Oxyzo

2023-2024

Annual Report

Smart financing solutions for **SMEs**

www.oxyzo.in

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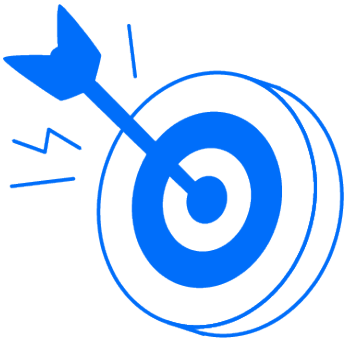
Our Vision

Oxyzo aims to continuously innovate in B2B financial services space through end-to-end capabilities across origination, deployment, curated structuring and distribution enabled through technology. Oxyzo aspires to broaden the digital financial services play organically and inorganically across a strong own balance sheet play, scaling the supply chain marketplace, launching innovative fixed income products for the SME space, and scaling other fee incomes business lines including debt capital markets and securities.



Our Mission

Our core mission is to cater to the dynamic demands of the B2B sector by delivering intelligent and innovative financial solutions spanning a wide array of financial products. We aim to empower businesses with tailored financing options that align with their evolving needs. Additionally, we are committed to facilitating seamless access to digital platforms that leverage our robust credit and origination capabilities. Through this, we strive to foster growth and success for our valued partners in the B2B space.

Note from the
Management Team

Dear Shareholders,

We are delighted to present to you our Annual Report for the Financial Year (FY) 2023-24.

Oxyzo closed the year with total assets at INR 7,364 Cr, with a profit-after-tax of INR 290 Cr in FY'24, against INR 5,585 Cr and INR 198 Cr in FY'23 respectively.

It has been a year of growing and strengthening our B2B lending franchise in core sectors of the economy (manufacturing and sub-contracting) with further diversifying our SME customer base to include micro, small-medium enterprises, emerging-corporates.

- The core SME and emerging corporate business grew by ~30% through expansion of sub-segments, geographic reach and relevant products
- Oxyzo expanded its small ticket franchise under its flagship sourcing entity 'Ziel' which expanded to 100+ branches contributing to INR 400 Cr of AuM. Oxyzo also build it backbone for originating through co-lending partnerships

FY 24, saw continued global conflict and tight monetary policy pursued by Central Banks across the globe which reflected in overall liquidity tightening and rate increases across. RBI's revision of risk weights, tightening of norms for bank exposure to NBFCs along with active regulatory interventions resulted in significant increase of borrowing costs for NBFCs across the board resulting in compression of NIMs. Despite global uncertainties, the Indian economy remained resilient prompting the Reserve Bank of India (RBI) to revise its GDP growth projections at 7% for FY25.

Strong origination, governance and collections capabilities remained at the core of building a strong performance outcome for Oxyzo. Currently rated A+ by ICRA and CRISIL, the Company ended FY'24 with an approx. INR 2,600 Cr of Net Worth with post tax RoA of 4.5% and a Gross NPA of 1.02%.

The Company delivered a strong performance in FY24. Key highlights of the year were:

- Gross Loans and Advances grew to ₹ 6,676 Cr against ₹ 4,740 Cr in FY'22 (41 % Y-o-Y growth)
- Significant increase in Profit After Tax (PAT) to ₹ 286 Cr against ₹ 197 Cr in FY'23. The overall PAT for the group increased from 198 Cr in FY'23 to 290 Cr in FY'24 (46% Y-o-Y). This came through continued focus on lower Opex and Credit cost.
- Gross NPA (GNPA) was at 1.02% (FY'23 0.89%) even after RBI new NPA norms due to improved assets quality and control at DPD across buckets. Company have taken adequate ECL provision in books and much higher than RBI IRAC norms.
- Company raised debt of ₹ 2,750+ during the year with the closing Borrowing of ₹ 4,597 Cr with diversified sourced including Debt Market (non-convertible debentures), Banks and Financial Institutions (term loans, working capital facilities and external commercial borrowings).
- Healthy CRAR: 37% and LCR: 284%
- Customer base crossed over 1.10 lacs with 130+ branches (including the Ziel and Zfirst)
- Oxyzo got converted to Public Limited from Private Limited (w.e.f. 05 March 2024)
- Significant investments in technology, people and processes

Oxyzo's focus remains on sizeable SMEs in the traditional sectors of the economy, emerging corporates, financial Institutions and also tap into the retail and micro enterprises through own channel and partnership arrangements. In addition to scaling its balance sheet, the Company shall continue to invest and scale its debt capital markets platforms for its Enterprise clients. In FY'25, our focus will be on expanding branch presence, investment on manpower and resource for the next level of growth. Alongside, we shall continue to build our technological muscle with high emphasis on improved risk management, credit underwriting, and data analytics.

On behalf of the Board of Directors of the Company, I want to thank you for your continued trust, confidence, and support.

Warm regards,

Ruchi Kalra
WTD and CFO

Business

Introduction

Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) ('Oxyzo' or 'the Company') is a Reserve Bank of India (RBI) registered Middle Layer Non-Banking Financial Company (NBFC) that provides working capital funding to largely small and medium enterprises (SMEs), Mid-Corporates and Co-lending space through partnerships. During the year Company got converted to Public Limited from Private Limited w.e.f. 05 March 2024.

Oxyzo financial services is a technology-enabled SME financing Middle Layer NBFC which mainly provides working capital lines to the small, medium & large Enterprises which can mostly be used for procurement of raw material. Target segment mostly includes banked, vintaged, sizable SMEs & mid-corporates who are into value addition (manufacturing & contracting) or services for B2B segment. Oxyzo focuses on core sectors of the economy - 'Manufacturing & Sub-contracting' sectors within the 'SMEs and Emerging-Corporates' segment primarily for their working capital needs.

The model itself takes care of guaranteed end use, higher engagement, better collection efficiency and higher business yield. Oxyzo plays a meaningful role in the raw material financing journey for MSMEs offering cash-flow based solutions to its customers. In addition, it provides an option for cheaper raw materials ("RM") through the platform Of-Business. Its' focus segment are vintaged SMEs with credit history of annual revenue in INR 50-500 cr range, working in core sectors (manufacturing and contracting - including capital goods, consumer goods, packaging, electricals, water, healthcare, auto/ auto ancillaries, polymers, roads/ rails/ bridges). Oxyzo also prefers Business to Business (B2B) SMEs, where the SME delivers its product or service for a large corporation, wherein cash flows of the SMEs are relatively more stable and predictable.

Oxyzo is currently rated '[ICRA] A+' (stable) by ICRA and CRISIL and the standalone and consolidated financial statements and results for FY'24 are compliant with Indian Accounting Standards (Ind AS) and previous period figures are comparable.

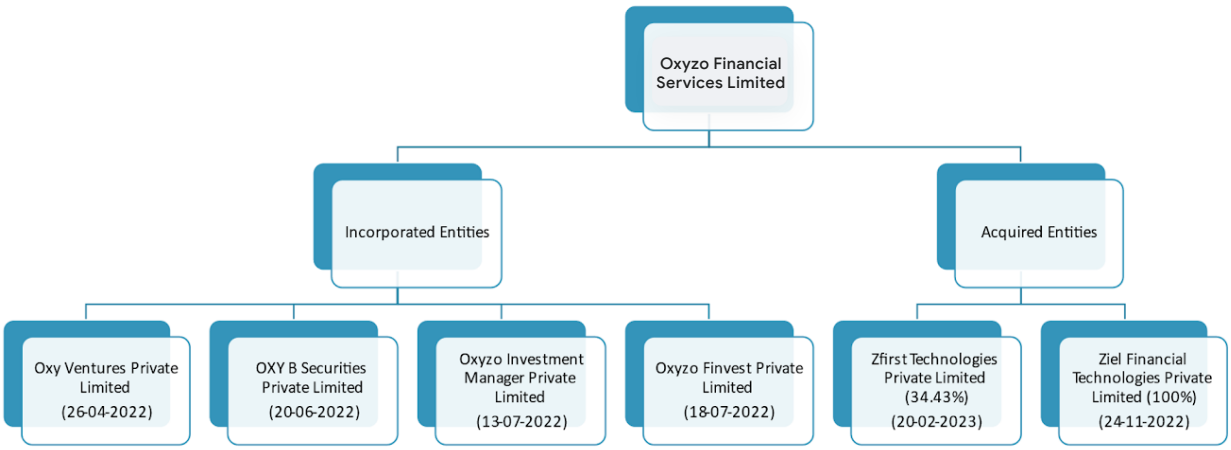
Group Structure

Ziel & Zfirst: The Companies are in the business of providing technology platform for availing loans and financial products for small enterprises with facilitation services like customer acquisition, collection and processing of loan documents etc.

Oxy Ventures: The Company is engaged in the business of debt arrangements, supply chain platforms for SMEs and mid-corporates, business opportunities in short term investment and down sell of fixed income instruments.

Oxyzo Investment Manager: Company plan to engage in business of Alternative Investment Fund and portfolio management. During the year the Company has received SEBI registration for Alternative Investment Fund (AIF) category II namely "Oxyzo Investment Trust" dated 17 January 2024.

Operations not yet started in other two Companies Oxy B Securities and Oxyzo Finvest.



Macroeconomic Overview

The global economy in FY24 grappled with slowdown in economic growth due to persistence of high interest rates, increasing geo-political conflicts and sluggish international trade. According to the International Monetary Fund's latest forecast, global growth is expected to reach 2.8% in 2023 and will rise to 3.0% in 2024.

Against the backdrop of subdued global economic activity and multiple headwinds, the Indian economy expanded at a robust pace in 2023-24, with real GDP growth accelerating to 7.6 per cent from 7.0 per cent in the previous year – the third successive year of 7 per cent or above growth. The growth outlook was frequently revised upwards following better than expected quarterly growth numbers during the year. As per the second advance estimate of the National Statistical Office, the Indian economy is estimated to have grown by 7.6% in FY24 compared to 7% in FY23. RBI has reiterated its policy imperative of bringing down headline inflation to 4% on a durable basis. Consequently, after hiking the policy repo rate by 250 bps in FY23, it stood firm on its policy repo rate (6.50%) and stance (withdrawal of accommodation) during FY24.

FY'25 is expected to see higher growth in investment, due to supportive government policies, sound macroeconomic fundamentals, improved asset quality and strong growth in credit among the private and MSME sectors. The Central Government has envisaged to bring down its fiscal deficit to 5.1% of the GDP in FY25 from 5.8% in FY24.

Financial Services

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

After a moderation in growth post the COVID-19 pandemic, NBFCs are back on track with an expected credit growth of 13%–14% during FY24. The industry is expected to continue to witness the emergence of newer NBFCs catering to specific customer segments. As per India Ratings, the growth rate in AUM of NBFCs will moderate in FY25 compared to FY24. Following increase in risk weights by the RBI, costs of funds for NBFCs from banks have increased and is likely to remain elevated in FY25. The incremental funding requirement for the NBFC sector will be ₹ 4.5 Tn in FY25 and the volume of public NCDs might go up in FY25. Given that the share of bank credit to NBFCs is likely to remain constrained, they would have to increase funding from other sources including via market issuances and securitisation to meet the envisaged growth. However, as the FI index points out, a substantial portion of India's population is still unserved. Going forward, NBFCs will have to build on their successes and play a greater role in financial inclusion if India has to achieve a consistent GDP growth of above 7%.

During the last financial year, there was also continuing improvement in the asset quality of banks and non-bank financial companies (NBFCs). Better regulatory compliance and transparent norms governing the recognition of bad loans has led to this continuing improvement in the asset quality of banks and NBFCs.

We believe that NBFCs with superior capital adequacy, better margins, frugal cost management, prudent risk management and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future.

Regulatory Developments

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

Fair Lending Practices – Penal Charges in Loan Accounts (18 Aug 2023): Circular on 'Penal Charges in Loan Accounts' was issued advising banks and other lending institutions that penalty, if charged, for non-compliance with terms and conditions of a loan contract by the borrower, shall be treated as 'penal charges' and shall not be levied in the form of 'penal interest' that is added to the rate of interest charged on the advances. Further, there shall be no capitalisation of penal charges. REs shall ensure that the instructions are implemented in respect of all fresh loans availed from April 1, 2024 onwards. In the case of existing loans, the switchover to new penal charges regime shall be ensured on the next review/ renewal date falling on or after April 1, 2024, but not later than June 30, 2024.

Display of information - Secured assets possessed under the SARFAESI Act, 2002 (Sep 25, 2023): The Reserve Bank, as a part of the move towards greater transparency, directed REs of the Reserve Bank which are secured creditors as per the Securitisa-

tion and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, to display information in respect of the borrowers whose secured assets have been taken into possession by the REs under the Act. Further, the Reserve Bank advised the REs to upload the information on their website in a prescribed format. The first such list shall be displayed on the website of REs within six months from the date of this circular, and the list shall be updated on monthly basis.

Regulatory measures towards consumer credit and bank credit to NBFCs (16 November 2023):

Consumer credit exposure of NBFCs (outstanding as well as new) categorised as retail loans, excluding housing loans, educational loans, vehicle loans, loans against gold jewellery and microfinance/SHG loans, shall attract a risk weight of 125% (earlier 100%). In terms of extant norms, exposures of SCBs to NBFCs, it has been decided to increase the risk weights on such exposures of SCBs by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs is below 100%.

Guidelines on Default Loss Guarantee (DLG) in Digital Lending dated (08 June 2023): Guidelines with respect to operation of LSP and RE which majorly includes (a) The LSP providing FLDG must be incorporated as a company (b) Explicit legally enforceable contract between RE and LSP (c) FLDG should be backed with: (i) cash deposited with RE; (ii) fixed deposits with scheduled commercial bank with lien marked in favor of RE; (iii) bank guarantee in favor of RE, FLDG cover on any outstanding portfolio to be capped to 5% of the amount of that loan portfolio and RE shall invoke guarantee within 120 days of default.

Streamlining of Internal Compliance monitoring function – leveraging use of technology: The Reserve Bank issued a circular 'Streamlining of Internal Compliance Monitoring Function - Leveraging Use of Technology', advising REs to implement comprehensive, integrated, enterprisewide and workflow-based solutions/tools to enhance the effectiveness of the compliance function.

Master Direction on Outsourcing of Information Technology Services: Implement a comprehensive board approved policy which specifies inter alia: (i) roles and responsibilities of the board and senior management, (ii) selection criteria for IT services and Service Providers, (iii) parameters for defining material outsourcing, (iv) disaster recovery and business continuity plans, (v) systems to monitor and review the operations of these activities.

Amendment to Master Direction (KYC) time to time: Alignment with the recent amendments to the PMLA, Customer Due Diligence through CKYCR registry, Enhanced due diligence for non-face to face customer accounts and other enhance review and approvals.

Oxyzo: Financial and Operational Performance

The Company has shown a year of growth aided by a diversified portfolio mix, robust volume growth, prudent management strategic initiatives. Company entered FY 23-24 with focus on book building and managing its asset quality and maintaining its growth and profitability aspirations by increasing its operating leverage and reducing the borrowing costs.

The key standalone financial parameters for the fiscal are:

- Net Loans grew to INR 6,574 Cr in FY'24 against INR 4,672 Cr in FY'23 to (41% Y-o-Y) against initial plan of 7,530 Cr and in line with revised guidance submitted to RBI.
- The overall income increased from 562 Cr to 852 Cr (52% Y-o-Y growth)
- Borrowing cost 183 Cr in FY'23 to 317 Cr in FY'24 (73% Y-o-Y increase), which resulting increase in leverage.
- Profit After Tax (PAT) increased by ₹ 89 Cr from ₹ 197 Cr in FY'23 to INR 286 Cr in FY'24.
- Oxyzo's GNPA was 1.02% with a PCR of 57%. The net NPA at 0.46% as of 31 March 2024.
- Healthy CRAR and LCR of 37 % and 284 % respectively. Debt Equity ratio of 1.78
- Current provisioning on books for FY'24 ₹ 76.76 Cr against ₹ 49.75 Cr in FY'23.
- Free cash plus Investment as at 31 March 2024 stood at ₹ 680 Cr.

In addition, The overall income for the group increased from 570 Cr to 904 Cr (59% Y-o-Y growth) and the overall PAT for the group increased from 198 Cr in FY'23 to 290 Cr in FY'24 (46% Y-o-Y).

Key P/L highlights:

P&L Statement	FY 23-24	FY 22-23	FY 21-22
Total Income	**852.2**	**561.8**	**313.2**
Interest Income	768.1	484.4	289.2
Fee & Commission Income	22.8	17.0	13.4
Treasury & Other Income	61.3	60.4	10.6
Total Expenses	**469.0**	**302.0**	**218.1**
Finance Cost	317.0	183.3	143.0
Employee Expenses	85.5	73.0	45.8
Impairment on FI (Credit Cost)	37.1	27.7	13.7
Admin & Opex	29.4	18.1	15.6
Profit Before Tax	**383.2**	**259.8**	**95.1**
Profit After Tax	**285.7**	**196.5**	**69.3**

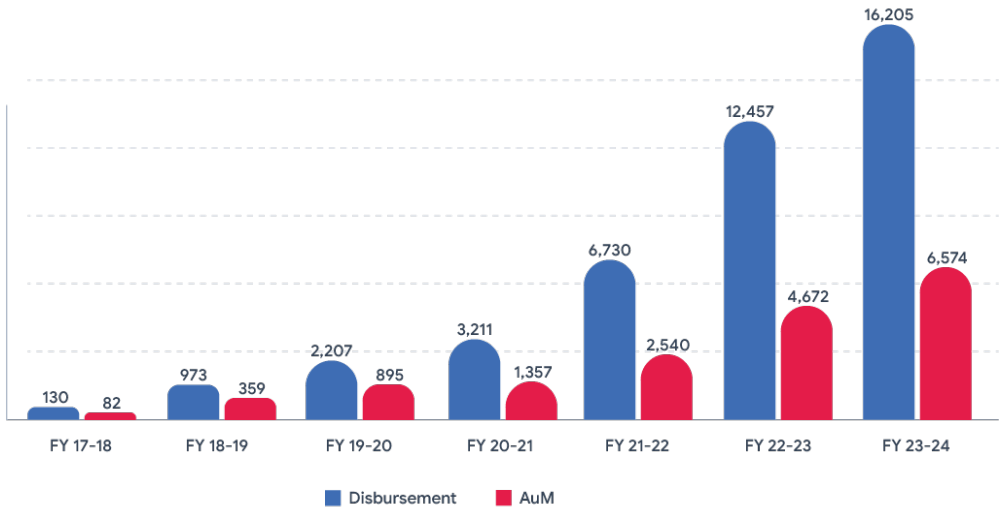
Key Balance sheet highlights:

Balance Sheet	FY 23-24	FY 22-23	FY 21-22
Assets	**7,352.9**	**5,577.7**	**3,439.2**
Cash and cash equivalents	174.3	98.5	538.2
Loans	6,574.2	4671.6	2,540.1
Investments	537.4	753.6	336.5
Other Assets	67.0	54.0	24.4
Liabilities	**4,763.4**	**3,282.7**	**2,046.7**
Borrowings	4,597.1	3,125.7	2,014.7
Trade payables	29.2	14.6	4.9
Current tax liabilities	8.5	8.1	2.6
Other liabilities	128.6	134.3	24.5
Equity	**2,589.5**	**2,295.0**	**1,392.5**

Business Growth

As of March 31, 2024, the gross loan portfolio stood at ₹ 6,676 Cr (net ₹ 6,574 Cr) increasing from ₹ 4,740 Cr (₹ 4,672 Cr) as of March 31, 2023. Total disbursements of 16K Cr which includes rotational disbursements as well due to the nature of product offerings. Portfolio is well diversified into different segments and geographic. During the year Company had expanded in new segments and new geographic and plan to continue the expansion in FY 2024-2025 also.

Disbursment and AuM (Rs. in Crs)



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

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

Asset Quality

The company always believes in culture of "Lend right and collect tight". Our Assets quality has always been a strength for us, and we also ensured the COVID crisis had very minimal impact on its portfolio. The company has in-house Calling, field and litigation team who takes care of collection and recovery and ensures healthy portfolio of the Company.

The percentage of gross non-performing assets (GNPA) on the loan portfolio as of March 31, 2024, stood at 1.02% as against 0.89% as of March 31, 2023. With effect from September'22, we aligned to new NPA IRAC norms wherein any account shall not be upgraded to standard unless entire overdue is cleared. The overall financial metrices of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan book in accordance with accounting principles in India, and accordingly, the provision for expected credit loss on financial assets as at 31 March 2023 aggregates ₹ 76.76 Cr (as at 31 March 2023, ₹ 49.75 Cr). ECL provision (as per Ind AS 109) at 76.76 Cr, IRAC provision (RBI guidelines) 42.00 Cr. Excess 34.76 Cr.

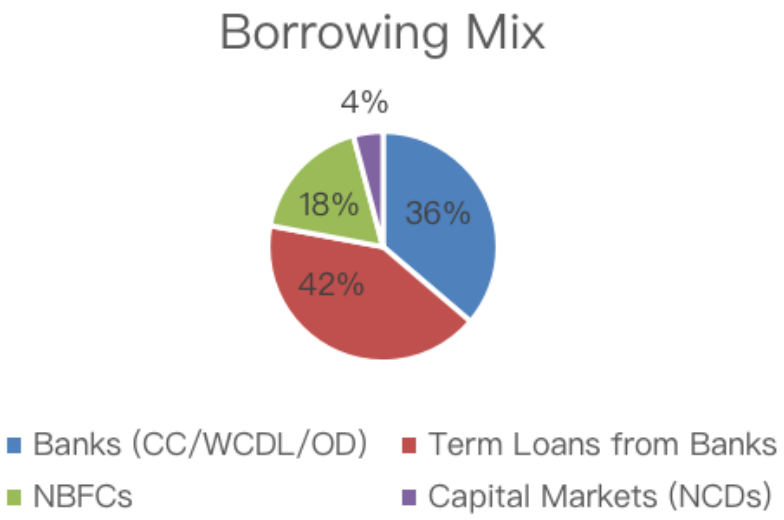
Borrowings

The borrowing book stood at ₹ 4,597.07 Cr as on March 31, 2024 against ₹ 3,125.69 Cr as of March 31, 2023.

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

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

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



The company raised INR 2,750+ Cr across financial institutions (Bank, NBFC and FIs), total borrowing stands at 4,497 Cr.

Asset Liability Management

We maintained a strong liquidity position throughout the year. Liquidity is composed of cash/cash equivalents, available bank lines and stock of unencumbered assets. The Company has a prudent ALM policy and the Asset Liability Committee regularly monitors the ALM. The Company throughout the year has maintained positive mismatches across buckets up to 5 years i.e. the cumulative inflows of assets are higher than the cumulative outflows. Our nature of business and lending product and liability mix ensures a healthy ALM.

Bucket	Cumm. Mismatch (INR Cr)	% age	RBI Limit
Up to 1m	380	+71%	**Negative 20%**
1 to 3m	1,261	+82%	
3 to 6m	2,420	+128%	
6 to 12m	2,309	+75%	
1-3 yr	2,312	+51%	
3-5 yr	2,385	+52%	
Above 5 yr	2,689	+58%	

Capital Adequacy

The Company continues to fulfil all the norms and standards laid down by the RBI rules and regulations viz. recognition of non–performing assets, capital adequacy requirements, liquidity coverage ratio, etc. Company has been able to maintain a Capital Adequacy Ratio (CRAR) of 36.80% as on March 31, 2023, which is well above the RBI mandated norm of 15%.

Business Outlook

For FY'25, the government's focus on infrastructure development, promoting domestic manufacturing, and fostering rural growth will be critical. India's economy is on track to reach 6.5 percent growth in the fiscal year 2024-25 and will hit 7 percent in 2026, according to latest estimates from S&P Global as markets learn to factor in geopolitical uncertainties in their investment and consumption decisions. RBI estimates the economy to grow at 7% in the current fiscal year. India's economy looks steady and on an upward trend. Projections indicate that India will be the world's third largest economy by 2027, surpassing US$5 trillion in GDP.

Non- Banking Financial Companies (NBFCs) are set to announce robust results on the back of strong credit, upcycle, higher disbursements and higher collections. As per estimates, credit growth is expected to be 17% with strong credit quality. Credit growth of NBFCs is expected to be driven by rising retail consumerism, formalisation of MSMEs, increasing financial penetration and investment focus on India's manufacturing sector. With the growing technological advances and evolving financial support ecosystem (e.g. UPI, digital payments, e-signing), we shall focus more on technology enablement across financial services offering to consumers and enterprises.

Oxyzo in its next phase of growth shall add new products and segments to service the SME ecosystem more holistically. These growth vectors for AuM growth include:

- Continuing to build in existing geographies with addition of the FoS team with focus is on penetrating further using customer and supplier network. Opening up new adjacent industrial clusters to cater to new segments as Chemical and Pharma.
- Identifying select opportunities in Emerging Corporates in Manufacturing, Clean Tech, Direct to Customer, Logistics and Mobility, and adjacent areas.
- Opening up lending new products and segments through partnerships for origination.

Going forward, Oxyzo aims to continuously innovate to be a diversified B2B financial services player through end-to-end capabilities across origination, deployment, curated structuring and distribution enabled through technology. We believe that the opportunity in its current segments is beyond standalone lending and hence are building debt discovery and structuring as a service for its target segments.

Risk Management

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

Identify → Assess → Mitigate → Monitor → Report

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

The Company has robust risk management system to ensure mitigation of risks faced by the Company due to its business operations, which can be described as follows:

- The Company's risk management framework is based on:
  - clear understanding and identification of various risks.
  - disciplined risk assessment by evaluating the probability and impact of each risk.
  - measurement and monitoring of risks by establishing Key Risk Indicators with thresholds for all critical risks and .
  - adequate review mechanism to monitor and control risks.
- The Company identifies and monitors risks periodically. This process enables the Company to reassess the top critical risks in a changing environment that need to be focused on.
- The Company's risk governance structure operates with a robust board and risk management committee with a clearly laid down charter and senior management direction.
- The committee, meets at periodical intervals in a year, reviews the risk management policy, implementation of risk manage-

ment framework, monitoring of critical risks, and review of various other initiatives with a structured annual plan.

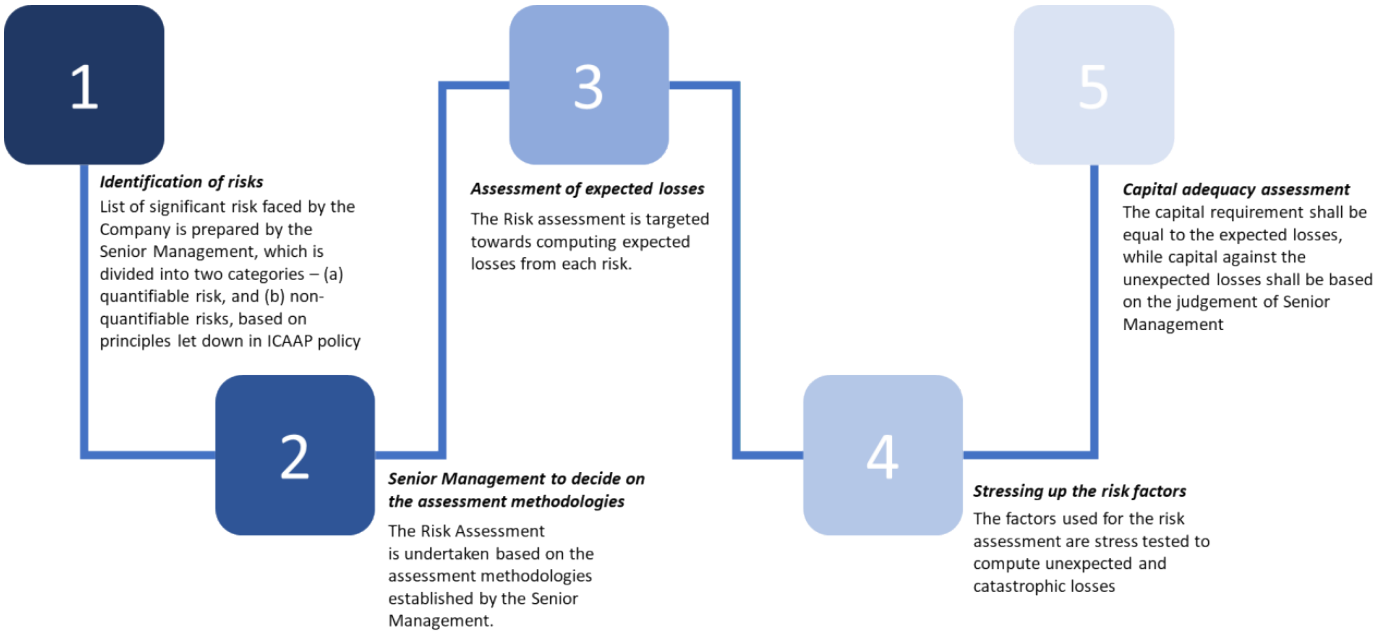
- The risk management team has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the Company about risk management.
- The Company's risk management initiatives are discussed and reviewed periodically by the senior leadership team at the company and also in Risk Management Committee (RMC).

The said risk management framework provides a reasonable assurance that the Company has capabilities to deal with risk faced by it.

Internal Capital Adequacy Assessment Process (ICAAP)

We have adopted the ICAAP framework as enunciated in the Scale Based Regulation framework. As part of the risk assessment under ICAAP framework, we have quantified capital requirement for all material risks that it is exposed to and stress scenarios pertaining to these risks. Our Company has identified material risks which may impact on our earnings, capital, and reputation. We have undertaken our first ICAAP exercise and have assessed capital requirements considering all the material risks as well as stress testing scenarios. All qualitative & quantitative disclosures across Credit Risk, Market Risk, Interest rate risk, operational risk, liquidity risk have been covered in detail with methodology driven towards capital adequacy requirement.

Under the ICAAP analysis Company follows the following steps:



Pic: ICAAP assessment process

Credit Risk:

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

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

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

The Company does adequate provisioning of loan exposure after adoption of the Expected Credit Loss ("ECL") model as provided in Ind AS 109. ECL model breaks down the estimates into 3 key parameters, i.e. Probability of Default ("PD"), Loss given Default ("LGD") and Exposure at Default ("EAD"). The ECL is calculated as a product of PD, LGD and EAD. Total provision on account of ECL for FY'24 ₹ 76.76 Cr against FY'23 ₹ 49.75 Cr. Company have taken adequate ECL provision in books and much higher than RBI IRAC norms.

