26 December 2022 respectively had disallowed certain expenditures and thereby reducing the amount of refund with the same in relation to under reporting of income. The Company has filled the appeal for the same on 26 October 2022 and 24 January 2023 to commissioner of income-tax (Appeals).

(ii) Capital commitment

There is no contracts remaining to be executed on capital account for the current ad previous year.

57 The Company has entered into Master Framework Agreement (MFA) with erstwhile promoters of the subsidiary to pay in the form of shares of the Company upon completion of milestones as per the terms and conditions mentioned in the MFA.

58 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

Disclosure pertaining to stock statement filed with banks or financial institutions- The Company has availed of the facilities (secured borrowings) from the lenders inter alia on the condition that, the Company shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans. Security interest is created by charge creation towards security and debenture trustee on behalf of security holders and debenture holders.

59 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 except derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards. (Refer Note 16)

60 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

61 The Code on Social Security 2020 has been notified in the Official Gazette on 29 September, 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.

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62 There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

63 Figures for the previous year have been regrouped/re-classified to confirm to the figures of the current year.

64 Amounts less than ₹ 500 have been shown at actuals against respective line items statutorily required to be disclosed.

65 The above financial statements have been reviewed by the Audit Committee at its meeting held on 22 May 2023 and approved by the Board of Directors at its meeting held on 23 May 2023.

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

Rahul Singhal
Partner
Membership No: 096570

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Place : Gurugram
Date : 23 May 2023

For and on behalf of the Board of Directors
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 : 23 May 2023

OXYZO FINANCIAL SERVICES PRIVATE LIMITED