Liquidity Risk:

The Company always maintain very good capital adequacy ratio of 36.80% (Tier I Capital of 36.12%) against RBI guidelines 15%. Also strong ALM, As on 31st Mar 2024, the company had liquidity buffer of cash Balance of INR 175 Crs. In addition, the company has Investment of INR 506 Crs. Nature of lending product and liability mix ensures a healthy ALM.

Market Risk:

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

Regulatory Risk:

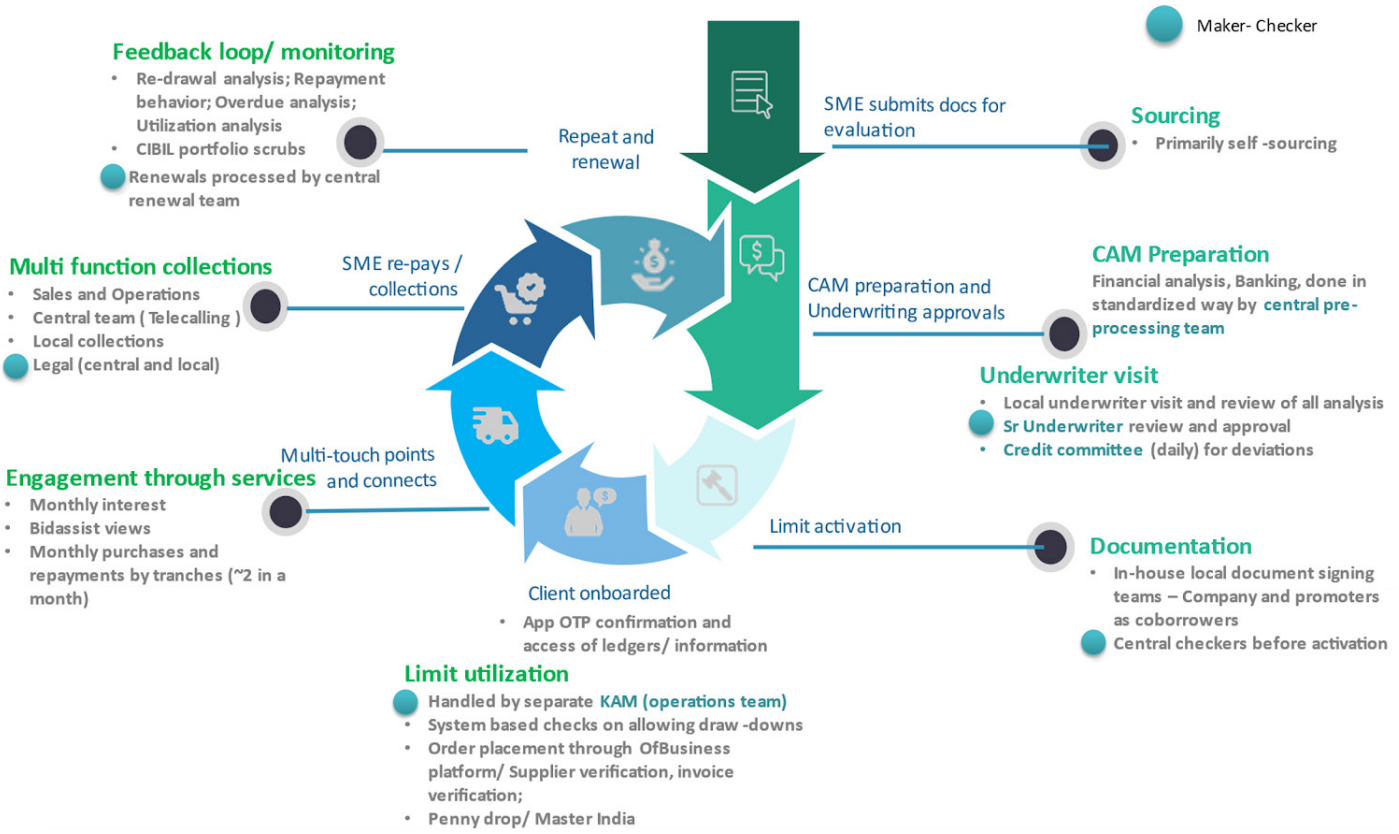
The Company has a robust compliance risk management framework in place guided by a Board approved Compliance Risk Management Charter which lays down the roles and responsibilities of employees towards ensuring compliance with the applicable laws and regulations as also the role of the Compliance Department in monitoring compliance. Compliance team closely monitor all changes and notifications from RBI and SEBI applicable for the Company and take prompt action on the same.

Operational Risk:

Losses due to operational issues are an inherent part of business, the same may be the result of policy level or implementation level errors. It shall be pertinent to note that such losses may not necessarily be linked to any specific factor, and may be the result of a pattern, abrupt changes in some factors or just an outcome of several factors influencing the operations at a single point of time. The Company has put in place a comprehensive system of internal controls, systems and procedures for documenting, assessing and periodic monitoring of various risks and controls linked to various processes across all business lines.

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

MULTIPLE CHECK POINTS AND MAKE-CHECKER BUILT ACROSS



This is augmented with internal audit team along with multiple IT/ process and secretarial audits

Regulatory Guidelines by RBI

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

Internal Audit and Control

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

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

The Company has established adequate internal control systems in line with the nature of its business and the size of its operations. The Company has a robust internal audit program, where the internal auditors, in house independent Internal Audit team conducts audit risk based internal audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems.

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

To strengthen the control further during the year we had done drafting of SOPs and Flow-charts and also designed Risk Control Matrix (RCM) in line with RBIA frameworks.

Information Technology

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

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

Risk Monitoring Framework: Risk monitoring framework has been further enhanced to add more data points and provide a holistic view of client health to the team. Clients are continuously monitored during the loan lifecycle. Data has been categorized mainly into 2 segments - internal risk data (repayment behavior, DPD's etc) and external risk data (credit rating changes, litigation, gst filing delays etc). Based on this, various risk flags are generated of low, medium and high severity and shown at different places in the admin system for review. Appropriate alerts are generated to notify the risk team about customers' health. Additionally, we track risk based on external (litigation, gst filing, credit rating etc) and internal (dues, security instrument expiring etc) data.

Customer Engagement

Oxyzo Whatsapp Chatbot: We have launched whatsapp flows for customers to check eligibility, invoices, ledgers, disbursements, dues, apply for loan etc.This helps us increase customer engagement and satisfaction.

New Client Dashboard: We have launched a new client dashboard on the website where clients can check eligibility, invoices, ledgers, disbursements, dues, apply for loan etc. This provides anytime, anywhere self service portal to the client. It also makes us compliant with CFSS guidelines.

Automation/Process Improvements/Compliance:

- API integration suites have been designed to seamlessly integrate with channel partners/ co-lending partners for handling large volumes of new cases per day.
- Third party APIs needed detailed monitoring for throttling, exhausted credits, provider switching, downtime alerts etc. Created a framework for this and provided a centralised monitoring view of all third-party API's.
- System driven Aadhar verification, System driven Masking of Aadhars, System driven CKYC compliance, Detailed Audit trails capturing additional details eg. ip, operating system, device type and browser name.
- Various functional and technology initiatives have been implemented in the domain of Cyber Security to detect and respond to threats such as unauthorized access, data breaches, malware, Denial-of-service attacks etc. These initiatives include: defining Early Warning Signals, performing Vulnerability Assessment and Penetration Tests (VAPT) periodically, implementing WAF technologies, training and educating employees on various aspects of IT Governance.

Material development in Human Resources-People Count at every step

Oxyzo treasures it's employees and endeavors to induct them, train them, groom them and help them realize their full potential and believes in growth of the organization with growth and development of it's human resource. The HR team worked on focused learning interventions, launch of people policies, HR technology developments and strengthening of compliance and governance mechanisms. This year also we ensured to set new benchmarks.

- In FY 2023-24, Oxyzo successfully onboarded over 240 new employees. Notably, we initiated a pioneering hiring collaboration with ICAI and ICMAI to bring on board trainees.
- We expanded our presence by inaugurating a new office in Rajkot. Furthermore, we undertook comprehensive renovations of our offices in Raipur, Jaipur, Bengaluru, and Indore, enhancing work environments that underscore our commitment to top-tier facilities for our team.
- We conducted a 5 day in-person Induction Program (including industrial visit) of all our Management Trainees from B-Schools across India and successfully onboarded them in different departments/locations.
- We conducted training sessions for all departments across teams to promote and build cross functional competency.
- Cross-functional competency was promoted through dedicated training sessions across all departments, fostering collaborative expertise.
- Our engaging Walkathon, a 100-day challenge powered by Koshiqa, underscored our commitment to employee wellness, fostering a healthy workplace culture.
- Streamlined travel management with the launch of our in-house portal, simplifying employee travel bookings and expenses while enhancing efficiency.
- Our annual Christmas donation drive encouraged contributions of woolen clothes, toys, and essentials for nearby orphanages, old age homes, and Chennai flood survivors, embodying the spirit of giving and compassion.
- Employee engagement was a round-the-year endeavour for our organization to ensure we connect with employees and address their concerns. We also give the employees critical updates about the organisation to keep them upto- date on the various developments. Fun@Work campaigns were conducted throughout the year to keep the employees motivated. Major festivals were celebrated with enthusiasm, including Diwali, Holi, Basant Panchami, and Christmas, with engaging activities and hampers distributed to winners. International Men's Day and Friendship Day were also celebrated with heartfelt mementos and appreciation notes.

- Towards Nature and Society: tree plantation drive to contribute to environmental sustainability and blood donation camp in collaboration with local healthcare which demonstrated our commitment to corporate social responsibility and community well-being.
- Informative webinars on critical health topics such as diabetes management, physical fitness, and mental health awareness provided valuable insights to employees, promoting well-being and work-life balance.
- The number of employees employed as on March 31, 2024 stood at 446.

Significant changes in key financial ratios

In compliance with the requirements of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, it is confirmed that there has been no significant change (i.e. 25% or more during the financial year 2023-24, as compared to financial year 2022-23) in the key financial ratios, as mentioned in these regulations.

Cautionary Statement

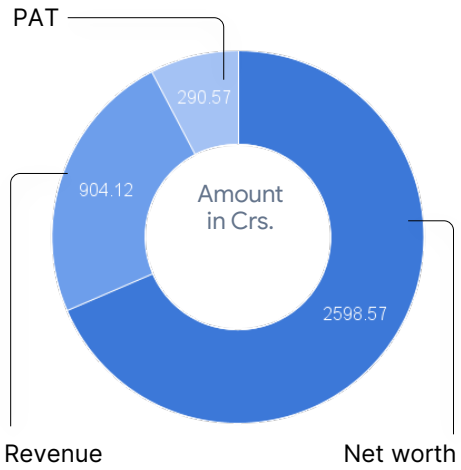
Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make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

Key Highlights

(Amount in Crores of ₹)

Particulars	FY 23-24	FY 22-23
Loan Assets under Management	6,574.23	4,671.59
Net worth	2,589.46	2,294.97
Borrowing	4,597.07	3,125.70
Total revenue	853.31	561.78
Interest Income	829.84	535.14
Profit before Tax	383.24	259.66
Profit After Tax	285.68	196.51
Total comprehensive profit	286.36	194.75
Key ratios		
Gross NPA %	1.02%	0.89%
Net NPA %	0.45%	0.46%
Provision Coverage Ratio %	56.50%	48.67%
Capital Adequacy Ratio %	36.80%	42.65%
Pre-Tax Return on Assets %	6.11%	6.26%
Basic Earning per share Rs.	41.97	29.08
Diluted Earning per share Rs.	39.55	27.79
Debt-equity ratio	1.78	1.36

Consolidated KPI



Loan AUM
6,574.23

Borrowing (in Crores of ₹)
4,597.07

Net Worth (in Crores of ₹)
2,589.46

Gross NPA %
1.02%

Total Revenue
853.31

Pre-Tax ROA %
6.11%

Our Lending Partners

IDFC FIRST Bank

HDFC BANK
We understand your world

SBI

IndusInd Bank

sidbi

kotak
Kotak Mahindra Bank

ICICI Bank

AXIS BANK

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Bandhan Bank

YES BANK

बैंक ऑफ़ बड़ौदा
Bank of Baroda

NABKISAN FINANCE LIMITED
A Subsidiary of NABARD

SUNDARAM FINANCE
Enduring values. New age thinking.

Utkarsh Small Finance Bank

BAJAJ FINSERV

HSBC

UJJIVAN
UJJIVAN SMALL FINANCE BANK
Build a Better Life

TATA CAPITAL
Count on us

इंडियन बैंक
Indian Bank
आपका अपना बैंक • YOUR OWN BANK

केनरा बैंक
Canara Bank

ADITYA BIRLA
FINANCE

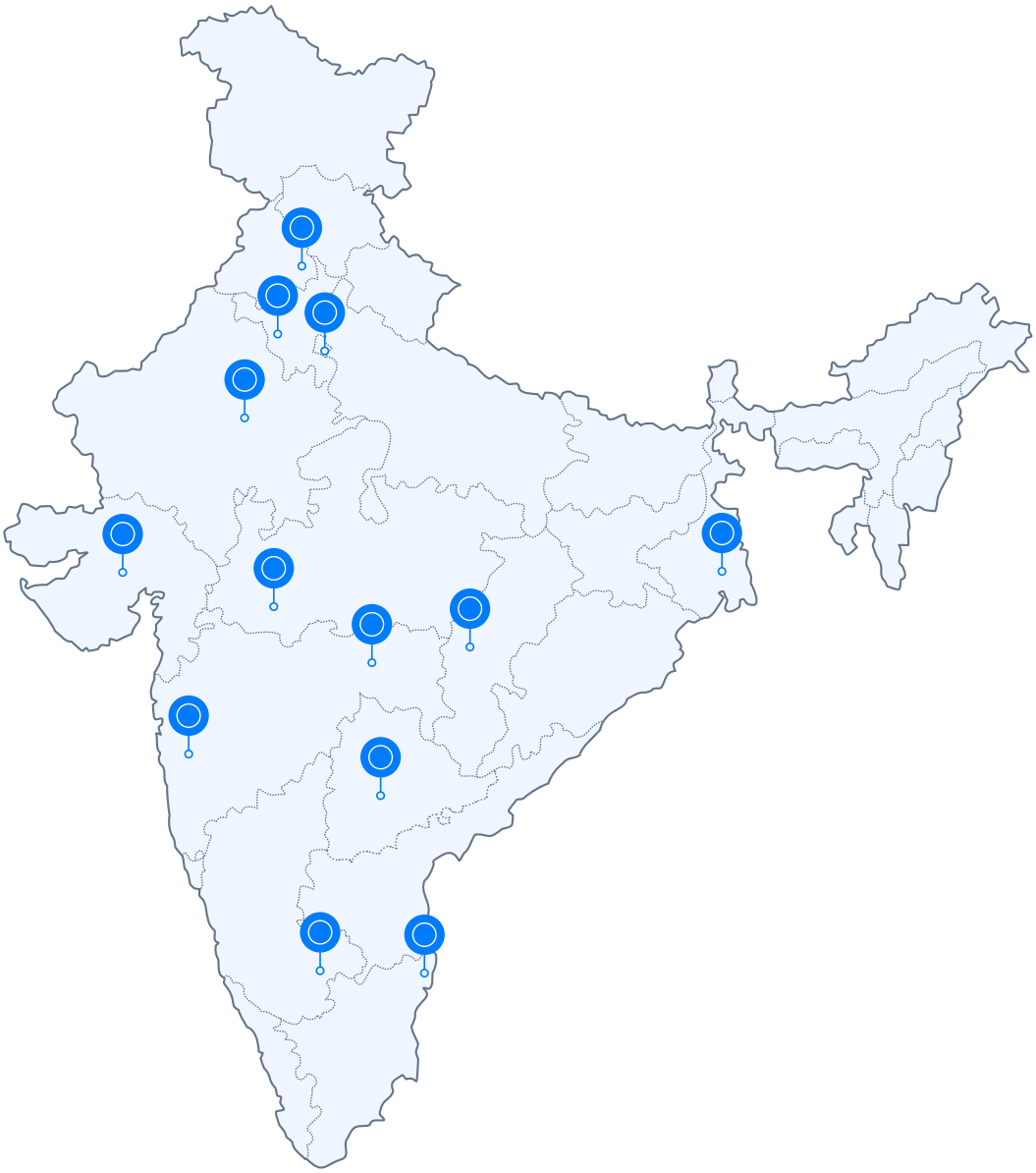
RBL BANK
apno ka bank

NABSAMRUDDHI FINANCE LIMITED
A Subsidiary of NABARD
Formerly Agri Business Finance Limited

Our Lending Partners

Our Presence

- Chandigarh
- Haryana
- Delhi
- Rajasthan
- Gujarat
- Madhya Pradesh
- Maharashtra
- Chhattisgarh
- West Bengal
- Telangana
- Karnatka
- Tamilnadu



Board and Key

Management Team

Asish Mohapatra

Director

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

Ruchi Kalra

CFO, WTD

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

Vasant Sridhar

Director

Vasant Sridhar leads asset building as the CSO of Oxyzo Financial Services Limited. From piloting "Purchase Finance" as the company's unique offering for SMEs, he has expanded the business across geographies and asset classes. Over the past 6 years, he has built a strong enterprise origination team across 18 cities that develops the client franchise for Oxyzo, executes high volume transactions while keeping a tight focus on risk management.

Prior to this, he established and scaled the group's presence across Southern India; built up operations and distribution for the commerce businesses as well.

He brings in strong data analytics and execution capabilities from his earlier role at ITC Limited, where he drove the deployment of business excellence projects across manufacturing and supply chain, leading 200+ managers, as a part of the Chief Executive's Office. His interest in leveraging technology and distribution to scale a business, comes from his experience of founding a healthcare platform for patients, doctors and hospitals during graduation at IIT Madras, where he completed his B. Tech in Chemical Engineering.

Sathyan David
Independent Director

Sathyan David was previously the Chief General Manager, Department of Non-Banking Supervision, Reserve Bank of India and has been involved in regulation of the NBFC and banking sectors during his 35 years with RBI. He has served as a member/chair of various committees and was RBI's Nominee Director at Indian Bank and Karur Vysya Bank.

Rohit Kapoor
Independent Director

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

Praveen Bhambani
Independent Director

Praveen is a Senior Advisor of Ymira Consulting, a boutique advisory firm which focusses on finding innovative solution to complex transactions, restructurings, and structuring for family business. He is also part of statutory and advisory board of companies as an Independent Director/ Non- Executive Director/ Facilitate and provide insights and oversight to companies of all sized and navigate the challenges of corporate governance and compliance. Previously, he was partner in the Deals Platform of PwC and also led the Private & Entrepreneurial business in his stint of over 2 decades in PwC.

Pinki Jha
Company Secretary, & Chief Compliance Officer

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

Dhruva Shree Agarwal
CIO & CTO

Dhruva Shree Agarwal is the CTO at Oxyzo and has around 18 years of experience in technology development specialising in delivering end-to-end applications/products in multiple domains eg. ecommerce, adtech, fintech etc. He has vast experience in building web/mobile apps, server architecture, designing scalable systems, team building and nurturing talent. He has completed his bachelor's degree from IIT BHU-Varanasi and was previously Director Engineering at Zomato and CTO across various start-ups.

Prashant Roy Sharma

Chief Business Officer (Mid Market - DCM)

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

Gurtej Singh

Chief Risk Officer

Gurtej Singh, a qualified CMA from the 2009 batch, brings extensive experience in finance and operational controls from his 8-year tenure at Vardhman Textiles Ltd and ITC Ltd. Since joining Oxyzo Financial Services Private Limited in March 2018, he has spearheaded the development and implementation of a comprehensive risk strategy focused on credit risk and risk analytics in the SME segment. His deep understanding of credit risk and payment mechanisms has enabled the creation of balanced risk models and strategies that support business growth and responsible lending. Gurtej ensures regulatory compliance by staying updated with statutory changes and collaborates across departments to align risk management with business objectives. Additionally, he has hands-on experience in underwriting SME and mid-market exposures and plays a crucial role in loan proposal decisions as member of the credit risk committee of the company.

Independent Auditor's Report

To the Members of Oxyzo Financial Services Limited (Formerly known as 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 Limited (Formerly known as Oxyzo Financial Services Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2024, 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 material 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 31 March 2024, 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** (Refer Note 5 and 48 to the standalone financial statements) As at 31 March 2024, loan assets aggregated ₹6,57,423.49 Lakhs, constituting 89.41% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. 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.	**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. 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

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, 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.

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, 2020 ("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, 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.

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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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 57(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 61 to the standalone financial statements)

iv. (a). The Management has represented that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 56(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 56(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. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

For S.N. Dhawan & CO LLP

Chartered Accountants

(Firm's Registration No. 000050N/N500045)

Rahul Singhal

Partner

Membership No. 096570

UDIN: 24096570BKCTHZ1017

Place: Gurugram

Date: 28 May 2024

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 Limited (Formerly known as Oxyzo Financial Services Private Limited) on the standalone financial statements as of and for the year ended 31 March 2024)

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, Investment Property and Assets held for sale.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties disclosed in the standalone Ind AS financial statements are held in the name of the Company except title deed of lands of the company classified under investment property and assets held for sale which is held in erstwhile name of the Company "Oxyzo Financial Services Private Limited" as at balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment 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.

ii. (a) According to the information and explanations given to us, 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 48 to the financial statements):

Category of loan	Extent of delay	Amount (Rs. In lakh) *
Loan assets where credit risk has not significantly increased since initial recognition	1-30 Days	39,277.14
Loan assets having significant increase in credit risk	30-90 Days	15,504.32
Credit impaired loan assets (Default event triggered)	More than 90 Days	6,565.95
Total		**61,347.41**

*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 48 to the financial statements)

(Amount Rs. In Lakh)

No. of Customers	Total Overdue*
90	6,565.95

*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 during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

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

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

(b) There are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakh)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act,1961	Income Tax	52.26	52.26	FY 2019-20	CIT (A)
Income Tax Act,1961	Income Tax	80.96	80.96	FY 2020-21	CIT (A)

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 31 March 2024

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.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

(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 clause 3 (xv) of the order are not applicable.

xvi. (a) The Company is required to be registered under Section 45-IA of the RBI Act, 1934 and such registration has been obtained by the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, provisions of clause3 (xvi)(c) of the order are not applicable.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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 (Refer Note 49 and 56(X) of the financial statements), other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

For S.N. Dhawan & CO LLP

Chartered Accountants

(Firm's Registration No. 000050N/N500045)

Rahul Singhal

Partner

Membership No. 096570

UDIN: 24096570BKCTHZ1017

Place: Gurugram

Date: 28 May 2024

Annexure "B" To The Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance 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 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
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 31 March 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.N. Dhawan & CO LLP

Chartered Accountants

(Firm's Registration No. 000050N/N500045)

Rahul Singhal

Partner

Membership No. 096570

UDIN: 24096570BKCTHZ1017

Place: Gurugram

Date: 28 May 2024

Standalone Balance Sheet as at 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	17,423.50	9,847.98
(b) Bank Balance other than included in (a) above	4	3,293.19	3,107.68
(c) Derivative financial instruments	16	313.83	231.10
(d) Loans	5	6,57,423.49	4,67,158.76
(e) Investments	6	53,738.67	75,362.59
(f) Other financial assets	7	411.16	67.74
		7,32,603.84	**5,55,775.85**
2. Non-financial assets			
(a) Current tax assets (Net)	8	191.41	305.98
(b) Deferred tax assets (Net)	9	1,903.97	1,348.08
(c) Investment Property	10	13.32	13.32
(d) Property, plant and equipment	11	113.03	131.29
(e) Intangible Assets under development	12	51.13	-
(f) Other Intangible assets	13	248.78	11.13
(g) Other non-financial assets	14	61.80	60.34
(h) Non-current Assets held for sale	15	94.78	118.00
		2,678.22	**1,988.14**
TOTAL ASSETS		**7,35,282.06**	**5,57,763.99**
B. LIABILITIES AND EQUITY			
LIABILITIES			
1. Financial liabilities			
(a) Derivative financial instruments	16	-	0.76
(b) Payables			
(I) Trade payables			
(i) Total outstanding dues to micro and small enterprises	17	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	17	1,091.02	449.81
(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	1,832.34	953.29
(c) Debt securities	19	19,062.18	27,299.03
(d) Borrowings (Other than debt securities)	20	4,40,644.76	2,85,270.58
(e) Other financial liabilities	21	11,983.87	12,661.83
		4,74,614.17	**3,26,634.97**

Standalone Balance Sheet as at 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

2. Non-financial liabilities			
(a) Current tax liabilities (Net)	22	846.16	805.37
(b) Provisions	23	272.34	306.66
(c) Other non-financial liabilities	24	603.36	519.94
		1,721.86	**1,631.97**
EQUITY			
(a) Equity share capital	25(a)	5,367.86	5,367.86
(b) Instruments entirely equity in nature	25(b)	1,438.29	1,438.29
(c) Other equity	26	2,52,139.88	2,22,690.90
		2,58,946.03	**2,29,497.05**
TOTAL LIABILITIES AND EQUITY		**7,35,282.06**	**5,57,763.99**
See accompanying notes forming part of the standalone Ind AS financial statements	1-66		

As per our report of even date attached
For S.N. DHAWAN & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of OXYZO FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Standalone Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Revenue from operations			
(i) Interest income	27	82,984.45	53,514.42
(ii) Fee and commission income	28	2,279.77	1,703.72
(iii) Net gain on fair value changes	29	49.35	730.51
(iv) Net gain on derecognition of financial instruments under amortised cost category	30	-	170.98
(b) Other income	31	17.51	58.59
I Total Income (a+b)		**85,331.08**	**56,178.22**
Expenses			
(a) Finance costs	32	31,701.98	18,326.80
(b) Net loss on derecognition of financial instruments under amortised cost category	33	108.67	-
(c) Impairment on financial instruments	34	3,712.20	2,767.11
(d) Employees benefit expenses	35	8,549.41	7,299.51
(e) Depreciation, amortisation and impairment expense	36	117.13	73.67
(f) Other expenses	37	2,817.25	1,745.26
II Total expenses		**47,006.64**	**30,212.35**
III Profit before tax (I-II)		**38,324.44**	**25,965.87**
IV Tax expense			
(a) Current tax	38	10,335.35	6,940.73
(b) Deferred tax (benefits)	38	(578.80)	(625.37)
Total tax expense		**9,756.55**	**6,315.36**
V Profit for the year (III-IV)		**28,567.89**	**19,650.51**
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		82.88	55.81
Income tax benefit/ (charge) on above		(20.86)	(14.05)
Sub total (a)		**62.02**	**41.76**
(b) Items that will be reclassified to profit or loss			
Derivative instruments in Cash flow hedge relationship		8.14	(290.69)
Income tax benefit on above		(2.05)	73.16
Sub total (b)		**6.09**	**(217.53)**

Standalone Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Other comprehensive income/(loss) for the year		**68.11**	**(175.77)**
VII Total comprehensive income for the year (V+VI)		**28,636.00**	**19,474.74**
Earnings per equity share (nominal value of share Rs. 10 each):			
Basic (in ₹)	39	41.97	29.08
Diluted (in ₹)	39	39.55	27.79
See accompanying notes forming part of the standalone Ind AS financial statements	1-66		

As per our report of even date attached
For S.N. DHAWAN & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of OXYZO FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Standalone Statement of Cash Flows for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**38,324.44**	**25,965.87**
Adjustments for:		
Remeasurement gain/(loss) on defined benefit plans	82.88	55.81
Depreciation, amortisation and impairment expense	117.13	73.67
Net gain on mutual funds at FVTPL	(49.35)	(730.51)
Interest income on investment	(5,960.07)	(5,110.41)
(Profit)/ Loss from sale of investment	-	(170.98)
Interest income on fixed deposits	(224.61)	(171.14)
Interest on income tax refund	(16.85)	(9.99)
loss on Sale of sale of property, plant & equipment	0.47	-
Loss on sale of debt securities	108.67	-
Impairment allowance on loans	2,701.00	1,911.87
Impairment allowance on investment	24.30	39.60
Employee stock options expense	812.98	528.18
Operating profit before working capital changes	**35,920.99**	**22,381.97**
Changes in working capital		
Increase/(decrease) in trade payables	641.54	218.68
Increase/(decrease) in other payables	879.05	689.85
Increase/(decrease) in Other financial liabilities	(677.96)	10,909.18
Increase/(decrease) in provisions	(34.32)	4.35
Increase/(decrease) in Other non-financial liabilities	83.42	210.27
(Increase)/decrease in Loans and advances	(1,92,965.73)	(2,15,058.73)
(Increase)/decrease in Other financial assets	(343.42)	(13.88)
(Increase)/decrease in Receivables	-	110.31
(Increase)/decrease in Other non-financial assets	(1.46)	26.65
Cash flow from operating activities post working capital changes	**(1,56,497.89)**	**(1,80,521.35)**
Income- tax paid	(10,179.99)	(6,302.70)
Net cash flow from operating activities (A)	**(1,66,677.88)**	**(1,86,824.05)**

Standalone Statement of Cash Flows for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(61.98)	(142.48)
Purchase/Capitalisation of Intangible assets including Intangible assets under development	(319.02)	(11.74)
Proceeds from sale of property, plant and equipment	16.10	40.92
Investment in mutual fund	(27,549.35)	(1,90,100.00)
Proceeds from sale of mutual funds	27,598.70	2,20,832.02
Investment in subsidiaries	(1,804.50)	(1,407.32)
Investment in debentures (net of sale proceeds)	27,767.70	(71,838.51)
Investment in Government Securities (net of sale proceeds)	(4,667.36)	-
Investment in Pass through certificates	(775.47)	-
Redemption from Pass through certificates	828.49	3,591.70
Investment in Fixed deposits (net of redemption)	(168.03)	(2,176.63)
Interest received from investments	6,102.16	3,179.92
Interest received on fixed deposits	207.13	108.75
Interest income on Income Tax Refund	16.85	9.99
Net cash used in investing activities (B)	**27,191.42**	**(37,913.38)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt securities (including accrued interest)	4,543.42	6,897.38
Repayments of debt securities	(12,781.35)	(18,729.89)
Net proceeds from cash credit and bank overdraft	8,034.65	11,574.62
Proceeds from other borrowings (including accrued interest)	7,42,879.77	4,56,676.56
Repayments of other borrowings	(5,95,614.51)	(3,45,919.42)
Proceeds from issue of share capital including share premium	-	71,046.29
Repayment towards deemed equity	-	(780.91)
Net cash flow from financing activities (C)	**1,47,061.98**	**1,80,764.63**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	**7,575.52**	**(43,972.80)**
Cash and cash equivalents at the beginning of the year	9,847.98	53,820.78
Cash and cash equivalents at the end of the year	**17,423.50**	**9,847.98**
Cash on hand	8.88	10.28
Balance with banks		
-In current accounts	17,414.62	9,837.70
	17,423.50	**9,847.98**

Standalone Statement of Cash Flows for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Cash and cash equivalents consist of: Particulars	As at 31 March 2024	As at 31 March 2023
Cash on Hand	8.88	10.28
Balance with banks		
-In current accounts	17,414.62	9,837.70
Operating profit before working capital changes	**17,423.50**	**9,847.98**

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 1-66

As per our report of even date attached
For S.N. DHAWAN & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Standalone statement of changes in equity for the year ended 31 March 2024

(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
5,367.86	-	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
5,147.72	220.14	5,367.86

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 preference share capital during the current year	Balance at the end of the current reporting year
1,438.29	-	1,438.29

(2) Previous reporting year

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

Standalone statement of changes in equity for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

C Other equity

Particulars	Reserves and Surplus						Other Comprehensive Income (OCI)	Total
	Securities premium reserve	Reserve u/s 45- IC of Reserve Bank of India Act, 1934	Deemed equity contribution	Employee Stock Options Outstanding Account	Optionally convertible redeemable preference shares	Retained Earnings	Cash flow hedges reserves	
Balance at 1 April 2022	1,19,110.04	2,686.66	780.91	112.98	-	10,687.42	(52.82)	1,33,325.19
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 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	1,89,180.35	6,616.76	-	641.16	73.39	26,449.59	(270.35)	2,22,690.90
Add: Profit for the year						28,567.89	-	28,567.89
Add: Other comprehensive income (net of tax)						62.02	6.09	68.11
Total comprehensive income for the year	-	-	-	-	-	28,629.91	6.09	28,636.00
Transfer to statutory reserve	-	5,713.58	-	-	-	(5,713.58)	-	-
Employee stock options	-	-	-	812.98	-	-	-	812.98
Balance at 31 March 2024	1,89,180.35	12,330.34	-	1,454.14	73.39	49,365.92	(264.26)	2,52,139.88
See accompanying notes forming part of the standalone Ind AS financial statements	1-66							

Standalone statement of changes in equity for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

As per our report of even date attached
For S.N. DHAWAN & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

1. Corporate Information

Oxyzo Financial Services Limited (Formerly known as Oxyzo Financials 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).

During the year Company got converted to Public Limited from Private Limited w.e.f. 05 March 2024.

2. Material 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 on 27 May 2024 and authorized for issue by the Company's Board of Directors on 28 May 2024.

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.

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.

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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.

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
- Office Equipment- 5 Years
- Furniture and fixtures- 10 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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

2.8 **Intangible assets including Intangible assets under development:**

(i) Technology related development cost

Technology related development costs incurred by the Company are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes expenses incurred during the application development stage. The costs related to planning and post implementation phases are expensed as incurred.

Expenditure on research activities are recognized in the statement of Profit and Loss as incurred. Development activities relate to production of new or substantially improved products and processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

(ii) Software:

Software acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable expenses necessary to make the asset ready for use.

Subsequent expenditure: Subsequent expenditure is recognized as an increase in the carrying amount of the assets are carried when it is probable that future economic benefit deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Amortization expense: Amortization expense on intangible assets (technology related development and software) is provided on straight line method based on management's estimated useful life of 3-5 years. Amortization expense is charged on pro-rata basis for assets purchased / sold during the year. The appropriateness of amortization period and the amortization method is reviewed at each financial year end.

De-recognition: Intangible assets are de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income/ expense in the statement of profit and loss in the year the asset is de-recognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

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.

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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.

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 47.1 & 47.2.

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:

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;

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

(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. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. (Refer note no.48).

b. Debt instruments at amortised cost

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).

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.

c. 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.

d. 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.

e. 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.

f. Transfer of Loan Exposure

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

ii Financial Liabilities:

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value.
All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

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

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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

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 46.

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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 portfoBasis 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.

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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 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.

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.

Notes forming part of the Ind AS standalone financial statements for the year ended 31 March 2024

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 Effective Interest Rate:

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).

2.27 Earnings per share:

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

2.28 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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

3	Cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
	Cash on hand	8.88	10.28
	Balances with banks:		
	- in current accounts	17,414.62	9,837.70
	Total	**17,423.50**	**9,847.98**

4	Bank balance other than cash and cash equivalents*	As at March 31, 2024	As at March 31, 2023
	Deposits with bank held as margin money against borrowings	3,170.03	3,002.00
	Accrued interest on deposits with bank	123.16	105.68
	Total	**3,293.19**	**3,107.68**
	*Deposits marked as lien with banks against borrowings		

5	Loans	As at March 31, 2024	As at March 31, 2023
	At amortised cost		
	A. Loans		
	(i) Purchase finance and Working Capital Loans	3,41,066.88	3,22,982.00
	(ii) Term Loans	3,22,923.04	1,49,091.13
	(iii) Others (Staff Loans)	732.56	688.04
	(iv) Interest accrued on loans #	2,894.12	1,155.52
	Total (A) - Gross	**6,67,616.60**	**4,73,916.69**
	Less: Impairment loss allowance	7,675.99	4,974.99
	Less: Revenue received in advance	2,517.12	1,782.94
	Total (A) - Net	**6,57,423.49**	**4,67,158.76**
	B.		
	(i) Secured by tangible assets*	24,204.52	29,947.65
	(ii) Secured by others	2,50,977.15	1,38,221.12
	(iii) Covered by bank guarantee	1,69,771.13	1,76,061.49
	(iv) Unsecured	2,22,663.80	1,29,686.43
	Total (B) - Gross	**6,67,616.60**	**4,73,916.69**
	Less: Impairment loss allowance	7,675.99	4,974.99
	Less: Revenue received in advance	2,517.12	1,782.94
	Total (B) - Net	**6,57,423.49**	**4,67,158.76**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

C. Loans in India**		
(i) Public sector	-	-
(ii) Others	6,67,616.60	4,73,916.69
Total (C) - Gross	**6,67,616.60**	**4,73,916.69**
Less: Impairment loss allowance	7,675.99	4,974.99
Less: Revenue received in advance	2,517.12	1,782.94
Total (C) - Net	**6,57,423.49**	**4,67,158.76**

* Based on the net book value of the tangible assets provided as security.
** The Company has not granted loans to any party outside India.
# net of payable towards digital lending partners.

The net carrying amount of loans is considered a reasonable approximation of their fair value.
Refer note 48 on credit risk.

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

Type of Borrower	As at 31 March 2024		As at 31 March 2023	
	Amount	Percentage	Amount	Percentage
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	4,488.47	0.95%	130.88	0.03%

6	Investments	As at 31 March 2024	As at 31 March 2023
	(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 ₹10 each (fully paid up)	700.00	200.00
	(ii) OXY B Securities Private Limited (refer note ii)		
	- Equity share of ₹10 each, previous year ₹10 each (fully paid up)	5.10	5.10
	(iii) Oxyzo Investment Manager Private Limited (refer note iii)		
	- Equity share of ₹10 each, previous year ₹10 each (fully paid up)	10.10	10.10
	(iv) Oxyzo Finvest Private Limited (refer note iv)		
	- Equity share of ₹10 each, previous year ₹10 each (fully paid up)	2.60	0.10

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(v) Ziel Financial Technologies Private Limited (refer note v)		
- Equity share of ₹10 each, previous year ₹10 each (fully paid up)	2,100.00	798.00
(vi) Zfirst Technologies Private Limited (refer note vi)		
- Equity share of ₹10 each, previous year ₹10 each (fully paid up)	0.02	0.02
Investments in compulsory convertible preference shares (CCPS)*		
(i) Zfirst Technologies Private Limited (refer note vi)		
- CCPS of ₹10 each, previous year ₹10 each (fully paid up)	394.00	394.00
(B) Investments at amortised Cost:		
Debt securities**	44,133.12	72,009.49
Interest accrued on debt securities**	1,736.50	1,946.65
Less: Impairment loss allowance	(78.48)	(54.18)
Pass through certificates (PTC)	-	53.02
Accrued interest on PTC	-	0.29
Less: Impairment loss allowance on pass through certificates	-	-
Investment in Government Securities	4,667.36	-
Accrued interest on Government Securities	68.35	-
(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 4 each (partly paid up)	-	-
Total (A)	53,738.67	75,362.59
(i) Investment outside India	-	-
(ii) Investment in India	53,738.67	75,362.59
Total (B)	53,738.67	75,362.59

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

** Includes investment in unsecured perpetual debentures of Banks amounting to ₹ 4,966.89 Lakhs (previous year ₹ 26,257.58 Lakhs).
(i) During the year ended 31 March 2024, on 26 July 2023 the Company has invested of ₹ 500.00 Lakhs (previous year ₹ 200.00) in Oxy Ventures Private Limited, a wholly owned subsidiary of the Company, by subscribing to 50,00,000 equity shares (previous year 20,00,000 equity shares) of face value of ₹10 each per share.

(ii) During the previous year ended 31 March 2023, on 05 July 2022 and 02 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 previous year ended 31 March 2023, on 16 August 2022 and 23 January 2023, the Company has invested ₹ 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 2024, on 01 July 2023, the Company has invested ₹ 2.50 Lakhs (previous year ₹ 0.10) in Oxyzo Finvest Private Limited, a wholly owned subsidiary of the Company, by subscribing to 25,000 equity shares (previous year 1,000 equity shares) of face value of ₹10 each per share.

(v) During the year ended 31 March 2024, the company has invested ₹ 1,302.00 Lakhs (represents 100% outstanding share capital) in Ziel Financial Technologies Private Limited (previous year ₹ 798.00 Lakhs) by subscribing to 1,30,20,000 equity shares (previous year 79,80,000 equity shares). Ziel Financial Technologies Private Limited is a wholly owned subsidiary of the Company w.e.f 24 November 2022.

(vi) During the previous 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 previous 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.

7	Other financial assets	As at March 31, 2024	As at March 31, 2023
	Other recoverable from related party (Refer Note 44)	33.64	13.99
	Other advances*	377.52	53.75
	Total	**411.16**	**67.74**

*Includes receivable from payment gateway ₹116.37 Lakhs (previous year ₹0.72 Lakhs) and balances in escrow account with other NBFC and digital lending partners ₹194.42 Lakhs (previousyear Nil).

8	Current tax assets (Net)	As at March 31, 2024	As at March 31, 2023
	Current tax assets	191.41	305.98
	Total	**191.41**	**305.98**

9	Deferred tax assets (Net)	As at March 31, 2024	As at March 31, 2023
	Tax effect of items constituting deferred tax assets		
	Provision for gratuity	41.50	52.04

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Provision for variable pay	-	-
Provision for compensated absences	27.05	25.14
Impairment on financial instruments	1,348.45	898.54
Impairment on Non Current Asset Held for sale	10.53	4.33
Deferred processing fee on loan assets	633.51	448.73
Cash Flow Hedge Reserve	88.87	90.92
	2,149.91	**1,519.70**
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment	6.13	2.58
Unamortised processing fees on borrowings	239.81	169.04
	245.94	**171.62**
Deferred tax assets (net)	**1,903.97**	**1,348.08**

Deferred taxes arising from temporary differences for the year ended 31 March 2024 are summarized as follows:

Deferred tax assets /(Liabilities)	As at 1 April 2023	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2024
Tax effect of items constituting deferred tax assets				
Provision for gratuity	52.04	10.32	(20.86)	41.50
Provision for compensated absences	25.14	1.91	-	27.05
Impairment on financial instruments	898.54	449.91	-	1,348.45
Impairment on Non Current Asset Held for sale	4.33	6.20	-	10.53
Deferred processing fee	448.73	184.78	-	633.51
Cash Flow Hedge Reserve	90.92	-	(2.05)	88.87
	1,519.70	**653.12**	**(22.91)**	**2,149.91**
Tax effect of items constituting deferred tax liabilities				
Difference between book balance and tax balance of property, plant and equipment	2.58	3.55	-	6.13
Unamortised processing fees on borrowings	169.04	70.77	-	239.81
	171.62	74.32	-	245.94
Deferred tax assets (net)	**1,348.08**	**578.80**	**(22.91)**	**1,903.97**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

10 Investment Property

Particulars	Land-freehold	Total
Gross carrying amount (at cost)		
As at 01 April 2022	**149.92**	**149.92**
Additions	-	-
Disposals	-	-
Transfer (Refer Note 15)	136.60	136.60
As at 31 March 2023	**13.32**	**13.32**
Additions	-	-
Disposals	-	-
As at 31 March 2024	**13.32**	**13.32**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Accumulated depreciation		
As at 01 April 2022	**-**	**-**
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2023	**-**	**-**
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2024	**-**	**-**
Carrying amount		
As at 31 March 2023	**13.32**	**13.32**
As at 31 March 2024	**13.32**	**13.32**

(i) As at 31 March 2024 and as at 31 March 2023, the fair value (Level 3) of property is ₹13.32 Lakhs and ₹13.32 Lakhs 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) The title deeds of immovable properties disclosed above are held in the erstwhile name of the Company "Oxyzo Financial Services Private Limited".

11 Property, plant and equipment

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

Particulars	Office Equipements	Furniture and Fixtures	Computers	Total
Gross carrying amount (at cost)				
As at 01 April 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**
Additions	0.12	0.29	61.57	61.98
Disposals	-	-	(61.57)	(61.57)
As at 31 March 2024	**0.12**	**1.30**	**217.43**	**218.85**
Accumulated depreciation				
As at 01 April 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**
Additions	-	0.10	63.57	63.67
Disposals	-	-	(45.00)	(45.00)
As at 31 March 2024	**-**	**0.11**	**105.71**	**105.82**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Carrying amount				
As at 31 March 2023	-	1.00	130.29	131.29
As at 31 March 2024	0.12	1.19	111.72	113.03

12	Intangible Assets Under Development	As at 31 March 2024	As at 31 March 2023
	Intangible Assets Under Development (Refer note 35)	51.13	-
	Total	51.13	-

12.1 Intangible assets under development aging schedule for the year ending 31 March 2024 summaried as below:

Intangible assets under development	Amount for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	51.13				51.13
Projects temporarily suspended	-	-	-	-	-

No intangible Asset under development has exceeded cost as compared to busdgeted plan.

13 Other Intangible assets

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

Particulars	Technology related Development cost	Computer software	Total
Gross carrying amount (at cost)			
As at 01 April 2022	-	-	-
Additions	-	11.74	11.74
Disposals	-	-	-
As at 31 March 2023	-	11.74	11.74
Additions (Refer note 35)	267.89	-	267.89
Disposals	-	-	-
As at 31 March 2024	267.89	11.74	279.63
Accumulated amortisation			
As at 01 April 2022	-	-	-
Additions	-	0.61	0.61
Disposals	-	-	-
As at 31 March 2023	-	0.61	0.61
Additions	28.00	2.24	30.24
Disposals	-	-	-
As at 31 March 2024	28.00	2.85	30.85

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Carrying amount			
As at 31 March 2023	-	11.13	11.13
As at 31 March 2024	239.89	8.89	248.78

14	Other non-financial assets	As at 31 March 2024	As at 31 March 2023
	Prepaid expenses (Refer Note 44)	61.80	60.34
	Total	61.80	60.34

15	Non current assets held for sale	As at 31 March 2024	As at 31 March 2023
	Non current assets held for sale	136.60	136.60
	Less: Impairment on assets held for sale	41.82	18.60
	Total	94.78	118.00

(i) During the year ended 31 March 2024, the Company initiated identification and evaluation of potential buyers for its land situated at Madanpur Dabas, New Delhi. During the previous year, 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 on the basis of valuation report issued by registered valuer.
(ii) The title deeds of immovable properties disclosed above are held in the erstwhile name of the Company "Oxyzo Financial Services Private Limited".

16	Derivative financial Instruments	As at 31 March 2024			As at 31 March 2023		
		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	313.83	-	4,752.48	231.10	-
	Subtotal (i)	4,752.48	313.83	-	4,752.48	231.10	-
	(ii) Interest rate derivatives						
	Forward Rate Agreements and interest rate swaps	-		-	257.12	-	0.76
	Subtotal (ii)	-	-	-	257.12	-	0.76
	Total Derivative Financial Instruments (i)+(ii)	4,752.48	313.83	-	5,009.60	231.10	0.76
	Part II						
	Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
	(i) Fair value hedging:						

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

-Currency derivatives	-	-	-	-	-	-
-Interest Rate derivatives	-	-	-	-	-	-
Subtotal (i)	**-**	**-**	**-**	**-**	**-**	**-**
(i) Cash flow hedging:						
-Currency derivatives	4,752.48	313.83	-	4,752.48	231.10	-
-Interest rate derivatives	-	-	-	257.12	-	0.76
Subtotal (ii)	**4,752.48**	**313.83**	**-**	**5,009.60**	**231.10**	**0.76**
Total Derivative Financial Instruments (i+ii)	**4,752.48**	**313.83**	**-**	**5,009.60**	**231.10**	**0.76**

17	Trade payables	As at 31 March 2024	As at 31 March 2023
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of other than micro enterprises and small enterprises	1,091.02	449.48
	Total	**1,091.02**	**449.48**

17.1 Trade Payable aging schedule for the year ending 31 March 2024 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	1,080.45	2.43	2.22	-	1,085.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	5.92	-	-	5.92
Total	**1,080.45**	**8.35**	**2.22**	**-**	**1,091.02**

17.2 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	438.72	2.75	3.22	0.17	444.86
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	4.62	-	4.62
Total	**438.72**	**2.75**	**7.84**	**0.17**	**449.48**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

18	Other payables	As at 31 March 2024	As at 31 March 2023
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of other than micro and small enterprises		
	Employee related payable	51.29	68.19
	Payable to OFB Tech Private Limited (Holding Company) (Refer Note 44)	1,781.05	885.10
	Total	**1,832.34**	**953.29**

19	Debt securities	As at 31 March 2024	As at 31 March 2023
	At amortised cost		
	Secured		
	Non-convertible debentures (Refer Note 19.1)	18,591.40	26,471.67
	Accrued interest on non-convertible debentures	550.75	919.51
		19,142.15	**27,391.18**
	Less: Unamortised processing fees on borrowings	79.97	92.15
	Total	**19,062.18**	**27,299.03**
	Debt securities in India	19,062.18	27,299.03
	Debt securities outside India	-	-
	Total	**19,062.18**	**27,299.03**

19.1 Security and terms of repayment for redeemable non-convertible debentures (NCD)

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Listed NCD:					
Fixed Interest rate					
6900 NCD's of ₹1,00,000/- each (Previous year 3,500 NCD's of ₹100,000/- each)	Upto 3 years	9.75% to 9.90%	9.75% to 12.75%	6,901.40	3,500.00
250 NCD's of ₹1,000,000/- each (Previous year 250 NCD's of ₹1,000,000/- each)	Upto 3 years	9.00%	9.00%	2,500.00	2,500.00
Floating Interest rate					
Linked with 5.77% GSec 2030					
Current year NIL# (Previous year 614 NCD's of ₹10,00,000/- each)	Upto 2 years	-	8.65% to 8.75%	-	6,140.00

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Linked with BSE Sensex					
4,000 NCD's of ₹1,00,000/- each (Previous year 4000 NCD's of ₹ 1,00,000/- each)	Upto 3 years	9.00%	9.00%	4,000.00	4,000.00
Linked with Repo Rate					
Current year NIL# (Previous year 480 NCD's of ₹ 750,000/- each)	Upto 2 years	-	9.30%	-	1,200.00
				13,401.40	**17,340.00**
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
Current year 14 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
Current year NIL# (Previous year 2,825 NCD's of ₹66,666.67/- each)	Upto 3 years	-	12.60%	-	941.67
				5,190.00	**9,131.67**
Total				**18,591.40**	**26,471.67**

(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 ₹ Nil (previous year ₹ 7,631.67 Lakhs) are secured by corporate guarantee also from the Holding Company, OFB Tech Private Limited.
#Non-convertible redeemable debentures ("NCD") are redeemed during the year by reducing the face value of the NCD
Interest and unamortised processing fees is not included.

20	**Borrowings (other than debt securities)**	**As at 31 March 2024**	**As at 31 March 2023**
	At amortised cost		
	Secured		
	External commercial borrowings (Refer Note 20.1)	5,419.30	5,343.96
	Term loans from banks (Refer Note 20.2)	3,37,890.16	2,08,566.25
	Term loans from financial institutions (Refer Note 20.3)	76,452.94	58,654.09
	Accrued interest on term loans	1,211.75	776.95
		4,20,974.15	**2,73,341.25**
	Secured		
	Cash credit and bank overdraft (Refer Note 20.4)	20,543.47	12,508.82
		20,543.47	**12,508.82**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Total (A) - Gross	**4,41,517.62**	**2,85,850.07**
Less: Unamortised processing fees on borrowings	872.86	579.49
Total (A) - Net	**4,40,644.76**	**2,85,270.58**
Borrowings (other than debt securities) in India	4,35,202.16	2,79,910.47
Borrowings (other than debt securities) outside India	5,442.60	5,360.11
Total (B) - Net	**4,40,644.76**	**2,85,270.58**

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Floating Interest rate Linked with USD 6M SOFR*					
Bullet	Upto 5 Years	10.40%	9.81%	5,419.30	5,343.96
Total				**5,419.30**	**5,343.96**

Note: During the year ended 31 March 2022, 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.

*During the Year ended 31 March 2024, the company has revised interest rate benchmark for ECB from LIBOR to SOFR pursuant to RBI notification.

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Fixed Interest rate					
Monthly	Upto 4 years	9.50% to 9.70%	9.50% to 12.00%	9,966.22	11,340.55
Floating Interest rate					
Bullet	Upto 1 Years	8.25% to 9.90%	7.90% to 9.50%	1,45,620.00	98,990.40
Quarterly	Upto 5 Years	8.86% to 10.20%	8.55% to 9.90%	67,024.75	53,768.07
Monthly	Upto 6 Years	8.85% to 10.15%	8.75% to 11.90%	1,15,279.19	44,467.23
Total				**3,37,890.16**	**2,08,566.25**

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Fixed Interest rate					
Quarterly	Upto 3 years	9.48% to 9.58%	9.10% to 10.25%	6,666.67	6,250.00
Monthly	Upto 5 years	9.00% to 9.75%	9.00% to 11.75%	5,136.21	4,640.68
Floating Interest rate					
Bullet	Upto 2 Years	9.75%	9.50%	5,500.00	4,300.00
Quarterly	Upto 3 Years	8.72% to 8.90%	8.90%	27,507.00	10,000.00
Monthly	Upto 3 Years	9.10% to 10.55%	9.00% to 11.50%	31,643.06	33,463.41
Total				**76,452.94**	**58,654.09**

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

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 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Floating Interest rate					
Bullet	Upto 1 year	8.95% to 9.25%	8.15% to 9.65%	20,543.47	12,508.82
Total				**20,543.47**	**12,508.82**

^ 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 ₹ 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 2024	As at 31 March 2023
	Margin money from customers	9,305.99	6,536.24
	Interest accrued but not due on margin money	313.30	118.22
	Loans pending disbursement (Refer Note 44)	1,229.41	5,952.44
	Creditors for Capital goods	24.41	0.33
	Others*	1,110.76	54.60
	Total	**11,983.87**	**12,661.83**

* Includes payable to Digital lending partners

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

22	Current tax liabilities (net)	As at 31 March 2024	As at 31 March 2023
	Provision for Tax [net of taxes paid ₹ 9,493.81 Lakhs (Previous year net of taxes paid ₹ 6,135.36 Lakhs)]	846.16	805.37
	Total	**846.16**	**805.37**

23	Provisions	As at 31 March 2024	As at 31 March 2023
	Provision for employee benefits:		
	Provision for gratuity (Refer Note 41(b))	164.88	206.79
	Provision for compensated absences (Refer Note 41(c))	107.46	99.87
	Total	**272.34**	**306.66**

24	Other non-financial liabilities	As at 31 March 2024	As at 31 March 2023
	Statutory remittances	603.36	519.94
	Total	**603.36**	**519.94**

25 Equity

(a) Equity Share Capital

i. Share capital authorised, issued, subscribed and paid-up

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised Equity share capital				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	7,33,81,715	7,338.17	7,33,81,715	7,338.17
Total	**7,33,81,715**	**7,338.17**	**7,33,81,715**	**7,338.17**
Issued, subscribed and paid up Equity share capital				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	5,36,78,676	5,367.86	5,36,78,676	5,367.86
	5,36,78,676	**5,367.86**	**5,36,78,676**	**5,367.86**

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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

iii. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	**5,36,78,676**	**5,367.86**	**5,14,77,209**	**5,147.72**
Add:				
- Issued during the year (refer note vi)	-	-	20	-
- Converted during the year (refer note vii)	-	-	22,01,447	220.14
Outstanding at the end of the year	**5,36,78,676**	**5,367.86**	**5,36,78,676**	**5,367.86**

iv. Equity shares in the Company held by the promoter of the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
OFB Tech Private Limited (Holding Company)	5,14,77,159	95.90	5,14,77,159	95.90
Ruchi Kalra (including nominee shares)	22,01,467	4.10	22,01,467	4.10

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
OFB Tech Private Limited (holding company)	5,14,77,159	95.90	5,14,77,159	95.90

(vi) During the Previous Year ended 31 march 2023, 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.

(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 during the Previous year ended 31 march 2023 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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(b) Instruments entirely equity in nature

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised				
-Series A cumulative, mandatory and fully convertible preference shares of ₹ 10 each (previous year ₹ 10 each)	1,43,82,874	1,438.29	1,43,82,874	1,438.29
Total	**1,43,82,874**	**1,438.29**	**1,43,82,874**	**1,438.29**
Issued, subscribed and paid up				
-Series A cumulative, mandatory and fully convertible preference shares of ₹ 10 each (previous year ₹ 10 each)	1,43,82,868	1,438.29	1,43,82,868	1,438.29
Total	**1,43,82,868**	**1,438.29**	**1,43,82,868**	**1,438.29**

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

Series A CCPS are initially convertible into equity shares of ₹ 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 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	1,43,82,868	1,438.29	75,58,340	755.83
Add:				
-Issued during the year (refer note v)	-	-	68,24,528	682.46
Outstanding at the end of the year	**1,43,82,868**	**1,438.29**	**1,43,82,868**	**1,438.29**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
Alpha Wave Ventures II LP	54,30,276	37.76	54,30,276	37.76
Internet Fund VII Pte. Ltd.	33,02,191	22.96	33,02,191	22.96
Norwest Capital, LLC	27,88,515	19.39	27,88,515	19.39
Creation Investments Social Ventures Fund V, LP	14,67,634	10.20	14,67,634	10.20
Matrix Partners India Investments IV, LLC	13,11,294	9.12	13,82,145	9.61

(v) During the previous 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.

26 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium reserve	1,89,180.35	1,89,180.35
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	12,330.34	6,616.76
Retained earnings	49,365.92	26,449.59
Employee stock Options Outstanding Account	1,454.14	641.16
Optionally convertible redeemable preference shares	73.39	73.39
Cash flow hedge reserve	(264.26)	(270.35)
Total	**2,52,139.88**	**2,22,690.90**

i. Securities premium reserve[1]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	1,89,180.35	1,19,110.04
Add: Securities premium on issue of Series A-CCPS (Refer note 25a(vi) & 25b(v))	-	70,378.63
Add: Securities premium on issue of Equity shares (Refer note 25a(vi))	-	0.21
Less: Optionally Convertible Redeemable Preference Shares (Refer note (vi))	-	293.53
Less: Share issue expenses	-	15.00
Closing balance	**1,89,180.35**	**1,89,180.35**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	6,616.76	2,686.66
Add: Transferred from retained earnings	5,713.58	3,930.10
Closing balance	**12,330.34**	**6,616.76**

iii. Cash flow hedges reserves)[3]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	(270.35)	(52.82)
Add: Transferred from other comprehensive income	6.09	(217.53)
Closing balance	**(264.26)**	**(270.35)**

iv. Deemed equity contribution[4]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	-	780.91
Less: Transferred to payable (Refer note 26(7))	-	(780.91)
Closing balance	**-**	**-**

v. Employee stock Options Outstanding Account[5]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	641.16	112.98
Add: Share based payment expense as per Statement of profit and loss (refer note 47.2)	812.98	528.18
Closing balance	**1,454.14**	**641.16**

vi. Equity Component of Optionally convertible redeemable preference shares

a. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised				

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
-Series A optionally convertible and redeemable preference shares of ₹ 10 each (previous year ₹ 10 each)	29,35,263	293.53	29,35,263	293.53
Total	29,35,263	293.53	29,35,263	293.53
Issued, subscribed and paid up				
-Series A optionally convertible and redeemable preference shares of ₹ 10 each (previous year ₹ 10 each)	7,33,816	73.39	7,33,816	73.39
Total	7,33,816	73.39	7,33,816	73.39

b. Reconciliation of Optionally convertible redeemable preference shares

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	73.39	-
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	73.39

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

The 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 2024	As at 31 March 2023
Opening balance	26,449.59	10,687.42
Add: Profit for the year	28,567.89	19,650.51
Add: Transferred from other comprehensive income	62.02	41.76
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	5,713.58	3,930.10
Closing balance	49,365.92	26,449.59

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 47.1.

(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 previous year ended 31 March 2023, 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 previous 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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

27	Interest income (on financial assets measured at amortised cost)	Year ended 31 March 2024	Year ended 31 March 2023
	Interest on loans (Refer note 44)	76,799.77	48,232.87
	Interest income from investments	5,960.07	5,110.41
	Interest on deposits with banks	224.61	171.14
	Total	82,984.45	53,514.42

28	Fee and commission income	Year ended 31 March 2024	Year ended 31 March 2023
	Service and other fees (Refer note 44)	1,437.07	956.59
	Subvention charges (Refer note 44)	842.70	747.13
	Total	2,279.77	1,703.72

29	Net gain on fair value changes (on financial assets measured at FVTPL)	Year ended 31 March 2024	Year ended 31 March 2023
	-On Mutual fund investments	49.35	730.51
	Total	49.35	730.51
	Fair value changes:		
	-Realised (Including reinvested)	49.35	730.51
	-Unrealised	-	-
	Total	49.35	730.51

30	Net gain on derecognition of financial instruments under amortised cost category	Year ended 31 March 2024	Year ended 31 March 2023
	-On Debt Securities	-	170.98
	Total	-	170.98

31	Other income	Year ended 31 March 2024	Year ended 31 March 2023
	Interest on income tax refund	16.85	9.99
	Excess liabilities written back	0.66	48.60
	Total	17.51	58.59

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

32	Finance costs (on financial liabilities measured at amortised cost)	Year ended 31 March 2024	Year ended 31 March 2023
	Interest expenses on:		
	Borrowings:		
	-On Loans from banks	22,426.94	10,120.38
	-On Loans from financial institutions*	6,519.79	4,901.95
	-On Loans from holding company (Refer Note 44)	2.74	-
	Debt securities		
	-On Debentures	2,361.25	3,059.02
	-On Commercial paper	-	114.22
	Others:		
	-On security deposits	391.26	131.23
	Total	**31,701.98**	**18,326.80**

*includes premium on principal only swaps on foreign currency loans to ₹ 240.83 Lakhs (previous year ₹ 241.26 Lakhs)

33	Net loss on derecognition of financial instruments under amortised cost category	Year ended 31 March 2024	Year ended 31 March 2023
	Loss on sale of bonds	108.67	-
	Total	**108.67**	**-**

34	Impairment on financial instruments	Year ended 31 March 2024	Year ended 31 March 2023
	Impairment on financial instruments measured at amortised cost		
	Impairment allowance on loans (Refer Note 48)	2,701.00	1,911.87
	Impairment allowance on investment	24.30	39.60
	Loss on loans & advances written off [Net off recovery ₹ 166.12 Lakhs (Previous year ₹ 76.91 Lakhs)]	1,064.03	815.64
	Less: Invocation of FLDG	(77.13)	-
	Total	**3,712.20**	**2,767.11**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

35	Employee benefit's expense	Year ended 31 March 2024	Year ended 31 March 2023
	Salaries and wages (Refer note 44)*	6,453.96	5,292.58
	Contribution to provident and other fund (Refer note 41(a))	121.60	116.98
	Share based payment to employees (Refer note 43, 47.1 & 47.2)	1,809.62	1,719.50
	Gratuity (refer note 41(b))	117.84	132.77
	Staff welfare expense	46.39	37.68
	Total	**8,549.41**	**7,299.51**

*During the year ended 31 March 2024, The Company has capitalised employee benefit's expenses of ₹ 319.02 Lakhs (previous year ₹ Nil) toward technology related development cost (Refer Note 2.8(1)).

36	Depreciation, amortisation and impairment expense	Year ended 31 March 2024	Year ended 31 March 2023
	Depreciation on property, plant and equipment	63.67	54.45
	Amortisation of intangible assets	30.24	0.61
	Impairment of non-financial assets	23.22	18.61
	Total	**117.13**	**73.67**

37	Other expenses	Year ended 31 March 2024	Year ended 31 March 2023
	Rent, Rates and taxes	748.38	235.58
	Communication costs	16.70	18.10
	Printing and stationery	9.03	2.63
	Auditor remuneration (net of GST):		
	- For statutory audit	23.00	21.00
	- For limited review	11.00	10.50
	- For tax audit	4.00	3.00
	- For other certification and reporting	9.90	4.50
	- For out of pocket expenses	1.41	2.27
	Legal and professional (Refer note 44)	445.33	233.14
	Insurance	40.61	46.99
	Travelling and conveyance (Refer note 44)	311.22	396.71
	Information technology expenses (Refer note 44)	463.50	239.81
	Corporate Social Responsibility (refer note 54)	267.00	120.00
	Loss on sale of property,plant and equipments (net)	0.47	-
	Business auxiliary services (refer note 44)	392.41	377.40
	Bank charges	4.31	2.87
	Office Expenses	17.85	-
	Directors' sitting fees	22.50	14.75
	Miscellaneous	28.63	16.01
	Total	**2,817.25**	**1,745.26**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

38 Income tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
In respect of the current year	10,335.35	6,940.73
	10,335.35	**6,940.73**
Deferred tax charge/ (benefits)	(578.80)	(625.37)
In respect of the current year	**(578.80)**	**(625.37)**

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 2024	Year ended 31 March 2023
Profit before tax	38,324.44	25,965.87
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	**9,645.50**	**6,535.09**
Tax effect of adjustments to reconcile expected income tax expense		
Corporate Social responsibility expenses not allowable for tax purpose	67.20	30.20
Relating to origination and reversal of temporary differences	-	(196.54)
Net Addition/deduction u/s 36(i)(viia)	347.36	146.83
Non deductible expenses	(303.51)	(200.22)
Total adjustments [B]	**111.05**	**(219.73)**
Actual tax expense [C=A+B]	**9,756.55**	**6,315.36**
Tax expense comprises:		
Current tax expense	10,335.35	6,940.73
Deferred tax charge /(benefits)	(578.80)	(625.37)
Tax expense recognized in profit or loss [D]	**9,756.55**	**6,315.36**

Income tax expense recognized in other comprehensive income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Income tax relating to remeasurement gains on defined benefit plans	(20.86)	(14.05)
Derivative instruments in Cash flow hedge relationship	(2.05)	73.16

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

	(22.91)	**59.11**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(20.86)	(14.05)
Items that will be reclassified to profit or loss	(2.05)	73.16
	(22.91)	**59.11**

39 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a) Basic earnings ₹ per share	41.97	29.08
b) Diluted earnings ₹ per share	39.55	27.79

c. Reconciliations of earnings used in calculating earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	28,567.89	19,650.51
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	28,567.89	19,650.51

d. Weighted average number of shares used as the denominator

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	6,80,61,544	6,75,65,360
Adjustments for calculation of diluted earnings per share	41,64,817	31,43,331
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	7,22,26,361	7,07,08,691

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

40 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at 01 April 2022	**39,131.54**	**1,62,347.19**	**2,01,478.73**
Cash flows:			
Proceeds from debt securities/borrowings	6,897.38	4,68,251.18	4,75,148.56
Repayment of debt securities/borrowings	(18,729.89)	(3,45,919.42)	(3,64,649.31)
As at 31 March 2023	**27,299.03**	**2,84,678.95**	**3,11,977.98**
Cash flows:			
Proceeds from debt securities/borrowings	4,543.42	7,50,914.42	7,55,457.84
Repayment of debt securities/borrowings	(12,780.27)	(5,95,615.59)	(6,08,395.86)
As at 31 March 2024	**19,062.18**	**4,39,977.78**	**4,59,039.96**

41 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 2024	Year ended 31 March 2023
Contribution to employees provident fund	119.26	114.99
Contribution to employee state insurance schemes	0.25	0.22
Contribution to employee labour welfare fund	2.09	1.77
Total	**121.60**	**116.98**

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. The gratuity plan is a funded plan and the Company makes contributions to approved gratuity fund.
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
During the year ended 31 March 2024, The company has deposited ₹ 100 Lakhs (previous year ₹ Nil) in Oxyzo Financial Services Private Limited Employee Group Gratuity Trust. During the previous year ended 31 March 2023, the company manages gratuity fund with LIC.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 stand-alone 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 Risk	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 2024 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 2024	As at 31 March 2023
Discount rate (per annum)	7.15%	7.45%
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	12.60%	9.44%
31-44 years	9.90%	5.71%
Above 44 years	0.00%	0.00%
In service mortality	IALM 2012-14	IALM 2012-14

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Assets and Liability (Balance Sheet Position)

Particulars	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Present Value of Obligation	433.17	374.09
Less: Fair Value of Plan Assets	268.29	167.30
Net Liability	**164.88**	**206.79**

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

Particulars	Gratuity	
	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	102.40	116.41
Past service cost and (gain)/Loss from settlements	-	-
Net interest cost/ (Income) on the Net Defined Benefit/(Liability)/Asset	15.44	16.36
Component of defined benefit cost recognised in profit or loss	**117.84**	**132.77**
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(10.87)	(16.70)
Actuarial (gains)/ losses arising from changes in financial assumptions	19.99	(12.66)
Actuarial (gains)/ losses arising from experience adjustment	(91.55)	(25.24)
Return on plan assets, excluding amount recognised in net interest expense	(0.45)	(1.21)
Component of defined benefit cost recognised in Other comprehensive Income	**(82.88)**	**(55.81)**

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	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Fair Value of Plan Assets as at the beginning	**167.30**	**67.47**
Investment Income	12.49	4.92
Employer's Contribution	93.75	93.70
Benefits Paid	(5.71)	-
Return on plan assets , excluding amount recognised in net interest expense	0.45	1.21
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	**268.28**	**167.30**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	Gratuity	
	Year ended 31 March 2024	Year ended 31 March 2023
Present value of obligation as at the beginning	374.09	280.81
Current service cost	102.40	116.41
Interest cost	27.93	21.28
Re-measurement (or Actuarial) (gain) / loss arising from:		
- changes in demographic assumptions	(10.87)	(16.70)
- changes in financial assumptions	19.99	(12.66)
- experience adjustment	(91.55)	(25.24)
Past service cost	-	-
Benefits paid	(5.71)	(0.74)
Transfer in/(out)	16.88	10.93
Present value of obligation as at the end	**433.17**	**374.09**

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 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	488.95	387.51	440.56	321.38
(% change compared to base due to sensitivity)	12.90%	-10.50%	17.80%	-14.10%
Salary Growth Rate (-/+ 1%)	401.36	466.39	335.58	414.42
(% change compared to base due to sensitivity)	-7.30%	7.70%	-10.30%	10.80%
Attrition Rate (-/+ 50% of attrition rates)	450.97	417.99	389.22	360.93
(% change compared to base due to sensitivity)	4.10%	-3.50%	4.00%	-3.50%
Mortality Rate (-/+ 10% of mortality rates)	433.04	433.29	374.00	374.20
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Sensitivity Analysis

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Other disclosures

Maturity profile of defined benefit obligation

Particulars	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Weighted average duration (based on discounted cashflows)	12 Years	17 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	35.40	15.61
2-5 years	153.01	88.80
6-10 years	154.47	109.72
More than 10 years	981.40	1,464.54

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 assumptionsare accounted for in Statement of Profit and Loss for Compensated absences.

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.

Assets and Liability (Balance Sheet Position)

Particulars	Leave	
	As at 31 March 2024	As at 31 March 2023
Present Value of Obligation	107.46	99.87

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 2024	As at 31 March 2023
Current Liability (Short term)	10.19	6.17
Non-Current Liability (Long term)	97.27	93.70
Present Value of Obligation as at the end	**107.46**	**99.87**

Expense Recognised in Statement of Profit and Loss

Particulars	As at 31 March 2024	As at 31 March 2023
Expense Recognised in Statement of Profit and Loss	20.26	19.65
Expense Recognised in Statement of Profit and Loss	**20.26**	**19.65**

Demographic Assumptions

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

Principal assumptions:	Leave	
	As at 31 March 2024	As at 31 March 2023
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	12.60%	9.44%
31-44 years	9.90%	5.71%
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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	122.24	95.51	118.32	85.38
(% change compared to base due to sensitivity)	13.80%	-11.10%	18.50%	-14.50%
Salary Growth Rate (-/+ 1%)	95.59	121.81	85.44	117.84
(% change compared to base due to sensitivity)	-11.00%	13.40%	-14.40%	18.00%
Attrition Rate (-/+ 50% of attrition rates)	118.63	101.19	107.02	94.89
(% change compared to base due to sensitivity)	10.40%	-5.80%	7.20%	-5.00%
Mortality Rate (-/+ 10% of mortality rates)	107.52	107.40	99.93	99.80
(% change compared to base due to sensitivity)	0.10%	-0.10%	0.10%	-0.10%

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 2024	As at 31 March 2023
Weighted average duration (based on discounted cashflows)	**13 Years**	**17 Years**
Expected cash flows over the next (valued on undiscounted basis):		
1 year	10.19	6.17
2-5 years	35.28	22.61
6-10 years	33.00	24.73
More than 10 years	277.60	424.13

42 Segment reporting

The Company is engaged primarily in the business of financing and all other activities revolve around the main business. The company's operations are in India only i.e. does not have any geographical segment. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

43 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 44).

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 44)

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

44 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	Fellow subsidiary company
Oagri Farm Private Limited	Fellow subsidiary company
Samruddhi Organic Farm (India) Private Limited	Fellow subsidiary company
E-Mox Manufacturing Private Limited	Fellow subsidiary company
Candor Foods Private limited	Fellow subsidiary company
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
Praveen Kumar Bhambani	Independent director (w.e.f 06 August 2022)
Rohit Kapoor	Independent director
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 2024	Year ended 31 March 2023
OFB Tech Private Limited	Purchase of property, plant and equipment	12.68	33.53
	Sale of property, plant and equipment	14.04	37.21
	Business auxiliary services (cost allocation received)	402.83	379.53
	Business auxiliary services (cost allocation made)	22.43	0.26
	Employee costs and reimbursements (cost allocation received)*	651.76	33.26
	Employee costs and reimbursements (cost allocation made)#	31.82	561.30
	Tech Support Services (cost allocation received)	107.46	122.89
	Interest and Fee Income (Net of expenses)	1,226.38	1,670.97
	Travelling and other expenses (cost allocation received)	13.83	30.66

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

	Travelling and other expenses (cost allocation made)	-	5.93
	Gratuity and leave encashment recoverable	45.68	29.40
	Gratuity and leave encashment payable	37.20	18.10
	Loan Availed	5,000.00	-
	Loan Repayments (including interest)	5,002.74	-
	Payment on behalf of borrowers	1,47,424.01	1,59,464.50
	Employee stock options (cost allocation received)	1,028.76	1,191.32
	Prepaid Insurance (on allocation basis)	62.38	31.21
OXY Ventures Private Limited	Investment in equity share capital	500.00	200.00
	Loan Given (net of repayment)	4,463.00	-
	Interest and other income	302.14	-
	Employee costs and reimbursements (cost allocation made)	21.73	11.06
	Business auxiliary services (Cost allocation made)	0.53	0.07
	Business auxiliary services (Cost allocation received)	0.01	-
	Debt arrangement and facilitation fee	4.90	4.00
	Sale of property, plant and equipment	0.64	0.24
	Purchase of property, plant and equipment	0.17	-
	Gratuity and leave encashment recoverable	6.30	-
	Gratuity and leave encashment payable	0.86	-
OXY B Securities Private Limited	Investment in equity share capital	-	5.10
Oxyzo Finvest Private Limited	Investment in equity share capital	2.50	0.10
Oxyzo Investment Manager Private Limited	Investment in equity share capital	-	10.10
	Loan Given	25.00	-
	Interest and other income	0.52	-
Ziel Financial Technologies Private Limited	Reimbursement of business loan premium	590.97	37.60
	Investment in equity share capital	1,302.00	798.00
	Service fees expenses	2,664.12	100.09
Zfirst Technologies Private Limited	Investment in compulsory convertible preference shares	-	394.00
	Investment in equity share capital	-	0.02
	Reimbursement of business loan premium	112.50	6.59
	Service fees expenses	771.37	101.68

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

OFG Manufacturing Businesses Private Limited	Business auxiliary services (cost allocation made)	0.79	1.84
	Loan Repaid/ Settled	131.45	99.96
	Purchase of property, plant and equipment	-	0.39
	Sale of property, plant and equipment	0.77	3.47
	Employee costs and reimbursements (cost allocation made)	6.10	-
	Tech Support Services received	229.82	-
	Interest and other income	-	10.88
	Gratuity and leave encashment recoverable	9.19	4.93
	Gratuity and leave encashment payable	-	1.18
E-Mox Manufacturing Private Limited	Interest and other income	-	11.62
	Loan Given	-	134.11
	Loan Repaid	-	359.84
Candor Foods Private limited	Staff welfare expenses (purchase of material)	0.09	-
Oagri Farm Private Limited	Business auxiliary services (cost allocation made)	0.10	0.58
	Sale of property, plant and equipment	0.15	-
Oxyzo Investment Trust	Reimbursement for expenses	1.18	-
Oxyzo Financial Services Private Limited Employees Group Gratuity Trust	Contribution for Gratuity	100.00	-

* Includes KMP salary cross charged amounting ₹ 34.92 Lakhs (previous year ₹ 33.26 Lakhs)
\# Includes KMP salary cross charged amounting ₹ 10.89 Lakhs (previous year ₹ 10.37 Lakhs)

Name of related party	Nature of transaction	Year ended 31 March 2024	Year ended 31 March 2023
Ruchi Kalra	Managerial remuneration*	22.46	21.41
	Reimbursement	4.24	4.24
	Optionally convertible redeemable preference shares	-	293.53
		26.70	**319.18**
Vasant Sridhar	Managerial remuneration*	33.97	34.94
	Reimbursement	7.26	4.74

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

	Fair Value of Employee Stock Option	328.26	267.67
		369.49	**307.35**
Pinki Jha	Remuneration*	30.43	29.45
	Reimbursement	5.96	4.27
	Fair Value of Employee Stock Option	23.18	13.72
		59.57	**47.44**
Sathyan David	Directors sitting fees	15.00	9.00
Praveen Kumar Bhambani	Directors sitting fees	5.00	3.00
Rohit Kapoor	Directors sitting fees	2.50	2.75

* Includes salary, bonus and contribution to provident fund and excludes provision of gratuity and compensated absence, since these are based on actuarial valuation carried out for the Company as a whole.

Balance outstanding at year end*

Name of related party	Nature	Year ended 31 March 2024	Year ended 31 March 2023
OFB Tech Private Limited	Other Payables	1,781.05	885.10
	Payable- loan pending disbursement	1,229.41	5,952.44
OXY Ventures Private Limited	Investment in Equity share capital	700.00	200.00
	Loans outstanding	4,463.00	-
	Other recoverables	32.19	13.32
OXY B Securities Private Limited	Investment in Equity share capital	5.10	5.10
Oxyzo Finvest Private Limited	Investment in Equity share capital	2.60	0.10
	Receivable	-	0.17
Oxyzo Investment Manager Private Limited	Investment in Equity share capital	10.10	10.10
	Loans outstanding	25.47	
Oxyzo Investment Trust	Receivable	1.18	-
Zfirst Technologies Private Limited	Investment in Equity share capital	0.02	0.02
	Investment in compulsory convertible preference shares	394.00	394.00
	Trade Payables	102.88	54.36
Ziel Financial Technologies Private Limited	Investment in Equity share capital	2,100.00	798.00
	Trade Payables	502.60	75.37
OFG Manufacturing Businesses Private Limited	Receivable	-	9.10
	Receivable against loan given	-	130.88
	Payable	98.10	
Oagri Farm Private Limited	Other recoverable	0.29	0.69

* excluding potential equity shares

Guarantee given to lenders by holding Company for Loan outstanding as at 31 March 2024 ₹ Nil (previous year ₹ 11,604.38 Lakhs)

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

45. 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.

45.1 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.

45.2 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 Board of Directors 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 2024 of the Company are as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Adequacy ratio - Tier I	36.33%	42.21%
Capital Adequacy ratio - Tier II	0.47%	0.44%
	36.80%	**42.65%**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

46. Financial instruments

46.1 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 Indian accounting standard. An explanation of each level follows underneath the table.

As at 31 March 2024	Carrying amount					Fair Value		
Particulars	FVTPL	FVTOCI	Amortised Cost	At Cost	Total	Level 1	Level 2	Level 3
Financial Assets								
Cash and cash equivalents*	-	-	17,423.50	-	17,423.50	-	-	-
Bank balances other than above*	-	-	3,293.19	-	3,293.19	-	-	-
Derivative financial instruments	-	313.83	-	-	313.83	-	313.83	-
Loans	-	-	6,57,423.49	-	6,57,423.49	-	-	6,57,423.49
Investments	-	-	50,526.85	3,211.82	53,738.67	-	-	50,526.85
Other financial assets*	-	-	411.16	-	411.16	-	-	-
Total financial assets	**-**	**313.83**	**7,29,078.19**	**3,211.82**	**7,32,603.84**	**-**	**313.83**	**7,07,950.34**
Financial liabilities								
Derivative financial instruments	-	-	-	-	-	-	-	-
Trade payables*	-	-	1,091.02	-	1,091.02	-	-	-
Other payables*	-	-	1,832.34	-	1,832.34	-	-	-
Debt Securities	-	-	19,062.18	-	19,062.18	-	19,062.18	-
Borrowings (Other than debt securities)	-	-	4,40,644.76	-	4,40,644.76	-	-	4,40,644.76
Other financial liabilities*	-	-	11,983.87	-	11,983.87	-	-	-
Total financial liabilities	**-**	**-**	**4,74,614.17**	**-**	**4,74,614.17**	**-**	**19,062.18**	**4,40,644.76**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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	-
Loans	-	-	4,67,158.76	-	4,67,158.76	-	-	4,67,158.76
Investments	-	-	73,955.27	1,407.32	75,362.59	-	-	73,955.27
Other financial assets*	-	-	67.74	-	67.74	-	-	-
Total financial assets	**-**	**231.10**	**5,54,137.43**	**1,407.32**	**5,55,775.85**	**-**	**231.10**	**5,41,114.03**
Financial liabilities								
Derivative financial instruments	-	0.76	-		0.76	-	0.76	-
Trade payables*	-	-	449.48	-	449.48	-	-	-
Other payables*	-	-	953.29	-	953.29	-	-	-
Debt Securities	-	-	27,299.03	-	27,299.03	-	27,299.03	-
Borrowings (Other than debt securities)	-	-	2,85,270.58	-	2,85,270.58	-	-	2,85,270.58
Other financial liabilities*	-	-	12,661.83	-	12,661.83	-	-	-
Total financial liabilities	**-**	**0.76**	**3,26,634.21**	**-**	**3,26,634.97**	**-**	**27,299.79**	**2,85,270.58**

*Cash and cash equivalents, other bank balances, 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.

46.2 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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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.

47.1 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.

OFB had sub-divided it's shares in the ratio of 1:10 on June 25, 2021. Further the OFB had made bonus issuance in the ratio of 1:2120 on July 05, 2021.All ESOP outstanding as on 05 July 2021 has been adjusted in terms of ESOP plan.

Pursuant to incorporation of 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.

The following options were in existence during the current and prior years:

Particulars	Grant Date	Number of options
Grant-I (FY 16-17)	08/Apr/16	7,21,140
Grant-II to Grant-IV (FY 17-18)	08-Apr-17 to 28-Feb-18	19,72,530
Grant-V to Grant-VI (FY 18-19)	02-Jul-18 to 05-Jul-18	24,17,940
Grant-VII to Grant-X (FY 19-20)	01-Apr-19 to 05-Jul-19	32,87,550
Grant-XII to Grant-XIII (FY 20-21)	01-Oct-20 to 01-Mar-21	32,87,550
Grant-XIV to Grant XXV (FY 21-22)	01-Apr-21 to 01-Jan-22	63,27,367
Grant-XXVIII to Grant XXXX (FY 22-23)	01-Apr-22 to 01-Mar-2023	28,31,457
Grant-XLIII to Grant LVI (FY 23-24)	01-Apr-23 to 01-Mar-2024	19,54,151

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 2024	For the year ended 31 March 2023
Expense arising from share-based payment transactions (Refer note 35)	996.64	1,191.32
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**996.64**	**1,191.32**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	31 March 2024		31 March 2023	
	Shares arising out of Options	Weighted average exercise price (in ₹)	Shares arising out of Options	Weighted average exercise price (in ₹)
Outstanding at the beginning of the year	1,52,38,923	93.27	1,25,89,408	45.64
Granted during the year	19,54,151	317.00	28,31,457	302.59
Exercised during the year	(4,95,630)	(44.47)	(65,753)	(26.28)
Forfeited during the year*	(11,23,073)	(105.52)	(1,16,188)	(70.96)
Outstanding at the end of the year**	1,55,74,371	122.01	1,52,38,923	93.27
Exercisable at the end of the year	69,58,386	87.27	46,92,464	77.98
Weighted average remaining contractual life of the options outstanding at the end of the year**	2.71 Years		3.38 Years	

* Unvested options forfeited in accordance with terms prescribed under the respective ESOP Schemes.
** The company has consedited contractual life for options granted to oxyzo employess same as considered by parent and not computed separately at company level.

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2016 plan is ₹ 60.78 (previous year ₹ 60.19). 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 2024	31 March 2023
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	35.00%-40.00%	44.30%-44.50%
Risk free interest rate (%)	7.30%	7.40% -7.50%
Expected life of share options (in years)	4.20	4.85
Fair value of options at grant date (in Rupees)	60.40-60.80	58.88-132.20
Fair value of share at grant date (in Rupees)	211.5-226.1	18.12-20.24
Exercise price (in Rupees)	317.00	76.74-347.21

47.2 Share based payments

Employee Stock Option Plan ("ESOP Plan")

Oxyzo Financial Services 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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particular's	Grant Date	Number of options
Grant-I	03 January 2022	21,32,651
Grant-II	06 April 2022	2,80,709
Grant-III	06 April 2023	5,92,775
Grant-IV	23 April 2023	4,60,654

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 2024	For the year ended 31 March 2023
Expense arising from share-based payment transactions (Refer note 35)	812.98	528.18
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**812.98**	**528.18**

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

Particulars	31 March 2024		31 March 2023	
	Shares arising out of Options	Weighted average exercise price (in ₹)	Shares arising out of Options	Weighted average exercise price (in ₹)
Outstanding at the beginning of the year	24,13,360	696	21,32,651	650
Granted during the year	10,53,429	1,042	2,80,709	1,042
Outstanding at the end of the year	34,66,789	801	24,13,360	696
Weighted average remaining contractual life of the options outstanding at the end of the year	4.04 years		4.64 years	

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2022 plan is ₹ 104.10 (previous year ₹ 86.10). 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 2024	31 March 2023
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	30.00%	39.00%
Risk free interest rate (%)	7.30%	5.90%
Expected life of share options (in years)	3.4	3.4
Fair value of options at grant date (in Rupees)	104.10	86.10
Exercise price (in Rupees)	1,042.00	1,042.00

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

48 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 non-banking 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 2024	Balance as at 31 March 2023
Loans	6,57,423.49	4,67,158.76
Investments	53,738.67	75,362.59
Cash and cash equivalents	17,423.50	9,847.98
Other bank balances	3,293.19	3,107.68
Other financials asset	411.16	67.74

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

- Secured/unsecured i.e. based on whether the loans are secured.

- Nature of security i.e. the nature of the security if the loans are determined to be secured.

- Nature of loan i.e. based on the nature of loan.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

- Standardize the process of identifying new risks and designing appropriate controls for these risks.
- Maintain an appropriate credit administration and loan review system.
- 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. **Refer Accouting Policy (Note No. 2.17)**

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

Impairment	As at 31 March 2024		As at 31 March 2023	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	6,565.95	3,760.21	3,935.05	1,996.15
Loan assets having significant increase in credit risk (Stage 2)	15,504.32	635.46	14,918.65	677.82
Other loan assets (Stage 1)	6,45,546.33	3,280.32	4,55,062.99	2,301.02
Total	**6,67,616.60**	**7,675.99**	**4,73,916.69**	**4,974.99**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

An analysis of Expected credit loss rate* :

Particulars	As at 31 March 2024	As at 31 March 2023
Stage-1	0.51%	0.51%
Stage-2	4.10%	4.54%
Stage-3	57.27%	50.73%
Total	**1.15%**	**1.05%**

* 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 2024				31 March 2023			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Gross carrying amount opening balance	**4,55,062.99**	**14,918.65**	**3,935.05**	**4,73,916.69**	**2,44,485.87**	**10,757.29**	**2,609.84**	**2,57,853.00**
New assets originated	5,16,520.52	9,779.10	736.36	5,27,035.98	3,83,880.73	6,858.20	279.22	3,91,018.15
Assets repaid (excluding write offs)	(3,21,398.99)	(9,638.56)	(1,068.36)	(3,32,105.91)	(1,65,679.55)	(7,696.67)	(685.69)	(1,74,061.91)
Transfers from Stage 1	(9,723.99)	6,165.52	3,558.47	-	(9,755.27)	7,964.85	1,790.42	-
Transfers from Stage 2	5,143.99	(5,717.37)	573.38	-	2,204.34	(3,146.29)	941.95	-
Transfers from Stage 3	88.03	-	(88.03)	-	-	259.70	(259.70)	-
Settlement loss and bad debts written off	(146.22)	(3.02)	(1,080.92)	(1,230.16)	(73.13)	(78.43)	(740.99)	(892.55)
Gross carrying amount closing balance	**645,546.33**	**15,504.32**	**6,565.95**	**6,67,616.60**	**4,55,062.99**	**14,918.65**	**3,935.05**	**4,73,916.69**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	31 March 2024				31 March 2023			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
ECL allowance opening balance	**2,301.02**	**677.82**	**1,996.15**	**4,974.99**	**1,304.38**	**249.87**	**1,508.88**	**3,063.13**
New assets originated/change in ECL estimate	2,191.09	633.68	2,668.98	5,493.75	2,325.15	551.59	1,489.52	4,366.26
Assets repaid (excluding write offs)	(1,076.58)	(393.12)	(92.89)	(1,562.59)	(278.92)	(22.84)	(1,260.09)	(1,561.85)
Transfers from Stage 1	(186.42)	118.38	68.04	-	(980.86)	303.58	677.28	-
Transfers from Stage 2	170.61	(398.28)	227.67	-	4.40	(371.42)	367.02	-
Transfers from Stage 3	26.81	-	(26.81)	-	-	45.47	(45.47)	-
Settlement loss and bad debts written off	(146.21)	(3.02)	(1,080.93)	(1,230.16)	(73.13)	(78.43)	(740.99)	(892.55)
ECL allowance closing balance	**3,280.32**	**635.46**	**3,760.21**	**7,675.99**	**2,301.02**	**677.82**	**1,996.15**	**4,974.99**

Write off policy

Refer accounting Policy Note No. 2.18

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 2024, the net of expected cash inflows and outflows within 12 months are ₹ 223,295.67 (31 March 2023: ₹ 198,065.82).

Refer note 49 for Maturity analysis of assets and liabilities and note 52 (IX) for asset liability management (ALM).

C) Market Risk

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

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 2024	As at 31 March 2023
Variable rate borrowing	4,23,326.44	2,74,788.26
Fixed rate borrowing	36,380.50	37,781.35
Total borrowings	**4,59,706.94**	**3,12,569.61**

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

Particulars	As at 31 March 2024	As at 31 March 2023
Interest sensitivity		
Interest rates – increase by 100 basis points (31 March 2023: 100 bps)	2,774.56	1,467.56
Interest rates – decrease by 100 basis points (31 March 2023: 100 bps)	(2,774.56)	(1,467.56)

D) Foreign currency risk

There are no un-hedged liability or assets denominated in foreign currency with the Company except interest accrued on external commercial borrowings as at 31 March 2024 and 31 March 2023.*

Particulars	Foreign Currency	Year Ended 31 March 2024			Year Ended 31 March 2023		
		Exchange Rate	Amount in Foreign Currency in Lakhs	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	-	-	-	-	-	-

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2023

(All amounts in Lakhs of ₹ unless otherwise stated)

Borrowings (ECB and Others)	USD	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
Total Payables (D)	USD	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
Hedges by derivative contracts (E)	USD	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
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

49 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 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	17,423.50	-	17,423.50	9,847.98	-	9,847.98
Bank balances other than (a) above	3,293.19	-	3,293.19	3,107.68	-	3,107.68
Derivative financial instruments	-	313.83	313.83	-	231.10	231.10
Loans*	5,08,864.26	1,48,559.23	6,57,423.49	3,82,007.53	85,151.23	4,67,158.76
Investments	14,004.69	39,733.98	53,738.67	28,281.34	47,081.25	75,362.59
Other financial assets	411.16	-	411.16	67.74	-	67.74

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Non-financial assets						
Current tax assets (Net)	-	191.41	191.41	-	305.98	305.98
Deferred tax assets (Net)	-	1,903.97	1,903.97	-	1,348.08	1,348.08
Investment Property	-	13.32	13.32	-	13.32	13.32
Property, Plant and Equipment	-	113.03	113.03	-	131.29	131.29
Intangible Assets Under Development	-	51.13	51.13	-	-	-
Other intangible assets	-	248.78	248.78	-	11.13	11.13
Other non-financial assets	61.80	-	61.80	60.34	-	60.34
Non-current Assets held for sale	94.78	-	94.78	118.00	-	118.00
Total Assets	**5,44,153.38**	**1,91,128.68**	**7,35,282.06**	**4,23,490.61**	**1,34,273.38**	**5,57,763.99**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	0.76	-	0.76
Trade Payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,091.02	-	1,091.02	449.48	-	449.48
Other payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,832.34	-	1,832.34	953.29	-	953.29
Debt securities	12,815.17	6,247.01	19,062.18	13,572.85	13,726.18	27,299.03
Borrowings (Other than debt securities)	2,96,619.09	1,44,025.67	4,40,644.76	1,99,275.10	85,995.48	2,85,270.58
Other financial liabilities	7,004.99	4,978.88	11,983.87	9,826.76	2,835.07	12,661.83
Non-Financial Liabilities						
Provisions	45.58	226.76	272.34	21.24	285.42	306.66
Current tax liabilities	846.16	-	846.16	805.37	-	805.37
Other non-financial liabilities	603.36	-	603.36	519.94	-	519.94
Total Liabilities	**3,20,857.71**	**1,55,478.32**	**4,76,336.03**	**2,25,424.79**	**1,02,842.15**	**3,28,266.94**
Equity (including other equity)	**-**	**2,58,946.03**	**2,58,946.03**	**-**	**2,29,497.05**	**2,29,497.05**

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

50.1 Liquidity Coverage Ratio (LCR)

Background: As per the RBI guidelines DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 and Master Directions for NBFCs vide RBI/DNBR/2016-17/45 dated February 17, 2020, the LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹5,000 crore and above but less than ₹10,000 crore shall also maintain the required level of LCR starting December 1, 2020, as per the timeline given below:

Particulars	01 Dec. 2020	01 Dec. 2021	01 Dec. 2022	01 Dec. 2023	01 Dec. 2024
Minimum LCR	30%	50%	60%	85%	100%

(i) Main LCR drivers and evolution of the contribution of inputs in LCR calculation over time

The numerator of LCR is driven by the quantum and composition of High Quality Liquid Assets (HQLA). The denominator of LCR is driven by various components of the stressed cash flows.

(a) Componenet of LCR

The Company has made sufficient investments in the securities which are regarded as High Quality Liquid Assets (HQLA) in the form of Cash and cash equivalents, Government securities (G Sec), Treasury Bills (T-Bills) and Government backed debt securities. The components of HQLA for the quarters is as under:

Particulars	For the quarter ended 31 March 2024	For the quarter ended 31 December 2023	For the quarter ended 30 September 2023	For the quarter ended 30 June 2023
Cash and cash equivalents	4,140.10	3,451.49	3,450.71	3,954.81
Govt. India T-Bills (364 days)	3,902.00	-	-	-
Govt. backed Debt securities	7,500.00	4,084.45	2,872.28	3,008.42
Total	**15,542.10**	**7,535.94**	**6,322.99**	**6,963.23**

(b) Unsecured and secured wholesale funding

Borrowing Maturities falling due in the next 30 days form a major component of Cash Outflows. Bank Term loans and NCDs form the majority of secured wholesale funding maturities.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(c) Other contractual funding obligations

Other contractual funding obligations are taken from Trade Payable, Other financial liabilities, Statutory remitances and Other non-financial liabilities shown in the Balance Sheet which are expected to be paid in the next 30 days. Trade payables and Loans pending disbursement form a major portion of other contractual funding obligations.

(d) Inflows from fully performing exposures

Principal inflows and interest accrued from advances with no overdues due in the next 30 days are taken.

(ii) Intra period changes and changes over time

The company endeavors to maintain a healthy level of LCR at all points of time. The LCR table shows the movement of changes in each component over the reporting period.

(iii) Concentration of funding sources

The Company has a diversified funding profile in the form of Bank term loans, Nonconvertible debentures and External Commercial Borrowings which are long-term in nature. Also, the Company has availed Working Capital Demand loan (WCDL) and Cash credit (CC) lines from various Banks. The Company is a non-deposit taking NBFC and hence, reporting nil deposits. The Company has a wide array of investors / bankers who have funded the Company through various funding instruments.

S. No.	Particulars	For the quarter ended 31 March 2024		For the quarter ended 31 December 2023		For the quarter ended 30 September 2023		For the quarter ended 30 June 2023	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets (HQLA)								
1	Total High Quality Liquid Assets (HQLA)	15,542.10	13,831.80	7,535.94	6,923.27	6,322.99	5,892.15	6,963.23	6,511.97
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	10,340.00	11,891.00	14,036.00	16,141.40	7,788.00	8,956.20	6,890.58	7,924.17
5	Additional requirements, of which								

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	6,616.18	7,608.61	3,744.12	4,305.74	3,015.76	3,468.12	3,300.87	3,796.00
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
	Total Cash Outflows	**16,956.18**	**19,499.61**	**17,780.12**	**20,447.14**	**10,803.76**	**12,424.32**	**10,191.45**	**11,720.17**
	Cash Inflows								
8	Secured lending	-	-	-	-	-	-	-	-
9	Inflows from fully performing exposures	73,841.71	55,381.28	73,027.29	54,770.47	76,539.63	57,404.72	51,795.82	38,846.87
10	Other cash inflows	158.92	119.19	2,928.21	2,196.16	1,318.29	988.72	436.75	327.56
	Total Cash Inflows	**74,000.63**	**55,500.47**	**75,955.50**	**56,966.63**	**77,857.92**	**58,393.44**	**52,232.57**	**39,174.43**
	Total HQLA	**15,542.10**	**13,831.80**	**7,535.94**	**6,923.27**	**6,322.99**	**5,892.15**	**6,963.23**	**6,511.97**
	Total Net Cash Outflows		**4,874.90**		**5,111.78**		**3,106.08**		**2,930.04**
	Liquidity Coverage Ratio (%)		**283.73**		**135.44**		**189.70**		**222.25**

Notes

1. The data is provided for as per the RBI guidelines mentioned above.
2. The quarterly average is calculated as the average of daily balances of the relevant days of the respective quarters.
3. Given the revolving nature of CC and WCDL, utilized portion of CC and WCDL has not been considered as outflows.
4. Interest accrued but not due to be paid for the subsequent month is considered.
5. Applicable w.e.f. 01 April 2023 as per RBI Master Directions applicable on Non-Banking Financial Company - Middle layer, hence comparative numbers for 31 March 2023 are not applicable.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

50.2 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 31 March 2024 is as under:

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

Particulars	Number of Significant counterparties (Borrowings)	Amount (₹ Lakhs)	% of Total deposits	% of Total Liabilities
As at 31 March 2024	10	2,89,700.03	NA	60.82%
As at 31 March 2023	10	1,91,073.57	NA	58.21%

Notes:
- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

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

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

Particulars	Number of Significant counterparties (Borrowings)	Amount (₹ Lakhs)	% of Total deposits	% of Total Liabilities
As at 31 March 2024	10	2,89,700.03	NA	60.82%
As at 31 March 2023	10	1,91,073.57	NA	58.21%

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 2024		As at 31 March 2023	
		Amount (Rs. Lakhs)	% of Total Liabilities	Amount (Rs. Lakhs)	% of Total Liabilities
1	Non Convertible Debentures	19,062.18	4.00%	27,299.03	8.32%
2	Borrowings (Other than debt securities)	4,40,644.76	92.51%	2,85,270.58	86.90%
	TOTAL	**4,59,706.94**	**96.51%**	**3,12,569.61**	**95.22%**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(v) Stock Ratios:

S. No.	Stock Ratio	% As at 31 March 2024	% As at 31 March 2023
	Commercial paper as a % of total public funds		
1	Commercial papers as a % of total liabilities	-	-
2	Commercial papers as a % of total assets	-	-
	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	67.36%	68.67%
6	Other short-term liabilities as a % of total assets	43.64%	40.42%

Note:
- 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). During the year Company has done qualitative and quantitative ICAAP assessment in line with the guidelines.

51 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 2024		As at 31 March 2023	
	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	19,062.18	-	27,299.03	-
	: Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits)				

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	4,20,101.29	-	2,72,761.76	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	-	-	-	-
	(f)	Public Deposits	-	-	-	-
	(g)	Other Loans (short term bank loan)	20,543.47	-	12,508.82	-
(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 ₹ 5,705.74 Lakhs (previous year ₹ 1,427.22 Lakhs))	4,39,247.06			
	(b)	Unsecured (net of provision and revenue received in advance of ₹ 4,487.37 Lakhs (previous year ₹ 5,330.71 Lakhs))	2,18,176.43			
(4)		**Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**				
	(i)	Lease assets including lease rentals under sundry debtors:				
		(a) Financial lease	-		-	
		(b) Operating lease	-		-	
	(ii)	Stock on hire including hire charges under sundry debtors:				
		(a) Assets on hire	-		-	
		(b) Repossessed Assets	-		-	
	(iii)	Other loans counting towards AFC activities				
		(a) Loans where assets have been repossessed	-		-	
		(b) Loans other than (a) above	-		-	
(5)		**Break-up of Investments:**				
		Current Investments:				
	1.	Quoted:				
		(i) Shares: (a) Equity	-		-	
		(b) Preference	-		-	
		(ii) Debentures and Bonds	9,268.98		26,929.46	
		(iii) Units of mutual funds	-		-	
		(iv) Government Securities	4,735.71		203.99	
		(v) Others (AT-1 Debentures of Banks)	-		1,094.57	

(All amounts in Lakhs of ₹ unless otherwise stated)

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)	-	-
	(vi) Pass through certificates	-	53.31
	(vii) Others (Alternative investment funds)	-	-
	Long Term investments:		
1.	Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	25,788.56	20,510.93
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (AT-1 Debentures of Banks)	4,966.89	25,163.01
2.	Unquoted:		
	(i) Shares: (a) Equity (net of provisions)	2,817.82	1,013.32
	(b) Preference	394.00	394.00
	(ii) Debentures and Bonds (net of provisions)	5,766.71	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Fixed deposit with bank (Including interest accrued on deposits)	3,293.19	3,107.68
	(vi) Pass through certificates	-	-
	(vii) Others	-	-

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

Category	As at 31 March 2024			As at 31 March 2023		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	4,488.47	4,488.47	-	-	-
(b) Companies in the same group	-	-	-	130.88	-	130.88
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	4,39,247.06	2,13,687.96	6,52,935.02	3,40,071.25	1,26,956.63	4,67,027.88
Total	**4,39,247.06**	**2,18,176.43**	**6,57,423.49**	**3,40,202.13**	**1,26,956.63**	**4,67,158.76**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(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 2024		As at 31 March 2023	
	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	3,211.82	3,211.82	1,407.32	1,407.32
(b) Associates	-	-	-	-
(c) Companies in the same group	-	-	-	-
(d) Other related parties	-	-	-	-
2. Other than related parties	50,605.33	50,526.85	73,955.27	74,009.45
Total	**53,817.15**	**53,738.67**	**75,362.59**	**75,416.77**

* Quoted value on stock exchange as of 31 March 2024 is not readily available.

(8) Other information

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	6,786.70	4,194.75
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	2,951.92	2,153.13
(iii) Assets acquired in satisfaction of debt	94.78	118.00

52 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 2024	As at 31 March 2023
(i) CRAR (%)	36.80%	42.65%
(ii) CRAR - Tier I Capital (%)	36.33%	42.21%
(iii) CRAR - Tier II Capital (%)	0.47%	0.44%
(iv) Amount of subordinated debt raised as Tier-II c apital	-	-
(v) Amount raised by issue of Perpetual DebtI nstruments	-	-

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

II. Investments

Particulars	As at 31 March 2024	As at 31 March 2023
1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	53,817.15	75,416.77
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(78.48)	(54.18)
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	53,738.67	75,362.59
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	(54.18)	(14.58)
(ii) Add : Provisions made during the year	(68.79)	(54.18)
(iii) Less : Write-off / write-back of excess provisions during the year	44.49	14.58
(iv) Closing balance	**(78.48)**	**(54.18)**

III. Disclosure on Un-hedged Foreign Currency Exposure

The Company has unhedged foreign currency exposure amounting Rs. 21.67 Lakhs as on 31 March 2024 and 31 March 2023 is Nil.

IV. (a) Derivatives

Particulars	As at 31 March 2024	As at 31 March 2023
(i) The notional principal of swap agreements	4,752.48	5,009.60
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	666.82	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	313.83	230.34

(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 bench-marks into fixed rate rupee liabilities. The currency risk on borrowings is actively managed through currency swaps.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 2024	As at 31 March 2023
Opening Balance	(270.35)	(52.82)
Credit/(Debit) in cash flow hedge reserves	6.09	(217.53)
Closing Balance	**(264.26)**	**(270.35)**

Quantitative disclosure*

Category	As at 31 March 2024		As at 31 March 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount) [1]				
For hedging	4,752.48	-	4,752.48	257.12
Marked to Market Positions				
Asset (+)	313.83	-	231.10	-
Liability (-)	-	-	-	(0.76)
Credit Exposure [2]	-	-	-	-
Unhedged Exposures	-	-	-	-

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

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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 2024 and 31 March 2023.

(b) The company has not acquired any loans through assignment during the financial year ended 31 March 2024 and 31 March 2023.

(c) The company has not transferred any stressed loans during the financial year ended 31 March 2024 and 31 March 2023.

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

As at 31 March 2024

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Debt securities	1.39	-	6.41	-	1.60	1,660.83	11,144.94	6,247.01	-	-	19,062.18
Borrowings (other than debt securi-	20,475.99	15,963.05	16,974.55	51,069.19	49,481.88	32,991.65	1,09,662.78	1,34,749.27	9,026.94	249.46	4,40,644.76
Total	**20,477.38**	**15,963.05**	**16,980.96**	**51,069.19**	**49,483.48**	**34,652.48**	**1,20,807.72**	**1,40,996.28**	**9,026.94**	**249.46**	**4,59,706.94**
Assets											
Loans given	9,735.21	26,358.01	37,783.10	89,256.28	99,354.00	1,46,717.07	99,660.59	1,27,988.67	16,306.30	4,264.26	6,57,423.49
Investment (net)*	17,423.50	158.92	-	-	-	3,792.51	10,053.26	13,341.95	-	26,392.03	71,162.17
Total	**27,158.71**	**26,516.93**	**37,783.10**	**89,256.28**	**99,354.00**	**1,50,509.58**	**1,09,713.85**	**1,41,330.62**	**16,306.30**	**30,656.29**	**7,28,585.66**

including cash & cash equivalents and Other bank balances

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 1 year 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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

As at 31 March 2023											
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	-	2,85,270.58
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**	**-**	**3,12,569.61**
Assets											
Loans given	7,438.19	12,238.21	21,722.05	71,502.17	91,679.43	1,27,846.24	49,581.96	75,235.20	7,883.94	2,032.09	4,67,159.48
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**	**1,36,266.52**	**68,725.13**	**81,301.27**	**34,750.42**	**16,180.79**	**5,52,370.05**

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.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

	Category	As at 31 March 2024	As at 31 March 2023
	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.	33,972.65	10,743.62
(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.	13,324.02	10,617.30
(c)	Investments in Mortgage Backed Securities (MBS) and other securitised 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	7,052.71	2,445.35
	Total exposure to real estate sector	**54,349.38**	**23,806.27**

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 2024	As at 31 March 2023
(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;	3,211.82	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;	-	-

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(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	**3,211.82**	**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 2024 as well as in the previous year ended 31 March 2023.

XIII. Details of financing of parent company's products

Out of total financing activity undertaken by the Company during the financial year 2023-24, 9.07% (previous year 12.80%) of the financing goes towards parent Company products. Refer note 44

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 : N-14.03880 *

* Pursuant to name change, the company has filled an application dated 27 March 2024 for change of name with the RBI, as of now application is pending.

(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 ICRA A+ (Stable)
Bank Lines	CARE	-	CARE A+ (Stable)
Non convertible debentures	CARE	-	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 + /Stable
Non convertible debentures	CRISIL	CRISIL A+/Stable	CRISIL A+/Stable

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

XVI. Additional Disclosures

(a) Provisions and Contingencies

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

Particulars	As at 31 March 2024	As at 31 March 2023
Impairment allowance on loans	2,701.00	1,911.87
Impairment allowance on investment	24.30	39.60
Provision made towards Income tax	10,335.35	6,940.73

XVII. Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Advances

Particulars	As at 31 March 2024	As at 31 March 2023
Total Advances to twenty largest borrowers	87,691.83	69,368.58
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	13.34%	14.85%

(b) Concentration of Exposures

Particulars	As at 31 March 2024	As at 31 March 2023
Total Advances to twenty largest borrowers/customers	88,260.89	69,696.76
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	13.43%	14.92%

(c) Sectorial Exposures

Particulars	As at 31 March 2024			As at 31 March 2023		
	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)	**3,98,633.18**	**4,683.76**	**1.17%**	**3,57,043.44**	**3,707.17**	**1.04%**
2.1 Micro and Small	88,877.97	1,230.34	1.38%	77,512.44	2,395.39	3.09%
2.2 Medium	1,44,149.39	2,247.89	1.56%	1,36,795.78	802.91	0.59%
2.3 Large	1,65,605.82	1,205.53	0.73%	1,42,735.22	508.87	0.36%
2.4 Others, if any, Please specify	-	-	-	-	-	-
3. Services (3.1 to 3.10 equals 3.a to 3.d)	**1,96,201.04**	**2,061.13**	**1.05%**	**1,10,145.69**	**487.60**	**0.44%**
3.1 Transport Operators	10,609.28	3.96	0.04%	8,962.34	-	0.00%
3.2 Computer Software	5,954.49	-	-	4,369.67	-	-
3.3 Tourism, Hotel and Restaurants	2,346.30	33.84	1.44%	2,439.45	35.70	1.46%

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

3.4 Shipping	586.66	-	-	916.48	-	-
3.5 Professional Services	14,308.91	-	-	7,836.67	-	-
3.6 Trade	-	-	-	-		
3.6.1 Wholesale Trade (other than Food Procurement)	13,764.84	655.99	4.77%	9,802.68	440.82	4.50%
3.6.2 Retail Trade	15,078.22	1,334.96	-	14,514.55	-	-
3.7 Commercial Real Estate	-	-	-	-	-	-
3.8 NBFCs	1,18,487.18	-	-	53,570.18	-	-
3.9 Aviation	1,443.51	-	-	-	-	-
3.10 Other Services	13,621.65	32.38	0.24%	7,733.67	11.08	0.14%
Total 3.a to 3.d	**1,96,201.04**	**2,061.13**	**1.05%**	**1,10,145.69**	**487.59**	**0.44%**
3.a Micro and Small	65,418.88	391.88	0.60%	40,494.15	126.24	0.31%
3.b Medium	74,200.97	358.34	0.48%	42,130.71	361.35	0.86%
3.c Large	56,581.19	1,310.91	2.32%	27,520.83	-	0.00%
3.d Others, if any, Please specify	-	-		-	-	-
4. Retail Loans (4.1 to 4.10)	**72,782.38**	**41.81**	**0.06%**	**6,727.56**	**-**	**0.00%**
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	72,782.38	41.81	0.06%	6,727.56	-	0.00%
5. Other Non-food Credit, if any	-	-		-	-	
Total	**6,67,616.60**	**6,786.70**	**1.02%**	**4,73,916.69**	**4,194.76**	**0.89%**

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(d) Intra-group exposures

Particulars	As at 31 March 2024	As at 31 March 2023
Total amount of intra-group exposures	67,385.58	48,521.20
Total amount of top 20 intra-group exposures	51,300.37	39,764.64
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	10.25%	10.39%

(e) Concentration of NPAs

Particulars	As at 31 March 2024	As at 31 March 2023
Total Exposure to top four NPA accounts	3,831.01	1,461.21

(f) Movement of NPAs

	Particulars	As at 31 March 2024	As at 31 March 2023
(i)	Net NPAs to Net Advances (%)	0.45%	0.46%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	4,194.75	2,609.84
(b)	Additions during the year*	5,088.77	3,271.28
(c)	Reductions during the year	2,496.82	1,686.37
(d)	**Closing balance**	**6,786.70**	**4,194.75**
(iii)	Movement of Net NPAs		
(a)	Opening balance	2,153.13	1,100.96
(b)	Additions during the year	1,601.69	2,034.32
(c)	Reductions during the year	802.90	982.15
(d)	**Closing balance**	**2,951.92**	**2,153.13**
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	2,041.62	1,508.88
(b)	Provisions made during the year	3,487.08	1,236.96
(c)	Write-off / write-back of excess provisions	1,693.92	704.22
(d)	**Closing balance**	**3,834.78**	**2,041.62**

*Include ₹ 220.75 Lakhs (previous year ₹259.70 Lakhs) classified as NPA in terms of circular DOR.STR.REC.68/21.04.048/2021-22 dated 21 November 2021

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

XVIII. Related Party Disclosure

Nature wise and party wise details of related party transactions has been disclosed under Note 44.

XIX. The Company does not have any joint ventures and subsidiaries abroad as at 31 March 2024 as well as in the previous year ended 31 March 2023.

XX. The Company does not have any SPVs sponsored as at 31 March 2024 as well as in the previous year ended 31 March 2023.

XXI. Disclosure of Complaints

(a) (i) Customer Complaints

Particulars	As at 31 March 2024	As at 31 March 2023
No. of complaints pending at the beginning of the year	Nil	Nil
No. of complaints received during the year	16	8
No. of complaints redressed during the year	16	8
No. of complaints pending at the end of the year	Nil	Nil

(ii) Top grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Loans and advances	-	7.00	75	-	-
Recovery Agents/Direct Sales Agents	-	1.00	-	-	-
Levy of charges without prior notice /excessive charges/foreclosure charges	-	7.00	133	-	-
Others	-	1.00	100	-	-
Total	**-**	**16.00**		**-**	**-**

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

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

XXII. Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI as at 31 March 2024

Type of Restructuring-Others		Standard	Sub-Standard	Doubtful	Loss	Total
Restructured accounts as on 1 April of the FY (opening figures)	No. of borrowers	14	3	-	-	**17**
	Amount outstanding	426.25	48.66	-	-	**474.91**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Fresh restructuring during the year	No. of borrowers	-	2	-	-	2
	Amount outstanding	-	313.79	-	-	313.79
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
Downgradations to restructured standard category during the FY	No. of borrowers	(5.00)	2	3	-	-
	Amount outstanding	(121.94)	53.40	68.54	-	0.00
Write-offs/Settlements/Recoveries of restructured accounts during the FY	No. of borrowers	(6.00)	(1.00)	-	-	(7.00)
	Amount outstanding	(285.49)	(7.23)	-	-	(292.72)
Restructured accounts as on 31 March of the FY (closing figures)	No. of borrowers	3	6	3	-	**12**
	Amount outstanding	18.82	408.62	68.54	-	**495.98**

Disclosure of restructured accounts as required by the NBFC Master Directions issued by RBI as at 31 March 2023

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 as at 31 March 2024

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	10	10	3	-	15.00	-	-
2	Praveen Kumar Bhambani	09681934	06-08-22	Independent Director	10	10	1	-	5.00	-	-
3	Rohit Kapoor	06529360	05-02-19	Independent Director	10	10	1	-	2.50	-	-
4	Asish Mohapatra	06666246	05-02-19	Non Executive Director	10	9	10	-	-	-	-

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

5	Vasant Sridhar	07685035	26-12-16	Executive Director	10	10	5	41.23	-	-	-
6	Ruchi Kalra	03103474	21-09-16	Whole time Director and CFO (KMP)	10	10	7	26.70	-	-	29,35,283

There is no change in the composition of the Board during the curent year.

Composition of the Board as at 31 March 2023

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	1	-	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	4	44.32	-	-	-
6	Ruchi Kalra	03103474	21-09-16	Whole time Director and CFO (KMP)	11	11	7	30.29	-	-	2,935,263

*Mr. Praveen Bhambani joined the Board on August 6, 2022.

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(b) Committees of the Board and their composition

(i) Summarized terms of reference for each committee as at 31 March 2024

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	6	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		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	1	1	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Asish Mohapatra	06666246	05-02-19	Member	1	1	
		Sathyan David	08386521	11-04-19	Member	1	1	
3	Risk Management Committee	Sathyan David	08386521	11-04-19	Chairman	3	3	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Ruchi Kalra	03103474	21-09-16	Member	3	3	
		Asish Mohapatra	06666246	05-02-19	Member	3	2	
4	Asset Liability Management Committee	Ruchi Kalra	03103474	21-09-16	Chairman	4	4	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Prashant Roy Sharma	-	-	Member	4	4	
		Vasant Sridhar	07685035	26-12-16	Member	4	4	
5	IT Strategy Committee	Sathyan David	08386521	11-04-19	Chairman	4	4	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Dhruva Shree Agarwal	-	-	Member	4	4	
		Asish Mohapatra	06666246	05-02-19	Member	4	1	

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

6	IT Steering	Dhruva Shree Agarwal	-	11-04-19	Member	1	1	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Ruchi Kalra	03103474	21-09-16	Member	1	1	
		Asish Mohapatra	06666246	05-02-19	Member	1	1	
7	Corporate Social Responsibility Committee	Asish Mohapatra	06666246	05-02-19	Member	1	1	Refer Corporate Governance Report dated 28 May 2024 for detail terms of reference
		Rohit Kapoor	06529360	05-02-19	Member	1	1	
		Ruchi Kalra	03103474	21-09-16	Member	1	1	

(ii) Summarized terms of reference for each committee as at 31 March 2023

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	Member	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 Manage-ment Committee	Sathyan David	08386521	11-04-19	Chairman	2	2	Refer Corporate Governance Report dated 23 May 2023 for detail terms of reference
		Ruchi Kalra	03103474	21-09-16	Member	2	2	
		Asish Mohapatra	08386521	05-02-19	Member	2	2	

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 during the year ended 31 March 2024

Year	Date	Location	Resolution Matter
AGM	26-Sep-23	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	"1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2023 and the Reports of Board of Directors and Auditors thereon. 2. To ratify the appointment of Statutory Auditor(s) and fix their remuneration thereof 3. To approve Alteration of Articles of Association of the Company"
EGM	03-Feb-24	Corporate Office- #101, First Sloor, Vipul Agora Mall, M.G. Road, Gurugram 122001	"1.Approval for conversion of the Company to Public Limited Company 2.Adoption of new set of Articles of Association in compliance with the provisions of the Companies act, 2013 3.Re-appointment of Mr. Rohit Kapoor as a Non-executive Independent Director 4.To borrow in excess of the limits provided under section 180 (1)(c) of the Companies act, 2013"
EGM	07-Mar-24	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	"1.To Approve the Issue and Offer of Rated, Listed, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures (“NCDs” or “Debentures”) on Preferential basis. 2.To consider and approve the authorization to Board of Directors under section 180(1)(a) of the Companies act, 2013 up to an aggregate limit of ₹ 3,500 crores"
EGM	16-Mar-24	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1.To approve the Issue and Offer of Listed, Rated, Senior, Secured, Unsubordinated, Transferable, Redeemable, Fully Paid- up, Non-Convertible Debentures (“NCDs” or “Debentures”) on preferential basis.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

General Body Meetings during the year ended 31 March 2023

Year	Date	Location	Resolution Matter
AGM	26-Sep-22	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-Apr-22	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-Jul-22	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-Jan-23	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-Mar-23	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 year.

XXV. Breach of covenant

There is no breach of covenant with terms of any borrowing arrangements during the year.

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 2024, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

53 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 2024

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	6,45,401.17	3,247.32	6,42,153.85	2,581.60	665.72
	Stage 2	15,428.73	593.89	14,834.84	61.71	532.18
Subtotal		**6,60,829.90**	**3,841.21**	**6,56,988.69**	**2,643.31**	**1,197.90**
Non-Performing Assets (NPA)						
Substandard	Stage 1*	145.16	33.00	112.16	14.52	18.48
	Stage 2*	75.59	41.57	34.02	7.56	34.01
	Stage 3	4,868.49	2,449.37	2,419.12	486.85	1,962.52
Doubtful - up to 1 year	Stage 3	1,136.02	921.86	214.16	755.30	166.56
1 to 3 years	Stage 3	556.66	384.20	172.46	288.38	95.82
More than 3 years	Stage 3	4.78	4.78	-	4.78	-
Subtotal for doubtful		**1,697.46**	**1,310.84**	**386.62**	**1,048.46**	**262.38**
				-	-	-
Loss	Stage 3	-	-			-
Subtotal for NPA		**6,786.70**	**3,834.78**	**2,951.92**	**1,557.39**	**2,277.39**

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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	6,45,546.33	3,280.32	6,42,266.01	2,596.12	684.20
	Stage 2	15,504.32	635.46	14,868.86	69.27	566.19
	Stage 3	6,565.95	3,760.21	2,805.74	1,535.31	2,224.90
	Total	**6,67,616.60**	**7,675.99**	**6,59,940.61**	**4,200.70**	**3,475.29**

* 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 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	4,55,062.99	2,301.02	4,52,761.97	1,820.25	480.77
	Stage 2	14,658.95	632.35	14,026.60	58.64	573.71
Subtotal		**4,69,721.94**	**2,933.37**	**4,66,788.57**	**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

(All amounts in Lakhs of ₹ unless otherwise stated)

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	332.84	821.76	(94.51)
More than 3 years	Stage 3			-	-	-
Subtotal for doubtful		**1,513.70**	**963.15**	**550.55**	**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	4,55,062.99	2,301.02	4,52,761.97	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	**4,73,916.69**	**4,974.99**	**4,68,941.70**	**3,259.26**	**1,715.73**

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 2024 and 31 March 2023, no amount is required to be transferred to 'Impairment Reserve' for both the financial years.

54 Expenditure on Corporate Social Responsibility

Particulars	31 March 2024	31 March 2023
(a) Gross amount required to be spent	261.98	116.74
(b) Amount spent:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	267.00	120.00
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Administrative expenses	-	-

Nature of CSR activities:

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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at 31 March 2024	As at 31 March 2023
(a) The principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year;	-	-
(c) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the 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.

56 Additional Disclosure including 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) On 10 August 2023, the Board of Directors of the Company have approved the proposed scheme of arrangement to be filed with National Company Law Tribunal Bench- New Delhi amongst Oxyzo Financial Services Limited (formerly known as Oxyzo Financial Services Private Limited) (the Amalgamated Company/ Holding Company), Zfirst Technologies Private Limited (the Amalgamating Company/ Subsidiary Company) and Ziel Financial Technologies Pvt Ltd (the Transferee Company/ Wholly Owned Subsidiary Company) and their respective shareholder under section 230 to section 232 of the Companies Act 2013 to amalgamate the amalgamating company in amalgamated company, and upon completion of amalgamation, slump sale of the loan facilitating services business of amalgamated company to the transferee company. In this regard the Company has filed a joint application with the Hon'ble National Company Law Tribunal, New Delhi on March 20, 2024.

(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."

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(ix) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In previous year in some cases, the Company had fully redeemed certain secured debentures and borrowings aggregating to ₹ 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 2024	As at 31 March 2023
(a) Capital to risk-weighted assets ratio (CRAR)	Total Net owned funds / Adjusted value of funded risk assets on balance sheet items	36.80%	42.65%
(b) Tier I CRAR	Total Net owned funds/Adjusted value of funded risk assets on balance sheet items	36.33%	42.21%
(c) Tier II CRAR	ECL Stage-I provision/Adjusted value of funded risk assets on balance sheet items	0.47%	0.44%
(d) Liquidity Coverage Ratio (LCR)*	(LCR)-(High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflow over the next 30 calendar days)	283.73%	NA

* Applicable w.e.f. 01 April 2023 as per RBI Master Directions applicable on Non-Banking Financial Company - Middle Layer.

57 Contingent liabilities, commitments and leasing arrangeme

i. (i) Contingent liability

Particulars	As at 31 March 2024	As at 31 March 2023
Disputed claims and proceedings against the Company, which arise in the ordinary course of business	11.66	8.21
Income tax matters		
Appeals by the Company	133.22	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). During the current year, there is no change in the status of the appeal.

ii. (ii) Capital commitment

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

58 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.

59 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

Notes forming part of the standalone Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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.

60 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)

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

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 27 May 2024 and approved by the Board of Directors at its meeting held on 28 May 2024.

66 On 03 February 2024, the Board of Director of the company have approved to convert the company from private limited company to public company. The necessary approvals from registrar of company received on 05 March 2024, accordingly status of the Company changed to Public Limited from Private Limited w.e.f. 05 March 2024.

As per our report of even date attached
For S.N. DHAWAN & CO LLP

Chartered Accountants

Firm Registration No. 000050N/N500045

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of OXYZO FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Independent Auditor's Report

To the Members of Oxyzo Financial Services Limited (Formerly Known as Oxyzo Financial Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and summary of material accounting policies and other explanatory information (the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated 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 Group as at 31 March 2024, and its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated 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 we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-para (a) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Allowances for Expected Credit Losses:** (Refer Note 6 and 55(i)(A) to the consolidated financial statements) As at March 31, 2024, loan assets aggregated ₹ 6,52,935.02 Lakhs, constituting 88.66% of the Group's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. 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 consolidated financial statements. The elements of estimating ECL which in- volved 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.	**Principal audit procedures performed:** Read the policies approved by the Board of Directors of the Holding 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 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. Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking, micro and macro-economic factors. Involved internal valuation experts for testing the valuation of the underlying security for the non-retail loan portfolio. Tested adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Board of Directors. Checked disclosures made in relation to the ECL allowance in consolidated financial statements.

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

The Holding 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 consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, 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 Group in accordance with the Ind AS and other accounting principles generally accepted in India, including Indian accounting standards specified under section 133 of the Act. The respective board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing

and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls system over financial reporting 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

We did not audit the financial statements in respect of 6 subsidiaries, whose financial statements reflects total assets of Rs. 9,553.61 Lakhs as at 31 March 2024 and revenue from operations of Rs. 5,326.87 Lakhs, total net profit after tax of Rs. 494.32 Lakhs and total comprehensive income of Rs. 483.17 Lakhs for the period ended on that date and net cash flow of Rs 427.06 Lakhs for the year ended 31 March 2024, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

Our opinion is not modified in respect of this matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of holding company and subsidiaries incorporated in India, we report the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

   (xxi) Qualifications or adverse remarks by the respective auditors of the holding and subsidiary companies incorporated in India and included in the Group, in the Companies (Auditor's Report) Order (CARO) reports of such holding and subsidiary companies included in the Consolidated Financial Statements, are given below:

S. No.	Name	CIN	Holding company/ Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited)	U65929DL2016PLC306174	Holding Company	i(c), iii(c), iii(d),

2. As required by Section 143(3) of the Act, we report to the extent applicable 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 relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of Holding Company as on 31 March 2024 taken on record by the Board of Directors of Holding Company and the reports of the statutory auditors of its subsidiaries in India, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to financial statements of companies incorporated in India and included in the Group, and the operating effectiveness of such controls with respect to holding company and its subsidiaries, refer to our separate report in Annexure A.

g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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 and based on the consideration of the report of the other auditors on separate financial statements of the

subsidiaries incorporated in India and whose financial statements have been audited under the Act, as noted in the 'Other matters' paragraph:

i. The Group has disclosed the impact of pending litigations on its consolidated financial statements. (Refer Note 60 to the consolidated financial statements)

ii. The Group 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 18 to the consolidated financial statements)

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group. (Refer Note 65 to the consolidated financial statements)

iv. (a). On the basis of representation received from the directors of the holding company as on 31 March 2024 and the reports of the statutory auditors of its subsidiaries in India, whose financial statements have been audited under the Act, 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 Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 59(vii) to the consolidated financial statements)

(b). On the basis of representation received from the directors of the holding company as on 31 March 2024 and the reports of the statutory auditors of its subsidiaries in India, whose financial statements have been audited under the Act, 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 Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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 59(viii) to the consolidated financial statements)

(c). Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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 Holding Company or any of the subsidiaries has not declared or paid any dividend during the year.

vi. Based on our examination which included test checks, and as communicated by the respective auditor of subsidiaries, the Holding Company and its subsidiaries has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024

For S.N. Dhawan & CO LLP

Chartered Accountants

(Firm's Registration No. 000050N/N500045)

Rahul Singhal

Partner

Membership No. 096570

UDIN: 24096570BKCTIB4452

Place: Gurugram

Date: 28 May 2024

Annexure A To The Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the holding company as of and for the year ended 31 March 2024 , we have audited the internal financial controls with reference to financial statements of Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) ("the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance note") issued by the Institute of Chartered Accountants of India ("the ICAI"). 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 the company's business, including adherence to the respective company's policies, the safeguarding of the company's 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Holding Company and its subsidiaries as aforesaid.

Meaning of Internal Financial Controls with reference to consolidated Financial Statements

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

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Holding Company and its subsidiaries, which are companies incorporated in India, have, 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 31 March 2024, 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 6 subsidiaries, which are companies incorporated in India , is based on the corresponding reports of the auditors of such companies incorporated in India.

For S.N. Dhawan & CO LLP

Chartered Accountants

(Firm's Registration No. 000050N/N500045)

Rahul Singhal

Partner

Membership No. 096570

UDIN: 24096570BKCTIB4452

Place: Gurugram

Date: 28 May 2024

Consolidated Balance Sheet as at 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	18,124.69	10,122.12
(b) Bank Balance other than included in (a) above	4	3,560.48	3,430.82
(c) Derivative financial instruments	19	313.83	231.10
(d) Receivables i. Trade Receivable ii. Other Receivable	5	47.61	177.07
(e) Loans	6	6,52,935.02	4,67,158.64
(f) Investments	7	56,791.34	74,513.27
(g) Other financial assets	8	408.64	73.54
		7,32,181.61	**5,55,706.56**
2. Non-financial assets			
(a) Current tax assets (Net)	9	686.82	392.09
(b) Deferred tax assets (Net)	10	2,103.18	1,486.78
(c) Investment Property	11	13.32	13.32
(d) Property, plant and equipment	12	314.38	228.65
(e) Other Intangible assets	13	51.13	-
(f) Right to Use Asset	14	248.78	11.13
(g) Goodwill on consolidation	15	248.77	154.88
(h) Other non-financial assets	16	235.54	235.54
(i) Assets held for sale	17	248.24	125.11
	18	94.78	118.00
		4,244.94	**2,765.50**
TOTAL ASSETS		**7,36,426.55**	**5,58,472.06**
B. LIABILITIES AND EQUITY			
LIABILITIES			
1. Financial liabilities			
(a) Derivative financial instruments	19	-	0.76
(b) Payables			
(I) Trade payables			
(i) Total outstanding dues to micro and small enterprises	20	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	20	573.36	389.90
(II) Other payables			

Consolidated Balance Sheet as at 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(i) Total outstanding dues to micro and small enterprises	21	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	21	1,888.78	1,009.00
(c) Debt securities	22	19,071.08	27,303.03
(d) Borrowings (Other than debt securities)	23	4,40,910.85	2,85,441.80
(e) Other financial liabilities	24	11,983.87	12,678.46
		4,74,427.94	**3,26,822.95**
2. Non-financial liabilities			
(a) Current tax liabilities (Net)	25	846.16	805.73
(b) Deferred tax liabilities (Net)	26	-	3.18
(c) Provisions	27	382.08	308.59
(d) Other non-financial liabilities	28	913.80	602.37
		2,142.04	**1,719.87**
EQUITY			
(a) Equity share capital	29(a)	5,367.86	5,367.86
(b) Instruments entirely equity in nature	29(b)	1,438.29	1,438.29
(c) Other equity	30	2,52,691.88	2,22,800.19
(d) Non controlling Interest	30(a)	358.54	322.90
		2,59,856.57	**2,29,929.24**
TOTAL LIABILITIES AND EQUITY		**7,36,426.55**	**5,58,472.06**
See accompanying notes forming part of the Consolidated Ind AS financial statements	1-70		

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

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Rahul Singhal
Partner
Membership No: 096570

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

Vasant Sridhar
Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Place : Gurugram
Date : 28 May 2024

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Revenue from operations			
(i) Interest income	31	86,640.06	53,668.79
(ii) Fee and commission income	32	3,633.25	2,417.47
(iii) Net gain on fair value changes	33	64.48	733.67
(iv) Net gain on derecognition of financial instruments under amortised cost category	34	-	170.98
(b) Other income	35	74.48	58.59
I) Total Income (a+b)		**90,412.27**	**57,049.50**
Expenses			
(a) Finance costs	36	31,734.54	18,333.15
(b) Net loss on derecognition of financial instruments under amortised cost category	37	108.67	-
(c) Net gain on fair value changes	38	115.99	-
(d) Impairment on financial instruments	39	3,741.70	2,774.62
(e) Employees benefit expenses	40	11,557.64	7,793.87
(f) Depreciation, amortisation and impairment expense	41	249.83	97.96
(g) Other expenses	42	3,917.94	1,942.99
II) Total expenses		**51,426.31**	**30,942.59**
III) Profit before tax (I-II)		**38,985.96**	**26,106.91**
IV) Tax expense			
(a) Current tax	43	10,567.97	7,077.48
(b) Deferred tax (benefits)	43	(639.38)	(721.72)
Total tax expense		**9,928.59**	**6,355.76**
V) Profit for the year (III-IV)		**29,057.37**	**19,751.15**
Profit attributable to non-controlling interests		(36.36)	(18.78)
VI) Profit for the year attributable to the owners		**29,021.01**	**19,732.37**
VII) Other comprehensive income, net of tax			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans		68.62	55.81
Gains from investments in equity instruments designated at fair value through other comprehensive income		-	30.62
Income tax (charge) on above		(17.74)	(17.23)
Sub total (a)		**50.88**	**69.20**

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(b) Items that will be reclassified to profit or loss			
Derivative instruments in Cash flow hedge relationship		8.14	(290.69)
Income tax benefit on above		(2.05)	73.16
Sub total (b)		**6.09**	**(217.53)**
Other comprehensive / (loss) for the year		**56.97**	**(148.33)**
Other comprehensive loss attributable to non-controlling interests		0.72	-
VIII Other comprehensive Income / (loss) attributable to the owners		**57.69**	**(148.33)**
IX Total comprehensive income for the year (V+VII)		**29,114.34**	**19,602.82**
X Profit attributable to:			
Owners of the holding company/ group		**29,021.01**	**19,732.37**
Non-controlling interests		**36.36**	**18.78**
XI Total comprehensive income attributable to			
Owners of the holding company/ group		**29,078.70**	**19,584.04**
Non-controlling interests		**35.64**	**18.78**
Earnings per equity share (nominal value of share Rs. 10 each):			
Basic (in ₹)	44	**42.64**	**29.20**
Diluted (in ₹)	44	**40.18**	**27.91**
See accompanying notes forming part of the consolidated Ind AS financial statements	1-70		

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

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Rahul Singhal
Partner
Membership No: 096570

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

Vasant Sridhar
Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Place : Gurugram
Date : 28 May 2024

Consolidated Statement of Cash Flows for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**38,985.96**	**26,106.91**
Adjustments for:		
Remeasurement gain on defined benefit plans	68.62	55.81
Gains from investments in equity instruments designated at fair value through other comprehensive income	-	30.62
Depreciation, amortisation and impairment expense	249.83	97.96
Unwinding of lease liability	32.56	6.80
Net gain on mutual funds at FVTPL	(51.60)	(733.67)
Interest income on investment	(6,505.05)	(5,110.41)
Net gain on derecognition of financial instruments	-	(170.98)
Interest income on fixed deposits	(245.42)	(177.39)
Interest on income tax refund	(17.98)	(9.99)
(Profit)/Loss from sale of property, plant & equipment	0.47	-
Loss on sale of bonds/Investment property	108.67	-
Change in fair value of bonds	103.11	
Impairment allowance on loans	2,701.00	1,911.87
Impairment allowance on investment	24.30	39.60
Gain on termination/modification of lease liability	(12.43)	-
Employee stock options expense	812.98	528.18
Operating profit before working capital changes	**36,255.02**	**22,575.31**
Changes in working capital		
Increase/(decrease) in Trade payables	183.46	155.91
Increase/(decrease) in Other payables	879.78	745.56
Increase/(decrease) in Other financial liabilities	(694.59)	10,925.81
Increase/(decrease) in Provisions	73.49	6.28
Increase/(decrease) in Other non-financial liabilities	311.43	292.70
(Increase)/decrease in Loans and advances	(1,88,477.38)	(2,15,051.09)
(Increase)/decrease in Other financial assets	(335.10)	(19.68)
(Increase)/decrease in Receivables	129.46	(73.19)
(Increase)/decrease in Other non-financial assets	(123.13)	(38.12)
Cash flow from operating activities post working capital changes	**(1,51,797.56)**	**(1,80,480.51)**
Income- tax paid	(10,822.27)	(6,525.20)
Net cash flow from operating activities (A)	**(1,62,619.83)**	**(1,87,005.71)**

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(212.22)	(245.42)
Purchase/Capitalisation of Intangible assets including Intangible assets under development	(319.02)	(11.74)
Proceeds from sale of property, plant and equipment	20.53	40.92
Investment in mutual fund	(27,498.63)	(1,90,250.00)
Proceeds from sale of mutual funds	27,703.38	2,20,832.03
Investment in equity instruments	(50.51)	(374.22)
Investment in debentures (net of sale proceeds)	21,969.65	(71,838.52)
Investment in Government Securities (net of sale proceeds)	(4,667.36)	-
Investment in Pass through certificates	(1,051.44)	-
Redemption from pass through certificates	990.26	3,591.70
Investment in fixed deposits (net of redemption)	(114.04)	(2,497.91)
Interest income from investments	6,647.14	3,179.92
Interest income on Income Tax refund	17.98	9.99
Interest received on fixed deposit	229.80	113.14
Net cash used in investing activities (B)	**23,665.52**	**(37,450.11)**
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt securities (including accrued interest)	4,540.97	6,901.38
Repayments of debt securities	(12,781.35)	(18,729.89)
Net proceeds from cash credit and bank overdraft	8,034.65	11,574.62
Proceeds from other borrowings (including accrued interest)	7,42,880.22	4,56,676.11
Repayments of other borrowings	(5,95,614.56)	(3,45,919.42)
Repayments of lease liability	(103.05)	(11.02)
Proceeds from issue of share capital including share premium	-	71,046.29
Repayment towards deemed equity	-	(780.91)
Net cash flow from financing activities (C)	**1,46,956.88**	**1,80,757.16**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	**8,002.57**	**(43,698.66)**
Cash and cash equivalents at the beginning of the year	10,122.12	53,820.78
Cash and cash equivalents at the end of the year	**18,124.69**	**10,122.12**

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Cash and cash equivalents consist of:

Particulars	As At 31 March 2024	As At 31 March 2023
Cash on hand	8.88	10.28
Balance with banks		
-In current accounts	18,115.81	10,111.84
	18,124.69	**10,122.12**

The above consolidated 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 consolidated Ind AS financial statements 1-70

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

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and
Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Consolidated statement of changes in equity for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Equity share capital

(1) Current reporting year

	Particulars	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
A	Equity share capital	5,367.86	-	5,367.86
B	Instruments entirely equity in nature	1,438.29	-	1,438.29

(2) Previous reporting period

	Particulars	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
A	Equity share capital	5,147.72	220.14	5,367.86
B	Instruments entirely equity in nature	755.83	682.46	1,438.29

C Other equity

Particulars	Reserves and Surplus						Other Comprehensive Income		Attributable to owners of the parent (A)	Attributable to Non controlling Interest (B)	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	Equity instruments designated at fair value through other comprehensive income	Cash flow hedges reserves			
Balance at 1 April 2022	**1,19,110.04**	**2,686.66**	**780.91**	**112.98**	**-**	**10,687.42**	**-**	**(52.82)**	**1,33,325.19**	**-**	**1,33,325.19**
Adjustment due to acquisition of Zfirst Technologies	-	-	-	-	-	-	-	-	-	304.12	304.12
Add: Profit for the year	-	-	-	-	-	19,732.37	-	-	19,732.37	18.78	19,751.15
Add: Other comprehensive income/ (Loss) (net of tax)	-	-	-	-	-	41.76	27.44	(217.53)	(148.33)		(148.33)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**19,774.13**	**27.44**	**(217.53)**	**19,584.04**	**18.78**	**19,602.82**
Transfer to statutory reserve	-	3,930.10	-	-	-	(3,930.10)	-	-	-	-	-
Employee stock options	-	-	-	528.18	-	-	-	-	528.18	-	528.18
Repayment towards deemed equity	-	-	(780.91)	-	-	-	-	-	(780.91)	-	(780.91)

Consolidated statement of changes in equity for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Securities premium on issue of shares	70,378.84	-	-	-	-	-	-	-	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)	-	(220.14)
Share issue expenses	(15.00)	-	-	-	-	-	-	-	(15.00)	-	(15.00)
Balance at 31 March 2023	**1,89,180.35**	**6,616.76**	**-**	**641.16**	**73.39**	**26,531.44**	**27.44**	**(270.35)**	**2,22,800.19**	**322.90**	**2,23,123.09**
Balance at 1 April 2023	**1,89,180.35**	**6,616.76**	**-**	**641.16**	**73.39**	**26,531.44**	**27.44**	**(270.35)**	**2,22,800.19**	**322.90**	**2,23,123.09**
Add: Profit for the year	-	-	-	-	-	29,021.01	-	-	29,021.01	36.36	29,057.37
Add: Other comprehensive	-	-	-	-	-	51.60	-	6.09	57.69	(0.72)	56.97
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**29,072.61**	**-**	**6.09**	**29,078.70**	**35.64**	**29,114.34**
Transfer to statutory reserve	-	5,713.58	-	-	-	(5,713.58)	-	-	-	-	-
Employee stock options	-	-	-	812.98	-	-	-	-	812.98	-	812.98
Balance at 31 March 2024	**1,89,180.35**	**12,330.34**	**-**	**1,454.14**	**73.39**	**49,890.48**	**27.44**	**(264.26)**	**2,52,691.88**	**358.54**	**2,53,050.42**

See accompanying notes forming part of the consolidated Ind AS financial statements 1-70

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

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Rahul Singhal
Partner
Membership No: 096570

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

Vasant Sridhar
Director
DIN: 07685035

Pinki Jha
Company Secretary
M.No.: F10683

Place : Gurugram
Date : 28 May 2024

Place: Gurugram
Date : 28 May 2024

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

1. Group Information

Oxyzo Financial Services Limited (Formerly known as Oxyzo Financials Services Private Limited) (the "Company" or "Oxyzo") is a debt listed Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Holding 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 consolidated financial statements of the Holding Company for the year ended 31 March 2024 comprise the Holding Company and its subsidiaries (together referred to as "Group"). The Holding Company has its registered office at Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016 (India).

During the year Company got converted to Public Limited from Private Limited w.e.f. 05 March 2024.

The Group is primarily engaged in non-banking financing activities without deposits through the holding company. The holding company has obtained a Certificate of Registration vide Certificate No. N·14.03380 from the Reserve Bank of India ("RBI") on 18 October 2017 to commence/ carry on the business of Non-banking Finance Company ("NBFC") without accepting deposits. The Holding Company has listed its non-convertible debentures on the Bombay Stock Exchange ("BSE") with effect from 6 February 2019.

Material Accounting Policies:

2.1 Basis of Preparation and presentation of Consolidated Financial Statements

Statement of compliance:

These Consolidated 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 Group 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 13 March, 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 on 27 May 2024 and authorized for issue by the Holding Company's Board of Directors on 28 May 2024.

Principal of Consolidation:

The consolidated financial statements relate to Oxyzo Financial Services Limited (Formerly known as Oxyzo Financials Services Private Limited) ('the Holding Company) and its subsidiary companies. The consolidated financial statement includes consolidated balance sheet, consolidated statement of profit & loss, consolidated cash flow statement, consolidated statement of changes in equity, and consolidated notes. The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Holding Company i.e., 31 March, 2024.

b. The financial statement of the Holding Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, Income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered.

c. Goodwill arising on acquisition is recognised as an asset and measured at cost and is tested for impairment on annual basis, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as capital reserve on consolidation end shown under the head 'Reserves & Surplus, in the consolidated financial statements.

d. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net asset. The choice of measurement basis is made on an acquisition

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' shore of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

e. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements.

f. Following subsidiaries companies are considered for preparation of consolidated financial statements from the date of respective acquisitions/incorporation

Particulars	Country of Incorporation	Date of Acquisition/ incorporation	Proportion of Ownership
			31 March 2023
OXY Ventures Private Limited	India	26 April 2022	100.00%
OXY B Securities Private Limited	India	20 June 2022	100.00%
Oxyzo Investment Manager Private Limited	India	13 July 2022	100.00%
OXY Finvest Private Limited	India	18 July 2022	100.00%
Ziel Financial Technologies Private Limited	India	24 November 2022	100.00%
ZFirst Technologies Private Limited*	India	20 February 2023	34.43%

*Holding Company hold 34.43% stake in ZFirst Technologies Private Limited on diluted basis.

As per Ind AS, by virtue of control, the Holding Company has classified ZFirst Technologies Private Limited as subsidiary company.

Basis of preparation:

The consolidated 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 Group 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 Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Functional and presentation currency:

These consolidated financial statements are prepared in Indian Rupees (INR), which is the holding 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.

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.

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

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.

2.2 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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.

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 Group 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 Group 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 Group'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 Group 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.

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

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 Group 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 Group 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.

2.3 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.

b. Other expenses:

Other expenses are recognized on accrual basis and provisions are made for all known losses and liabilities. The Group has also entered into a shared services arrangement for sharing of common resources and facilities with group companies. The cost allocated to the Group 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.

2.4 Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group 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 Group'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 Group as indicated in Schedule II are listed below:

- Computers and Laptops- 3 Years
- Office Equipment- 5 Years
- Furniture and fixtures- 10 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.

2.5 Intangible assets:

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

2.6 Intangible assets including Intangible assets under development:

(i) Technology related development cost

Technology related development costs incurred by the Company are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes expenses incurred during the application development stage. The costs related to planning and post implementation phases are expensed as incurred.

Expenditure on research activities are recognized in the statement of Profit and Loss as incurred. Development activities relate to production of new or substantially improved products and processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

(ii) Software

Software acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable expenses necessary to make the asset ready for use.

Subsequent expenditure: Subsequent expenditure is recognized as an increase in the carrying amount of the assets are carried when it is probable that future economic benefit deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Amortization expense: Amortization expense on intangible assets (technology related development and software) is provided on straight line method based on management's estimated useful life of 3-5 years. Amortization expense is charged on pro-rata basis for assets purchased / sold during the year. The appropriateness of amortization period and the amortization method is reviewed at each financial year end.

De-recognition: Intangible assets are de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income/expense in the statement of profit and loss in the year the asset is de-recognised.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'

2.7 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 2.4 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.

2.8 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 Group 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.

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

2.9 Impairment of non–financial assets

The Group'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.

2.10 Leases:

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.11 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 Group operates the following post-employment schemes:

(a) Defined contribution plans: The Group'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 Group 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 pro□t or loss is calculated by applying the discount rate used to measure the de□ned bene□t obligation to the net de□ned bene□t 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 de□ned 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.

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.

2.12 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 52.1 & 52.2.

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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 Group have also been granted stock options in respect of the shares of OFB Tech Private Limited, the ultimate holding company. The Group has entered into repayment arrangement for the provision of share based payments with the ultimate holding company for the ESOP granted and reimburse to the ultimate holding company as and when expenses recognised on the basis of grant date fair valuation.

2.13 Financial instruments:

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group 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. 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

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. (Refer note no.55).

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.

c. Debt instruments at amortised cost or at FVTOCI

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group'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 Group has more than one business model for managing its financial instruments which reflect instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Group does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Group 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 Group 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 Group has not identified a change in its business models.

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

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

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

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 Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group 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 Group has retained.

f. Servicing of Assets/Liabilities

- The Group transfers loans through securitisation and direct assignment transactions. The transferred loans are derecognised and gains/losses are accounted for, only if the Group 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 Group 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 Group 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 Group adequately for performing the servicing activities, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing activities, a servicing asset is recognised. Corresponding amount is recognised in statement of profit and loss.

g. Transfer of Loan Exposure

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

(ii) Financial Liabilities:

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value.
All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(a) 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.

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

(iv) Equity Instruments

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

2.14 Fair value measurement

The Group 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 consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

When measuring the fair value of an asset or a liability, the Group 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 Group 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 51.

2.15 Impairment:

The Group 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 Group 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 Group 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 Group 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 Group 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 Group's historical experience and expert credit assessment.

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

Definition of default

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

The Group 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 Group; or
- The borrower is unlikely to pay its credit obligations to the Group 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 Group 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 Group 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 Group 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 Group 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 Group.

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 Group regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

Presentation of allowance for ECL in the Balance Sheet:

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

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

2.16 Write off:

Financial assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when, as at the reporting date, financial asset is overdue for 12 months or more and the Group 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.

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

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

2.17 Foreign Currency Transactions

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

2.18 Derivative financial instruments

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

Cash Flow Hedges

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

2.19 Cash and cash equivalents:

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

2.20 Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences

arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs. Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.21 Taxation:

Current Tax:

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 tax 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.

2.22 Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

(i) there is a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

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

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

2.23 Cash flow statement:

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

2.24 Effective Interest Rate:

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).

2.25 Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per

Notes forming part of the Ind AS consolidated financial statements for the year ended 31 March 2024

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.

2.26 Operating Cycle:

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

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

3	Cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
	Cash on hand	8.88	10.28
	Balances with banks:		
	- in current accounts	18,115.81	10,111.84
	Total	**18,124.69**	**10,122.12**

4	Bank balance other than cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
	Deposits with bank held as margin money and collateral ^	3,437.32	3,323.28
	Accrued interest on deposits with bank	123.16	107.54
	Total	**3,560.48**	**3,430.82**

^ Deposits marked as lien with banks against borrowings and as collateral.
Fixed Deposit amounting ₹ 196.91 Lakhs (previous year ₹184.26 Lakhs) with lien marked in the name of Vivitri Capital Private Limited and Northern Arc Capital Limited as a part of collateral as per agreement.

5	Trade Receivable^	As at March 31, 2024	As at March 31, 2023
	Considered Good – Secured	-	-
	Considered Good – Unsecured	47.61	177.07
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables- credit impaired	-	-
	Total	**47.61**	**177.07**
	Impairment allowance on trade receivable is Nil.		

^ Refer Note No. 55 for Trade receivables aging

6	Loans	As at March 31, 2024	As at March 31, 2023
	At amortised cost		
	A. Loans		
	(i) Purchase finance and Working Capital Loans	3,36,578.41	322,981.88
	(ii) Term Loans	3,22,923.04	149,091.13
	(iii) Others (Staff Loans)	732.56	6 88.04
	(iv) Interest accrued on loans#	2,894.12	1,155.52
	Total (A) - Gross	**6,63,128.13**	**473,916.57**
	Less: Impairment loss allowance	7,675.99	4,974.99
	Less: Revenue received in advance	2,517.12	1,782.94
	Total (A) - Net	**6,52,935.02**	**467,158.64**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

B.		
(i) Secured by tangible assets*	24,204.49	29,947.65
(ii) Secured by others	2,50,977.15	138,221.12
(iii) Covered by bank guarantee	1,69,771.13	176,061.49
(iv) Unsecured	2,18,175.36	129,686.31
Total (B) - Gross	**6,63,128.13**	**473,916.57**
Less: Impairment loss allowance	7,675.99	4,974.99
Less: Revenue received in advance	2,517.12	1,782.94
Total (B) - Net	**6,52,935.02**	**467,158.64**
C. Loans in India**		
(i) Public sector	-	-
(ii) Others	6,63,128.13	473,916.57
Total (C) - Gross	**6,63,128.13**	**473,916.57**
Less: Impairment loss allowance	7,675.99	4,974.99
Less: Revenue received in advance	2,517.12	1,782.94
Total (C) - Net	**6,52,935.02**	**467,158.64**

* Based on the net book value of the tangible assets provided as security.
**Group has not granted loans to any party outside India
net of payable towards digital lending partners.
The net carrying amount of loans is considered a reasonable approximation of their fair value.
Refer note 55 on credit risk

Type of Borrower	As at 31 March 2024		As at 31 March 2023	
	Amount	Percentage	Amount	Percentage
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	130.88	0.03%

7	Investments	As at 31 March 2024	As at 31 March 2023
	(A) Investments at amortised Cost:		
	Debt securities*	44,133.12	72,009.49
	Interest recoverable		
	Interest accrued on debt securities*	1,736.50	1,946.65
	Less: Impairment loss allowance	(78.48)	(54.18)
	Investment in pass through certificates (PTC)	-	53.02

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Accrued interest on PTC	-	0.29
Investment in Government Securities	4,667.36	-
Accrued interest on Government Securities	68.35	-
(B) Investments at fair value through other comprehensive income (OCI):		
Investment in Equity Instruments **Unquoted Investments**		
Euler Motors Private Limited		
Compulsorily convertible preference shares of ₹99 each fully paid up		
- Series B2 Compulsorily convertible preference shares	179.26	179.26
- Series C Compulsorily convertible preference shares	60.98	60.98
Phasorz Technologies Private Limited		-
Series F-6 partly paid up Compulsorily convertible preference shares FV of ₹15 each, with an amount paid ₹1 each share	0.02	
Log 9 Materials Scientific Private Limited		
Equity shares of ₹1 each fully paid up	164.60	164.60
Everest Fleet Private Limited	50.49	-
Series B Compulsorily convertible preference shares face value of ₹ 10 each		
(C) Investments at fair value through profit and loss:		
Quoted Investments		
Investment in Mutual funds	-	153.16
Investment in pass through certificates (PTC)	114.20	-
Investment in Debt Securities	5,694.94	-
Total (A)	**56,791.34**	**74,513.27**
(i) Investment outside India	-	-
(ii) Investment in India	56,791.34	74,513.27
Total (B)	**56,791.34**	**74,513.27**

* Includes investment in unsecured perpetual debentures of Banks amounting to ₹ 4,966.89 Lakhs (previous year ₹26,257.58 Lakhs).

(i) During the year ended 31 March 2024, Oxy Ventures Private Limited has investment ₹ 50.49 Lakhs (previous year ₹ Nil) in Everest Fleet Private Limited by subscribing to 5 series B compulsory convertible preference shares of Face value of ₹ 10 each.

(ii) During the year ended 31 March 2024, Oxy Ventures Private Limited has investment ₹ 0.02 Lakhs (previous year ₹ Nil) in Phasorz Technologies Private Limited by subscribing to 2350 series B compulsory convertible preference shares of Face value of ₹ 15 each (paid up ₹ 1 each).

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(iii) During the previous year ended 31 March 2023, the holding 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 holding 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 holding company.

(iv) During the year ended March 31, 2024, the Company has invested ₹ Nil (previous year ₹ 234.30 Lakhs by subscribing to 216 series B2 compulsory convertible preference shares and 635 series C compulsory convertible preference shares on 20 September, 2022 and 7 October, 2022 respectively) in Euler Motors Private Limited.

8	Other financial assets	As at 31 March 2024	As at 31 March 2023
	Security Deposits	29.07	19.12
	Other Advances *	379.57	54.42
	Total	**408.64**	**73.54**

* Includes receivable from payment gateway ₹116.37 Lakhs (previous year ₹ 0.72 Lakhs) and balances in escrow account with other NBFC and digital lending partner ₹194.42 Lakhs (previous year ₹ Nil).

9	Current tax assets (Net)	As at 31 March 2024	As at 31 March 2023
	Current tax assets (Net of provision for tax)	686.82	392.09
	Total	**686.82**	**392.09**

10	Deferred tax assets (Net)	As at 31 March 2024	As at 31 March 2023
	Deferred Tax Asset	2,103.18	1,486.78
	Total	**2,103.18**	**1,486.78**

10.1	Deferred tax assets (Net)	As at 31 March 2024	As at 31 March 2023
	Tax effect of items constituting deferred tax assets		
	Provision for gratuity	68.64	52.04
	Provision for compensated absences	27.52	25.14
	Impairment on financial instruments	1,348.45	898.54
	Impairment on Asset Held for sale	10.53	4.33
	Deferred processing fee on loan assets	633.51	448.73
	Recognition of Lease Liability & Right to Use Asset	4.36	4.36
	Loss carried forward under The Income Tax Act	168.98	136.46
	Cash Flow Hedge Reserve	88.87	90.92
	Fair value adjustment of Debt Securities	8.60	-
		2,359.46	**1,660.52**
	Tax effect of items constituting deferred tax liabilities		
	Difference between book balance and tax balance of property, plant and equipment	10.04	4.70
	Fair value changes in investment	3.24	-

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Unamortised processing fees on borrowings	239.81	169.04
Equity instruments designated at fair value through OCI	3.19	-
	256.28	**173.74**
Deferred tax assets (net)	**2,103.18**	**1,483.60**

Deferred taxes arising from temporary differences for the year ended 31 March 2024 are summarized as follows:

Deferred tax assets /(Liabilities)	As at 1 April 2023	Recognized in profit or loss	Recognized in other comprehensive income	Others	As at 31 March 2024
Tax effect of items constituting deferred tax assets					
Provision for gratuity	52.04	34.34	(17.74)	-	68.64
Provision for compensated absences	25.14	2.38	-	-	27.52
Impairment on financial instruments	898.54	449.91	-	-	1,348.45
Impairment on Asset Held for sale	4.33	6.20	-	-	10.53
Deferred processing fee on loan assets	448.73	184.78	-	-	633.51
Recognition of Lease Liability & Right to Use Asset	4.36	-	-	-	4.36
Loss carried forward under The Income Tax Act	136.46	32.52	-	-	168.98
Cash Flow Hedge Reserve	90.92	-	(2.05)	-	88.87
Fair value adjustment of Debt Securities	-	8.60	-	-	8.60
	1,660.52	**718.73**	**(19.79)**	**-**	**2,359.46**
Tax effect of items constituting deferred tax liabilities					
Difference between book balance and tax balance of property, plant and equipment	4.70	5.34	-	-	10.04
Fair value change in investment	-	3.24		-	3.24
Unamortised processing fees on borrowings	169.04	70.77	-	-	239.81
Equity instruments designated at fair value through OCI	-	-	-	3.19	3.19
	173.74	**79.35**	**-**	**3.19**	**256.28**
Deferred tax assets (net)	**1,486.78**	**639.38**	**(19.79)**	**(3.19)**	**2,103.18**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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	Others	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 Asset Held for sale	-	4.33	-	-	4.33
Deferred processing fee on loan assets	195.80	252.93	-	-	448.73
Recognition of Lease Liability & Right to Use Asset	-	4.36	-	-	4.36
Loss carried forward under The Income Tax Act	-	94.11	-	42.35	136.46
Cash Flow Hedge Reserve	17.76	-	73.16	-	90.92
	793.23	**765.83**	**59.11**	**42.35**	**1,660.52**
Tax effect of items constituting deferred tax liabilities					
Difference between book balance and tax balance of property, plant and equipment	1.50	3.20	-	-	4.70
Fair value change in investment	0.76	(0.76)	-	-	-
Prepaid Expenses	21.63	(21.63)	-	-	-
Unamortised processing fees on borrowings	105.74	63.30	-	-	169.04
Equity instruments designated at fair value through OCI	-	-	3.18	(3.18)	-
	129.63	**44.11**	**3.18**	**(3.18)**	**173.74**
Deferred tax assets (net)	**663.60**	**721.72**	**55.93**	**45.53**	**1,486.78**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

11 Investment Property

Particulars	Land-freehold	Total
Gross carrying amount (at cost)		
As at 01 April 2022	149.92	149.92
Additions	-	-
Disposals	-	-
Transfer (Refer Note 18)	136.60	136.60
As at 31 March 2023	13.32	13.32
Additions	-	-
Disposals	-	-
As at 31 March 2023	13.32	13.32
Accumulated depreciation		
As at 01 April 2022	-	-
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2023	-	-
Charge for the year	-	-
Adjustments	-	-
As at 31 March 2024	-	-
Carrying amount		
As at 31 March 2023	13.32	13.32
As at 31 March 2024	13.32	13.32

(i) As at 31 March 2024 and as at 31 March 2023, the fair value (Level 3) of property is ₹13.32 Lakh and ₹13.32 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) The title deeds of immovable properties disclosed above are held in the erstwhile name of the Holding company "Oxyzo Financial Services Limited".

12. Property, plant and equipment

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

Particulars	Office Equipment	Furniture and Fixtures	Computers	Total
Gross carrying amount (at cost)				
As at 01 April 2022	-	-	144.66	144.66
Additions	2.50	42.64	200.28	245.42
Disposals	-	-	(70.93)	(70.93)
As at 31 March 2023	2.50	42.64	274.01	319.15

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Additions (Including Reclassification)	25.97	26.03	160.22	212.22
Disposals (Including Reclassification)	(1.56)	(2.70)	(61.81)	(66.07)
As at 31 March 2024	**26.91**	**65.97**	**372.42**	**465.30**
Accumulated depreciation				
As at 01 April 2022	**-**	**-**	**60.48**	**60.48**
Additions	0.23	0.43	57.12	57.78
Disposals	-	-	(27.76)	(27.76)
As at 31 March 2023	**0.23**	**0.43**	**89.84**	**90.50**
Additions	4.13	4.67	96.83	105.63
Disposals	-	-	(45.21)	(45.21)
As at 31 March 2024	**4.36**	**5.10**	**141.46**	**150.92**
Carrying amount				
As at 31 March 2023	**2.27**	**42.21**	**184.17**	**228.65**
As at 31 March 2024	**22.55**	**60.87**	**230.96**	**314.38**

13 Intangible Assets under development

Intangible Assets under development	As at 31 March 2024	As at 31 March 2023
Intangible Assets under development (Refer Note 40) ^	51.13	-
Total	**51.13**	**-**

^ No intangible Asset under development has exceeded cost as compared to budgeted plan.

14 Other Intangible assets

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

Particulars	Technology related Development cost	Computer software	Total
Gross carrying amount (at cost)			
As at 01 April 2022	**-**	**-**	**-**
Additions	-	11.74	11.74
Disposals	-	-	-
As at 31 March 2023	**-**	**11.74**	**11.74**
Additions (Refer note 40)	267.89	-	267.89
Disposals			-
As at 31 March 2024	**267.89**	**11.74**	**279.63**

(All amounts in Lakhs of ₹ unless otherwise stated)

Accumulated amortisation			
As at 01 April 2022	-	-	-
Additions	-	0.61	0.61
Disposals	-	-	-
As at 31 March 2023	-	0.61	0.61
Additions	28.00	2.24	30.24
Disposals	-	-	-
As at 31 March 2024	28.00	2.85	30.85
Carrying amount			
As at 31 March 2023	-	11.13	11.13
As at 31 March 2024	239.89	8.89	248.78

15 Right to Use Asset

Particulars	Office Premises
Gross carrying amount (at cost)	
As at 01 April 2022	-
Additions	175.85
Disposals	-
As at 31 March 2023	175.85
Additions	185.12
Disposals	1.02
As at 31 March 2024	359.95
Accumulated depreciation	
As at 01 April 2022	-
Additions	20.97
Disposals	-
As at 31 March 2023	20.97
Additions	90.74
Disposals	0.53
As at 31 March 2024	111.18
Carrying amount	
As at 31 March 2023	154.88
As at 31 March 2024	248.77

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

16	Goodwill on consolidation	As at 31 March 2024	As at 31 March 2023
	Goodwill on consolidation	235.54	235.54
	Total	**235.54**	**235.54**

17	Other non-financial assets	As at 31 March 2024	As at 31 March 2023
	Prepaid expenses	107.75	83.04
	Advance to employees	4.72	0.21
	Other non financial assets	30.03	27.21
	Balance with Government authorities	105.74	14.65
	Total	**248.24**	**125.11**

18	Assets held for sale^	As at 31 March 2024	As at 31 March 2023
	Assets held for sale	136.60	136.60
	Less: Impairment loss allowance	(41.82)	(18.60)
	Total	**94.78**	**118.00**

During the year ended 31 March 2024, the Holding company initiated identification and evaluation of potential buyers for its land situated at Madanpur Dabas, New Delhi. During the previous year, 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 on the basis of valuation report issued by registered valuer.

^ The title deeds of immovable properties disclosed above are held in the erstwhile name of the Holding company "Oxyzo Financial Services Private Limited".

19	Derivative financial Instruments	As at 3 1 March 2024			As at 3 1 March 2023		
		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	313.83	-	4,752.48	231.10	-
	Subtotal (i)	**4,752.48**	**313.83**	**-**	**4,752.48**	**231.10**	**-**
	(ii) Interest rate derivatives						
	Forward Rate Agreements and interest rate swaps	-		-	257.12		0.76
	Subtotal (ii)	**-**	**-**	**-**	**257.12**	**-**	**0.76**
	Total Derivative Financial Instruments (i)+(ii)	**4,752.48**	**313.83**	**-**	**5,009.60**	**231.10**	**0.76**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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	313.83	-	4,752.48	231.10	-
-Interest rate derivatives	-	-	-	257.12	-	0.76
Subtotal (ii)	**4,752.48**	**313.83**	**-**	**5,009.60**	**231.10**	**0.76**
Total Derivative Financial Instruments (i+ii)	**4,752.48**	**313.83**	**-**	**5,009.60**	**231.10**	**0.76**

20	Trade payables	As at 31 March 2024	As at 31 March 2023
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of other than micro enterprises and small enterprises	573.36	389.90
	Total	**573.36**	**389.90**

20.1 Trade Payable aging schedule for the year ending March 31, 2024 summarised 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	562.79	2.43	2.22	-	567.44
(iii) Disputed dues - MSME	-	-		-	-
(iv) Disputed dues - Others	-	5.92	-	-	5.92
Total	**562.79**	**8.35**	**2.22**	**-**	**573.36**

20.2 Trade Payable aging schedule for the year ending March 31, 2023 summarised 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	379.14	2.75	3.22	0.17	385.28
(iii) Disputed dues - MSME	-	-		-	-
(iv) Disputed dues - Others	-	-	4.62	-	4.62
Total	**379.14**	**2.75**	**7.84**	**0.17**	**389.90**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

21	Other payables	As at 31 March 2024	As at 31 March 2023
	Total outstanding dues to micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises		
	- Employee related payable	107.73	91.57
	- Payable to OFB Tech Private Limited (Ultimate Holding Company) (Refer Note 49)	1,781.05	917.43
	Total	**1,888.78**	**1,009.00**

22	Debt securities	As at 31 March 2024	As at 31 March 2023
	At amortised cost		
	Secured		
	Non-convertible Debentures (Refer Note 22.1)	18,591.40	26,471.67
	Accrued interest on Non-convertible Debentures	550.75	919.51
		19,142.15	**27,391.18**
	Less: Unamortised processing fees on borrowings	71.07	88.15
	Total	**19,071.08**	**27,303.03**
	Debt securities in India	19,071.08	27,303.03
	Debt securities outside India	-	-
	Total	**19,071.08**	**27,303.03**

22.1 Security and terms of repayment for redeemable non-convertible debentures (NCD)

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Listed NCD:					
6900 NCD's of ₹1,00,000/- each (Previous year 3,500 NCD's of ₹100,000/- each)	Upto 3 years	9.75% to 9.90%	9.75% to 12.75%	6,901.40	3,500.00
250 NCD's of ₹1,000,000/- each (Previous year 250 NCD's of ₹1,000,000/- each)	Upto 3 years	9.00%	9.00%	2,500.00	2,500.00
Floating Interest rate					
Linked with 5.77% GSec 2030					
Current year NIL# (Previous year 614 NCD's of ₹10,00,000/- each)	Upto 2 years	-	8.65% to 8.75%	-	6,140.00

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Linked with BSE Sensex					
4,000 NCD's of ₹1,00,000/- each (Previous year 4000 NCD's of ₹ 1,00,000/- each)	Upto 3 years	9.00%	9.00%	4,000.00	4,000.00
Linked with Repo Rate					
Current year NIL# (Previous year 480 NCD's of ₹ 750,000/- each)	Upto 2 years	-	9.30%	-	1,200.00
				13,401.40	**17,340.00**
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
Current year 14 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
Current year NIL# (Previous year 2,825 NCD's of ₹66,666.67/- each)	Upto 3 years	-	12.60%	-	941.67
				5,190.00	**9,131.67**
Total				**18,591.40**	**26,471.67**

(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 ₹ Nil (previous year ₹ 7,631.67 Lakhs) are secured by corporate guarantee also from the ultimate holding company, OFB Tech Private Limited.

#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.

23	Borrowings (other than debt securities)	As at 31 March 2024	As at 31 March 2023
	At amortised cost		
	Secured		
	External commercial borrowings (Refer Note 23.1)	5,419.30	5,343.96
	Term loans from banks (Refer Note 23.2)	3,37,890.16	2,08,566.25
	Term loans from financial institutions (Refer Note 23.3)	76,452.94	58,654.09
	Accrued interest on term loans	1,211.75	776.95
		4,20,974.15	**2,73,341.25**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Secured		
Cash credit and bank overdraft (Refer Note 23.4)	20,543.47	12,508.82
	20,543.47	**12,508.82**
Unsecured		
Lease Liability (Refer Note 58)	266.09	171.67
	266.09	**171.67**
Total (A) - Gross	**4,41,783.71**	**2,86,021.74**
Less: Unamortised processing fees on borrowings	872.86	579.94
Total (A) - Net	**4,40,910.85**	**2,85,441.80**
Borrowings (other than debt securities) in India	4,35,468.25	2,80,081.69
Borrowings (other than debt securities) outside India	5,442.60	5,360.11
Total (B) - Net	**4,40,910.85**	**2,85,441.80**

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Floating Interest rate					
Linked with USD 6M SOFR *					
Bullet	Upto 5 Years	10.40%	9.81%	5,419.30	5,343.96
Total				**5,419.30**	**5,343.96**

Note: During the year ended 31 March 2022, the holding 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.

* During the year ended 31 March 2024, the company has revised interest rate benchmark for ECB from LIBOR to SOFR pursuant to RBI notification encouraging banks / financial institutions to cease, entering into new financial contracts that reference LIBOR as a benchmark and instead use any widely accepted ARR.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Fixed Interest rate					
Monthly	Upto 4 years	9.50% to 9.70%	9.50% to 12.00%	9,966.22	11,340.55
Floating Interest rate					
Bullet	Upto 1 Years	8.25% to 9.90%	7.90% to 9.50%	1,45,620.00	98,990.40
Quarterly	Upto 5 Years	8.86% to 10.20%	8.55% to 9.90%	67,024.75	53,768.07
Monthly	Upto 6 Years	8.85% to 10.15%	8.75% to 11.90%	1,15,279.19	44,467.23
Total				**3,37,890.16**	**2,08,566.25**

^ Term loans from bank are secured by first and exclusive charge on specific identified receivables of the Company. Term loans from banks of ₹ Nil. (previous year ₹ 2,257.90 Lakhs) are secured by corporate guarantee issued by the ultimate holding company (OFB Tech Private Limited).

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Fixed Interest rate					
Quarterly	Upto 3 years	9.48% to 9.58%	9.10% to 10.25%	6,666.67	6,250.00
Monthly	Upto 5 years	9.00% to 9.75%	9.00% to 11.75%	5,136.21	4,640.68
Floating Interest rate					
Bullet	Upto 2 Years	9.75%	9.50%	5,500.00	4,300.00
Quarterly	Upto 3 Years	8.72% to 8.90%	8.90%	27,507.00	10,000.00
Monthly	Upto 3 Years	9.10% to 10.55%	9.00% to 11.50%	31,643.06	33,463.41
Total				**76,452.94**	**58,654.09**

^ 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 ₹ Nil (previous year ₹ 1,715.09 Lakhs) are secured by corporate guarantee by the ultimate holding company (OFB Tech Private Limited). Term loan from financial institution of ₹ Nil. (previous year ₹ 474.65 Lakhs) are secured by guarantee of third party.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Repayment Terms	Tenure	Interest Range (At 31 March 2024)	Interest Range (At 31 March 2023)	As at 31 March 2024	As at 31 March 2023
Floating Interest rate					
Bullet	Upto 1 year	8.95% to 9.25%	8.15% to 9.65%	20,543.47	12,508.82
Total				**20,543.47**	**12,508.82**

^ 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.

24	Other financial liabilities	As at 31 March 2024	As at 31 March 2023
	Margin money from borrowers	9,305.99	6,536.24
	Interest accrued but not due on margin money	313.30	118.22
	Loans pending disbursement (Refer Note 49)	1,229.41	5,952.44
	Creditors for Capital goods	24.41	0.33
	Others*	1,110.76	71.23
	Total	**11,983.87**	**12,678.46**

*Includes payable to Digital lending partners.

25	Current tax liabilities	As at 31 March 2024	As at 31 March 2023
	Provision for Tax [net of taxes paid ₹ 9,493.81 Lakhs (Previous year net of taxes paid ₹ 6,135.36 Lakhs)]	846.16	805.73
	Total	**846.16**	**805.73**

26	Deferred tax liabilities	As at 31 March 2024	As at 31 March 2023
	Deferred tax liabilities	-	3.18
	Total	**-**	**3.18**

27	Provisions	As at 31 March 2024	As at 31 March 2023
	Provision for employee benefits:		
	Provision for gratuity (Refer Note 46(b), 46(d))	226.97	208.72
	Provision for compensated absences (Refer Note 46(c))	155.11	99.87
	Total	**382.08**	**308.59**

28	Other non-financial liabilities	As at 31 March 2024	As at 31 March 2023
	Statutory remittances	913.80	602.37
	Total	**913.80**	**602.37**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

29 Equity

(a) Equity Share Capital

i. Share capital authorised, issued, subscribed and paid-up

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised Equity share capital				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	7,33,81,715	7,338.17	7,33,81,715	7,338.17
Total	**7,33,81,715**	**7,338.17**	**7,33,81,715**	**7,338.17**
Issued, subscribed and paid up Equity share capital				
Equity shares of ₹ 10 each (previous year ₹ 10 each)	5,36,78,676	5,367.86	5,36,78,676	5,367.86
	5,36,78,676	**5,367.86**	**5,36,78,676**	**5,367.86**

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 Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group 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 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	**5,36,78,676**	**5,367.86**	**5,14,77,209**	**5,147.72**
Add:				
- Issued during the year (refer note vi)	-	-	20	-
- Converted during the year (refer note vii)	-	-	22,01,447	220.14
Outstanding at the end of the year	**5,36,78,676**	**5,367.86**	**5,36,78,676**	**5,367.86**

iv. Equity shares in the Company held by the promoter of the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
OFB Tech Private Limited (ultimate Holding Company)	5,14,77,159	95.90	5,14,77,159	95.90
Ruchi Kalra (including nominee shares)^	22,01,467	4.10	22,01,467	4.10

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

v. Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
OFB Tech Private Limited (ultimate holding company)	5,14,77,159	95.90	5,14,77,159	95.90

(vi) During the Previous Year ended 31 March 2023, The holding 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.

(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 holding Company during the Previous year ended 31 march 2023, 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.

(b) Instruments entirely equity in nature

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised				
-Series A cumulative, mandatory and fully convertible preference shares of ₹ 10 each (previous year ₹ 10 each)	1,43,82,874	1,438.29	1,43,82,874	1,438.29
Total	**1,43,82,874**	**1,438.29**	**1,43,82,874**	**1,438.29**
Issued, subscribed and paid up				
-Series A cumulative, mandatory and fully convertible preference shares of ₹ 10 each (previous year ₹ 10 each)	1,43,82,868	1,438.29	1,43,82,868	1,438.29
Total	**1,43,82,868**	**1,438.29**	**1,43,82,868**	**1,438.29**

ii. 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 holding 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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	1,43,82,868	1,438.29	75,58,340	755.83
Add:				
-Issued during the year (refer note v)	-	-	68,24,528	682.46
Outstanding at the end of the year	**1,43,82,868**	**1,438.29**	**1,43,82,868**	**1,438.29**

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% of holding	No. of shares	% of holding
Alpha Wave Ventures II LP	54,30,276	37.76	54,30,276	37.76
Internet Fund VII Pte. Ltd.	33,02,191	22.96	33,02,191	22.96
Norwest Capital, LLC	27,88,515	19.39	27,88,515	19.39
Creation Investments Social Ventures Fund V, LP	14,67,634	10.20	14,67,634	10.20
Matrix Partners India Investments IV, LLC	13,11,294	9.12	13,82,145	9.61

(v) During the previous 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 holding 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.

30 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium reserve	1,89,180.35	1,89,180.35
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	12,330.34	6,616.76
Retained earnings	49,890.48	26,531.44
Employee stock Options Outstanding Account	1,454.14	641.16
Optionally convertible redeemable preference shares	73.39	73.39
Equity instruments designated at fair value through other comprehensive income	27.44	27.44
Cash flow hedge reserve	(264.26)	(270.35)
Total	**2,52,691.88**	**2,22,800.19**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

i. Securities premium reserve[1]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	1,89,180.35	1,19,110.04
Add: Securities premium on issue of shares (Refer note 29a(vi) & 29b(v))	-	70,378.84
Less: Optionally Convertible Redeemable Preference Shares (Refer note (vii))	-	293.53
Less: Share issue expenses	-	15.00
Closing balance	**1,89,180.35**	**1,89,180.35**

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

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

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	6,616.76	2,686.66
Add: Transferred from retained earnings	5,713.58	3,930.10
Closing balance	**12,330.34**	**6,616.76**

iii. Cash flow hedges reserves)[3]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**(270.35)**	**(52.82)**
Add: Transferred from other comprehensive income	6.09	(217.53)
Closing balance	**(264.26)**	**(270.35)**

iv. Deemed equity contribution[4]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	-	780.91
Less: Transferred to payable (Refer Note 30(7))	-	(780.91)
Add: Share based payment expense as per Statement of profit and loss		
Closing balance	**-**	**-**

v. Employee stock Options Outstanding Account[5]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**641.16**	**112.98**
Add: Share based payment expense as per Statement of profit and loss (refer note 52.3)	812.98	528.18
Closing balance	**1,454.14**	**641.16**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

vi. Equity Component of Optionally convertible redeemable preference shares[8]

a. Optionally convertible redeemable preference shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised				
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	29,35,263	293.53	29,35,263	293.53
Total	**29,35,263**	**293.53**	**29,35,263**	**293.53**
Issued, subscribed and paid up				
-Series A optionally convertible and redeemable preference shares of Rs. 10 each	7,33,816	73.39	7,33,816	73.39
Total	**7,33,816**	**73.39**	**7,33,816**	**73.39**

b. Reconciliation of Optionally convertible redeemable preference shares

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	73.39	-
Add: Transferred from Securities premium reserve (Refer Note 30(8))	-	293.53
Less: Converted into equity shares during the year (Refer Note 29a(vii))	-	220.14
Closing balance	**73.39**	**73.39**

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

Holding 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 Holding 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. Equity instruments designated at fair value through other comprehensive income[9]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	27.44	-
Add: Transferred from other comprehensive income	-	27.44
Closing balance	**27.44**	**27.44**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

viii. Retained earnings[6]

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**26,531.44**	**10,687.41**
Add: Profit for the year	29,021.01	19,732.37
Add: Remeasurement gain on defined benefit plans	51.60	41.76
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934	5,713.58	3,930.10
Closing balance	**49,890.48**	**26,531.44**

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 Ultimate Holding Company to group's employees under an employee stock options plan. For further information about the share based payments to employees is set out in note 49.1.

(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 holding Company.

(6) Retained earnings

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

The Group 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 previous year ended 31 March 2023, the holding Company has reimbursed the Stock Option costs classified under deemed equity to the Ultimate Holding Company pursuant to agreement executed between the holding Company and ultimate holding company.

(8) During the previous year ended 31 March 2023, on 06 April 2022 the Holding 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.

(9) Equity instruments designated at fair value through other comprehensive income

It represents the gains/(losses) arising on revaluation of the equity instruments designated at fair value through OCI.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

30(a) Non Controlling Interests

Particulars	As at 31 March 2024	As at 31 March 2023
Non Controlling Interest	358.54	322.90

(i) Non Controlling Interests

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	**322.90**	**-**
Adjustment due to acquisition of Zfirst Technologies Private Limited	-	304.12
Add: Profit for the year	36.36	18.78
Add: Other comprehensive loss for the year	(0.72)	-
Closing balance	**358.54**	**322.90**

31	Interest income	Year ended 31 March 2024	Year ended 31 March 2023
	Interest on loans (Refer Note 49)	79,889.59	48,380.99
	Interest income from investments measured at amortised cost	5,960.07	5,110.41
	Interest income from investments measured at FVTPL	544.98	-
	Interest on deposits with banks	245.42	177.39
	Total	**86,640.06**	**53,668.79**

32	Fee and commission income	Year ended 31 March 2024	Year ended 31 March 2023
	Service and other fees (Refer Note 49)	2,790.55	1,670.34
	Subvention charges (Refer Note 49)	842.70	747.13
	Total	**3,633.25**	**2,417.47**

33	Net gain on fair value changes (on financial assets measured at FVTPL)	Year ended 31 March 2024	Year ended 31 March 2023
	-On Mutual fund investments	51.60	730.51
	-On Pass Through Certificate	12.88	3.16
	Total	**64.48**	**733.67**
	Fair value changes:		
	-Realised (Including reinvested)	51.60	730.51
	-Unrealised	12.88	3.16
	Total	**64.48**	**733.67**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

34	Net gain on derecognition of financial instruments under amortised cost category	Year ended 31 March 2024	Year ended 31 March 2023
	-On Debt Securities	-	170.98
	Total	-	170.98

35	Other income	Year ended 31 March 2024	Year ended 31 March 2023
	Interest on income tax refund	17.98	9.99
	Income from Promotional Activity	46.00	-
	Miscellaneous Income	3.97	-
	Excess liabilities written back	6.53	48.60
	Total	74.48	58.59

36	Finance costs (on financial liabilities measured at amortised cost)	Year ended 31 March 2024	Year ended 31 March 2023
	Interest expenses on:		
	Borrowings:		
	-On Loans from banks	22,426.94	10,120.38
	-On Loans from financial institutions*	6,519.79	4,901.95
	-On Loans from holding company (Refer Note 49)	2.74	-
	Debt securities		
	-On Debentures	2,361.25	3,058.57
	-On Commercial paper	-	114.22
	Others:		
	-On margin money	391.26	131.23
	- On lease liability (Refer Note 58)	32.56	6.80
	Total	31,734.54	18,333.15

*includes premium on principal only swaps on foreign currency loans to ₹ 240.83 Lakhs (previous year ₹ 241.26 Lakhs)

37	Net loss on derecognition of financial instruments under amortised cost	Year ended 31 March 2024	Year ended 31 March 2023
	Loss on sale of Bond	108.67	-
	Total	108.67	-

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

38	Net loss on fair value changes (on financial assets measured at FVTPL)	Year ended 31 March 2024	Year ended 31 March 2023
	-On Debt Securities		
	Realised	81.81	-
	Unrealised	34.18	-
	Total	**115.99**	**-**

39	Impairment on financial instruments	Year ended 31 March 2024	Year ended 31 March 2023
	Impairment on financial instruments measured at amortised cost		
	Impairment allowance on loans (Refer Note 55)	2,701.00	1,911.87
	Impairment allowance on investment	24.30	39.60
	Loss on financial assets/bad debt written off [Net off recovery ₹ 166.12 Lakhs (Previous year ₹ 76.91 Lakhs)]	1,093.53	823.15
	Income on invocation of FLDG	(77.13)	-
	Total	**3,741.70**	**2,774.62**

40	Employees benefit expense	Year ended 31 March 2024	Year ended 31 March 2023
	Salaries and wages (Refer Note 49)*	9,217.17	5,762.11
	Contribution to provident and other fund (Refer note 46(a))	287.54	139.69
	Share based payment to employees (Refer note 49, 52.1, 52.2)	1,836.66	1,719.64
	Gratuity (refer note 46(b), 46(d))	169.01	134.70
	Staff welfare expense	47.26	37.73
	Total	**11,557.64**	**7,793.87**

*During the year ended 31 March 2024, The Company has capitalised employee benefit's expenses of ₹ 319.02 Lakhs (previous year ₹ Nil) toward technology related development cost (Refer Note 2.6(i)).

41	Depreciation, amortisation and impairment expense	Year ended 31 March 2024	Year ended 31 March 2023
	Depreciation on property, plant and equipment	105.63	57.78
	Amortisation of intangible assets	30.24	0.61
	Depreciation on Right to use asset	90.74	20.97
	Impairment of non-financial assets	23.22	18.60
	Total	**249.83**	**97.96**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

42 Other expenses	Year ended 31 March 2024	Year ended 31 March 2023
Rent, Rates and taxes	773.11	243.09
Rent and energy costs	43.71	9.36
Communication costs	29.76	20.75
Printing and stationery	34.18	8.13
Auditor remuneration: (Net of GST)		
- For statutory audit	29.95	24.10
- For limited review	11.00	8.23
- For tax audit	4.50	3.00
- For other certification and reporting	10.55	4.50
- For out of pocket expenses	1.41	2.27
Legal and professional (Refer Note 49)	683.59	302.06
Insurance	40.96	53.53
Commission cost	9.75	-
Travelling and conveyance (Refer Note 49)	700.52	431.03
Information technology expenses (Refer Note 49)	584.00	279.32
Corporate Social Responsibility (Refer Note 57)	267.00	120.00
Loss on sale of property, plant and equipment (Net)	0.47	-
Business auxiliary services (Refer Note 49)	398.59	379.15
Bank charges	4.64	3.09
Office Expenses	166.01	7.28
Directors' sitting fees	22.50	14.75
Miscellaneous	101.74	29.35
Total	**3,917.94**	**1,942.99**

43 Income tax expense

Income tax expense recognised in Statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
In respect of the current year	10,567.97	7,077.48
	10,567.97	**7,077.48**
Deferred tax charge/ (benefits)		
In respect of the current year	(639.38)	(721.72)
	(639.38)	**(721.72)**

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:-

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before tax	38,985.96	26,106.91
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	**9,811.99**	**6,570.59**
Tax effect of adjustments to reconcile expected income tax expense		
Corporate Social responsibility expenses not allowable for tax purpose	67.20	30.20
Relating to origination and reversal of temporary differences	-	(196.54)
Net Addition/deduction u/s 36(i)(viia)	347.36	146.83
Non deductible expenses	(307.01)	(195.32)
Others	9.05	-
Total adjustments [B]	**116.60**	**(214.83)**
Actual tax expense [C=A+B]	**9,928.59**	**6,355.76**
Tax expense comprises:		
Current tax expense	10,567.97	7,077.48
Deferred tax charge/(benefits)	(639.38)	(721.72)
Tax expense recognized in profit or loss [D]	**9,928.59**	**6,355.76**

Income tax expense recognized in other comprehensive income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Income tax relating to remeasurement gains/(losses) on defined benefit plans	(17.74)	(14.05)
Income tax relating to Gains from investments in equity instruments designated at fair value	-	(3.18)
Income Tax relating to derivative instruments in Cash flow hedge relationship	(2.05)	73.16
	(19.79)	55.93
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(17.74)	(17.23)
Items that will be reclassified to profit or loss	(2.05)	73.16
	(19.79)	**55.93**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

44 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a) Basic earnings ₹ per share	42.64	29.20
b) Diluted earnings ₹ per share	40.18	27.91

c. Reconciliations of earnings used in calculating earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Basic earnings per share		
Profits attributable to the equity holders of the holding company used in calculating basic earnings per share	29,021.01	19,732.37
Diluted earnings per share		
Profit attributable to the equity holders of the holding company used in calculating diluted earnings per share	29,021.01	19,732.37

d. Weighted average number of shares used as the denominator

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	6,80,61,544	6,75,65,360
Adjustments for calculation of diluted earnings per share	41,64,817	31,43,331
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	7,22,26,361	7,07,08,691

45 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (Other than debt securities)	Total
As at 01 April 2022	**39,131.54**	**1,62,347.19**	**2,01,478.73**
Cash flows:			
Proceeds from debt securities/borrowings	6,901.38	4,68,250.73	4,75,152.11
Repayment of debt securities/borrowings	(18,729.89)	(3,45,919.42)	(3,64,649.31)
As at 31 March 2023	**27,303.03**	**2,84,678.50**	**3,11,981.53**
Cash flows:			
Proceeds from debt securities/borrowings	4,540.97	7,50,914.87	7,55,455.84
Repayment of debt securities/borrowings	(12,772.92)	(5,95,615.59)	(6,08,388.51)
As at 31 March 2024	**19,071.08**	**4,39,977.78**	**4,59,048.86**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

46 Disclosures under Ind AS 19 (Employee benefits)

a. Defined contribution plans:

The Group 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 Group 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 2024	Year ended 31 March 2023
Contribution to employees provident fund	255.25	134.28
Contribution to employee state insurance schemes	29.21	3.51
Contribution to labour welfare fund	3.08	1.90
Total	**287.54**	**139.69**

b. Defined benefit plans:

The Holding 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. The gratuity plan is a funded plan and the Holding company makes contributions to approved gratuity fund.

The gratuity plan of the Holding Company is funded gratuity plan. These plans typically expose the Holding Company to actuarial risks such as: Interest rate risk, Liquidity risk, Salary escalation risk, demographic risk, regulatory risk. gratuity plan for the subsidiary companies is unfunded plan.

During the year ended 31 March 2024, The Holding company has deposited ₹ 100 Lakhs (previous year ₹ Nil) in Oxyzo Financial Services Private Limited Employee Group Gratuity Trust.

During the previous year ended 31 march 2023, The Holding company manages gratuity fund with LIC.

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

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Principal assumptions (on standalone basis) :	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Discount rate (per annum)	7.15%	7.45%
Salary growth rate (per annum)	9.00%	9.00%
Retirement age	60 Years	60 Years
Withdrawal rate based on age: (per annum)		
Upto 30 years	12.60%	9.44%
31-44 years	9.90%	5.71%
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 2024	As at 31 March 2023
Present Value of Obligation	495.26	374.09
Less: Fair Value of Plan Assets	268.29	167.30
Net Asset / (Liability)	**226.97**	**206.79**

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

Particulars	Gratuity	
	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	153.45	116.41
Past service cost and (gain)/Loss from settlements	-	-
Net interest cost/ (Income) on the Net Defined Benefit/(Liability)/Asset	15.56	16.36
Component of defined benefit cost recognised in profit or loss	**169.01**	**132.77**
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(11.61)	(16.70)
Actuarial (gains)/ losses arising from changes in financial assumptions	11.13	(12.66)
Actuarial (gains)/ losses arising from experience adjustment	(67.69)	(25.24)
Return on plan assets , excluding amount recognised in net interest expense	(0.45)	(1.21)
Component of defined benefit cost recognised in Other comprehensive Income	**(68.62)**	**(55.81)**

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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Changes in the Fair Value of Plan Assets

Particulars	Gratuity	
	Year ended 31 March 2024	Year ended 31 March 2023
Fair Value of Plan Assets as at the beginning	167.30	67.47
Investment Income	12.49	4.92
Employer's Contribution	93.76	93.70
Benefits Paid	(5.71)	-
Return on plan assets , excluding amount recognised in net interest expense	0.45	1.21
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	**268.29**	**167.30**

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

Particulars	Gratuity	
	Year ended 31 March 2024	Year ended 31 March 2023
Present value of obligation as at the beginning	374.09	280.82
Current service cost	154.41	116.41
Interest cost	28.06	21.28
Re-measurement (or Actuarial) (gain) / loss arising from:		
- changes in demographic assumptions	(11.61)	(16.70)
- changes in financial assumptions	11.13	(12.66)
- experience adjustment	(67.69)	(25.24)
Benefits paid	(5.71)	(0.75)
Transfer in/(out)	12.58	10.93
Present value of obligation as at the end	**495.26**	**374.09**

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 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	488.95	387.51	440.56	321.38
(% change compared to base due to sensitivity)	12.90%	-10.50%	17.80%	-14.10%
Salary Growth Rate (-/+ 1%)	401.36	466.39	335.58	414.42
(% change compared to base due to sensitivity)	-7.30%	7.70%	-10.30%	10.80%
Attrition Rate (-/+ 50% of attrition rates)	450.97	417.99	389.22	360.93
(% change compared to base due to sensitivity)	4.10%	-3.50%	4.00%	-3.50%
Mortality Rate (-/+ 10% of mortality rates)	433.04	433.29	374.00	374.20
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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 (on standalone basis)

Particulars	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Weighted average duration (based on discounted cashflows)	12 Years	17 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	35.40	15.61
2-5 years	153.01	88.80
6-10 years	154.47	109.72
More than 10 years	981.40	1,464.54

c. Other long-term benefits:

Provision for unfunded Compensated Absences for all employees is based upon actuarial valuations carried out at he 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 (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in Statement of Profit and Loss for Compensated absences .

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.

Assets and Liability (Balance Sheet Position)

Particulars	Leave	
	As at 31 March 2024	As at 31 March 2023
Present Value of Obligation	155.11	99.87

(All amounts in Lakhs of ₹ unless otherwise stated)

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 2024	As at 31 March 2023
Current Liability (Short term)	14.79	6.17
Non-Current Liability (Long term)	140.32	93.70
Present Value of Obligation as at the end	**155.11**	**99.87**

Expense Recognised in Statement of Profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023
Expense Recognised in Statement of Profit and loss	71.72	19.65
Expense Recognised in Income Statement	**71.72**	**19.65**

Demographic Assumptions (on standalone basis)

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

Principal assumptions:	As at 31 March 2024	As at 31 March 2023
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	12.60%	9.44%
31-44 years	9.90%	5.71%
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 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	122.24	95.51	118.32	85.38
(% change compared to base due to sensitivity)	13.80%	-11.10%	18.50%	-14.50%
Salary Growth Rate (-/+ 1%)	95.59	121.81	85.44	117.84
(% change compared to base due to sensitivity)	-11.00%	13.40%	-14.40%	18.00%
Attrition Rate (-/+ 50% of attrition rates)	118.63	101.19	107.02	94.89
(% change compared to base due to sensitivity)	10.40%	-5.80%	7.20%	-5.00%
Mortality Rate (-/+ 10% of mortality rates)	107.52	107.40	99.93	99.80

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(% change compared to base due to sensitivity)	0.10%	-0.10%	0.10%	-0.10%

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 (on standalone basis)

Particulars	Gratuity	
	As at 31 March 2024	As at 31 March 2023
Weighted average duration (based on discounted cashflows)	13 Years	17 Years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	10.19	6.17
2-5 years	35.28	22.61
6-10 years	33.00	24.73
More than 10 years	277.60	424.13

(d) Amounts recognised in statement of profit and loss in respect of unfunded plans in subsidiary are as follows :-

Particulars	As at 31 March 2024	As at 31 March 2023
Ziel Financial Technologies Private Limited	45.92	1.63
Zfirst Technologies Private Limited	2.80	0.30
Oxy Ventures Private Limited	2.44	-
Component of defined benefit cost recognised in profit or loss	**51.16**	**1.93**

(e) Amounts recognised in Other comprehensive Income in respect of unfunded plans in subsidiary are as follows :-

Particulars	As at 31 March 2024	As at 31 March 2023
Ziel Financial Technologies Private Limited	3.58	-
Zfirst Technologies Private Limited	1.45	-
Oxy Ventures Private Limited	9.23	-
Component of defined benefit cost recognised in profit or loss	**14.26**	**-**

47 Segment reporting

The Group company is engaged primarily in the business of financing and All other activities revolve around the main business. The company's operations are in India only i.e. does not have any geographical segment. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

48 Cost allocation

The Holding Company has received allocation of common costs viz. rent, cost of utilities, payroll, technical support etc. on an appropriate basis, from its ultimate holding company, OFB Tech Private Limited and other group companies, pursuant to cost sharing arrangement between the group companies. (Refer Note 49)

Further, the Holding Company has also allocated common costs related to Payroll and other expenses to ultimate holding company, OFB Tech Private Limited, and Other group companies. (Refer Note 49)

49 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	Ultimate Holding company
OFG Manufacturing Businesses Private Limited	Fellow subsidiary company
Oagri Farm Private Limited	Fellow subsidiary company
Samruddhi Organic Farm (India) Private Limited	Fellow subsidiary company
E-Mox Manufacturing Private Limited	Fellow subsidiary company
Candor Foods Private limited	Fellow subsidiary company
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
Praveen Kumar Bhambani	Independent director (w.e.f 06 August 2022)
Rohit Kapoor	Independent director
Pinki Jha	Company Secretary (w.e.f 26 May 2022)
Others	
Oxyzo Investment Trust	Trust Sponsored by Subsidiary (w.e.f 08 August 2022)
Oxyzo Financial Services Private Limited Employees Group Gratuity Trust	Gratuity Trust (w.e.f 25 March 2022)

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	Nature of transaction	Year ended 31 March 2024	Year ended 31 March 2023
OFB Tech Private Limited	Purchase of property, plant and equipment	12.68	33.76
	Sale of property, plant and equipment	14.04	37.21
	Business auxiliary services (cost allocation received)	408.51	380.31
	Business auxiliary services (cost allocation made)	22.43	0.26
	Employee costs and reimbursements (cost allocation received)*	651.76	33.40
	Employee costs and reimbursements (cost allocation made)#	31.82	561.30
	Tech Support Services (cost allocation received)	116.45	157.47
	Interest and Fee Income (Net of expenses)	1,226.38	1,670.97
	Travelling and other expenses (cost allocation received)	14.63	30.79
	Travelling and other expenses (cost allocation made)	-	5.93
	Gratuity and leave encashment recoverable	45.68	29.40
	Gratuity and leave encashment payable	37.20	18.10
	Loan Disbursement Receipts	5,000.00	-
	Loan Repayments (Including Interest)	5,002.74	-
	Payment on behalf of borrowers	1,47,424.01	1,59,464.50
	Employee stock options (cost allocation received)	1,055.80	1,191.32
	Prepaid Insurance (on allocation basis)	62.38	31.21
	Debt arrangement and facilitation fee	-	12.00
OFG Manufacturing Businesses Private Limited	Business auxiliary services (cost allocation made)	0.79	1.84
	Loan Repaid/Settled	131.45	99.96
	Purchase of property, plant and equipment	-	0.39
	Sale of property, plant and equipment	0.77	3.47
	Employee costs and reimbursements (cost allocation made)	6.10	-
	Tech Support Services received	229.82	-
	Interest and other income	-	10.88
	Gratuity and leave encashment recoverable	9.19	4.93
	Gratuity and leave encashment payable	-	1.18
E-Mox Manufacturing Private Limited	Interest and other income	-	11.62
	Loan Given	-	134.11
	Loan Repaid	-	359.84

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Oxyzo Financial Services Private Limited Employees Group Gratuity Trust	Contribution for Gratuity	100.00	-
Oxyzo Investment Trust	Reimbursement for expenses	1.18	-
Candor Foods Private limited	Staff welfare expenses (purchase of material)	0.09	-
Oagri Farm Private Limited	Business auxiliary services (cost allocation made)	0.10	0.58
	Sale of property, plant and equipment	0.15	-

Particulars	Nature of transaction	Year ended 31 March 2024	Year ended 31 March 2023
Ruchi Kalra	Managerial remuneration ^	22.46	21.41
	Reimbursement	4.24	4.24
	Optionally convertible redeemable preference shares	-	293.53
		26.70	**319.18**
Vasant Sridhar	Managerial remuneration ^	33.97	34.94
	Reimbursement	7.26	4.74
	Fair Value of Employee Stock Option	328.26	267.67
		369.49	**307.35**
Pinki Jha	Remuneration ^	30.43	29.45
	Reimbursement	5.96	4.27
	Fair Value of Employee Stock Option	23.18	13.72
		59.57	**47.44**
Sathyan David	Directors sitting fees	15.00	9.00
Praveen Kumar Bhambani	Directors sitting fees	5.00	3.00
Rohit Kapoor	Directors sitting fees	2.50	2.75

* Includes KMP salary cross charged amounting ₹ 34.92 Lakhs (previous year ₹ 33.26 Lakhs)
# Includes KMP salary cross charged amounting ₹ 10.89 Lakhs (previous year ₹ 10.37 Lakhs)
^ Includes salary, bonus and contribution to provident fund and excludes provision of gratuity and compensated absence, since these are based on actuarial valuation carried out for the company as a whole.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Balance outstanding at the year end*

Name of related party	Nature	Year ended 31 March 2024	Year ended 31 March 2023
OFB Tech Private Limited	Others Payable	1,824.74	917.43
	Payable- loan pending disbursement	1,229.41	5,952.44
Oxyzo Investment Trust	Receivable	1.18	-
OFG Manufacturing Businesses Private Limited	Payable	98.10	-
	Receivable	-	9.10
	Receivable against loan given	-	130.88
Oagri Farm Private Limited	Payable	0.29	0.69

* excluding potential equity shares
Guarantee given to lenders by ultimate holding Company for Loan outstanding as at 31 March 2024 ₹ Nil (previous year ₹ 11,604.38 Lakhs)

50. Capital

The Holding 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 Holding Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Holding Company has complied in full with all its externally imposed capital requirements over the reported year.

50.1 Capital management

The capital management objectives of the Holding Company are:
- to ensure that the Holding 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 Holding Company monitors capital on the basis of the carrying amount of debt less cash and bank balances as presented on the face of balance sheet.

51.1 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 Group has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level follows underneath the table.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

As at 31 March 2024	Carrying amount				Fair Value		
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents*	-	-	18,124.69	18,124.69	-	-	-
Bank balances other than above*	-	-	3,560.48	3,560.48	-	-	-
Derivative financial instruments	-	313.83	-	313.83	-	313.83	-
Trade Receivables*	-	-	47.61	47.61	-	-	-
Loans	-	-	6,52,935.02	6,52,935.02	-	-	6,52,935.02
Investments	5,809.14	455.35	50,526.85	56,791.34	5,809.14	-	50,982.20
Other financial assets*	-	-	408.64	408.64	-	-	-
Total financial assets	**5,809.14**	**769.18**	**7,25,603.29**	**7,32,181.61**	**5,809.14**	**313.83**	**7,03,917.22**
Financial liabilities							
Derivative financial instruments	-	-	-	-	-	-	-
Trade payables*	-	-	573.36	573.36	-	-	-
Other payables*	-	-	1,888.78	1,888.78	-	-	-
Debt Securities	-	-	19,071.08	19,071.08	-	19,071.08	-
Borrowings (Other than debt securities)	-	-	4,40,910.85	4,40,910.85	-	-	4,40,910.85
Other financial liabilities*	-	-	11,983.87	11,983.87	-	-	-
Total financial liabilities	**-**	**-**	**4,74,427.94**	**4,74,427.94**	**-**	**19,071.08**	**4,40,910.85**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

As at 31 March 2023	Carrying amount				Fair Value		
Particulars	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial Assets							
Cash and cash equivalents*	-	-	10,122.12	10,122.12	-	-	-
Bank balances other than above*	-	-	3,430.82	3,430.82	-	-	-
Derivative financial instruments	-	231.10	-	231.10	-	231.10	-
Trade Receivables*	-	-	177.07	177.07	-	-	-
Loans	-	-	4,67,158.64	4,67,158.64	-	-	4,67,158.64
Investments	153.16	404.84	73,955.27	74,513.27	153.16	-	74,360.11
Other financial assets*	-	-	73.54	73.54	-	-	-
Total financial assets	**153.16**	**635.94**	**5,54,917.46**	**5,55,706.56**	**153.16**	**231.10**	**5,41,518.75**
Financial liabilities							
Derivative financial instruments	-	0.76	-	0.76	-	0.76	-
Trade payables*	-	-	389.90	389.90	-	-	-
Other payables*	-	-	1,009.00	1,009.00	-	-	-
Debt Securities	-	-	27,303.03	27,303.03	-	27,303.03	-
Borrowings (Other than debt securities)	-	-	2,85,441.80	2,85,441.80	-	-	2,85,441.80
Other financial liabilities*	-	-	12,678.46	12,678.46	-	-	-
Total financial liabilities	**-**	**0.76**	**3,26,822.19**	**3,26,822.95**	**-**	**27,303.79**	**2,85,441.80**

*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.

51.2 Valuation framework

The group 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 group measures fair values using fair value hierarchy, which reflects the significance of the inputs used in making the measurements. Refer note 2.13 for details on fair value measurement and hierarchy.

The group 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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Debt securities, borrowings (other than debt securities): The fair values of the group'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.

52.1 Share based payments

Employee Stock Option Plan ("ESOP Plan")

OFB Tech Private Limited ('OFB'), the ultimate 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.

OFB had sub-divided it's shares in the ratio of 1:10 on June 25, 2021. Further the OFB had made bonus issuance in the ratio of 1:2120 on July 05, 2021.All ESOP outstanding as on 05 July 2021 has been adjusted in terms of ESOP plan.

Pursuant to incorporation of the Holding Company, certain employees of OFB were transferred to the Holding Company. To align the interest of employees, it was determined that transferred employees of the Holding 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 Holding Company by the ultimate holding company.

The following options were in existence during the current and prior years:

Particulars	Grant Date	Number of options
Grant-I (FY 16-17)	08/Apr/16	7,21,140
Grant-II to Grant-IV (FY 17-18)	08-Apr-17 to 28-Feb-18	19,72,530
Grant-V to Grant-VI (FY 18-19)	02-Jul-18 to 05-Jul-18	24,17,940
Grant-VII to Grant-X (FY 19-20)	01-Apr-19 to 05-Jul-19	32,87,550
Grant-XII to Grant-XIII (FY 20-21)	01-Oct-20 to 01-Mar-21	32,87,550
Grant-XIV to Grant XXV (FY 21-22)	01-Apr-21 to 01-Jan-22	63,27,367
Grant-XXVIII to Grant XXXX (FY 22-23)	01-Apr-22 to 01-Mar-2023	28,31,457
Grant-XLIII to Grant LVI (FY 23-24)	01-Apr-23 to 01-Mar-2024	20,11,995

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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Expense arising from share-based payment transactions (Refer note 40)	1,023.68	1,191.32
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**1,023.68**	**1,191.32**

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

Particulars	31 March 2024		31 March 2023	
	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	1,52,38,923	93.27	1,25,89,408	45.64
Granted during the year	20,11,995	317.00	28,31,457	302.59
Exercised during the year	(4,95,630)	(44.47)	(65,753)	(26.28)
Forfeited during the year ^	(11,23,073)	(105.52)	(1,16,188)	(70.96)
Outstanding at the end of the year	1,56,32,215	122.01	1,52,38,923	93.27
Exercisable at the end of the year	69,58,386	87.27	46,92,464	77.98
Weighted average remaining contractual life of the options outstanding at the end of the year	2.71 Years		3.38 Years	

^ Unvested options forfeited in accordance with terms prescribed under the respective ESOP Schemes.
** The company has consedited contractual life for options granted to oxyzo employees same as considered by parent and not computed separately at company level.

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2016 plan is ₹ 60.78 (previous year ₹ 60.19). The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans.

Particulars	For options granted during the year ended	
	31 March 2024	31 March 2023
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	35.00%-40.00%	44.3%-44.5%
Risk free interest rate (%)	7.30%	7.4% -7.5%
Expected life of share options (in years)	4.20	4.85
Fair value of options at grant date (in Rupees)	60.40-60.80	58.88-132.20
Fair value of share at grant date (in Rupees)	211.5-226.1	18.12-20.24
Exercise price (in Rupees)	317.00	76.74-347.21

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

52.2 Share based payments

Employee Stock Option Plan ("ESOP Plan")

"Oxyzo" the Holding 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.

Particulars	Grant Date	Number of options granted
Grant-I	03 January 2022	2,132,651
Grant-II	06 April 2022	280,709
Grant-III	06 April 2023	592,775
Grant-IV	23 April 2023	460,654

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 2024	For the year ended 31 March 2023
Expense arising from share-based payment transactions (Refer note 40)	812.98	528.18
Total expense arising from share-based payment transactions recognised in Statement of Profit and Loss	**812.98**	**528.18**

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

Particulars	31 March 2024		31 March 2023	
	Shares arising out of Options	Weighted average exercise price (in ₹)	Shares arising out of Options	Weighted average exercise price (in ₹)
Outstanding at the beginning of the year	2,413,360	696	2,132,651	650
Granted during the year	1,053,429	1,042	280,709	1,042
Outstanding at the end of the year	3,466,789	801	2,413,360	696
Weighted average remaining contractual life of the options outstanding at the end of the year	4.04 years	-	4.64 years	-

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

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Fair value of options granted

The weighted average fair value of stock options granted during the year pertaining to ESOP 2022 plan is ₹ 104.10 (previous year ₹ 86.10). The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs used for fair valuation of options for the ESOP plans.

Particulars	For options granted during the year ended	
	31 March 2024	31 March 2023
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	30.00%	39.00%
Risk free interest rate (%)	7.30%	5.90%
Expected life of share options (in years)	3.4	3.4
Fair value of options at grant date (in Rupees)	104.10	86.10
Exercise price (in Rupees)	1,042.00	1,042.00

53 The consolidated financial statements include the financial statements of the Holding Company and its subsidiaries. OFB Tech Private Limited is the ultimate Holding Company of the Group.

Significant subsidiaries of the Company are:

Name of Subsidiary*	Country of incorporation	% equity interest	% equity interest
		31 March 2024	31 March 2023
OXY Ventures Private Limited	India	100%	100%
OXY B Securities Private Limited	India	100%	100%
Oxyzo Investment Manager Private Limited	India	100%	100%
OXY Finvest Private Limited	India	100%	100%
Ziel Financial Technologies Private Limited	India	100%	100%
Zfirst Technologies Private Limited*	India	34.43%	34.43%

*Holding Company hold 34.43% stake in ZFirst Technologies Private Limited on diluted basis. As per Ind AS, by virtue of control, the Holding Company has classified ZFirst Technologies Private Limited as subsidiary company.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

54 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

Name of the entity in the Group	Net assets .i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	31 March 2024		31 March 2024		31 March 2024		31 March 2024	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in Lakhs)	As % of total comprehensive income	Amount (Rs. in Lakhs)
Holding Company								
Oxyzo Financial Services Limited	99.74%	2,59,181.72	98.32%	28,567.89	119.55%	68.11	98.36%	28,636.00
Subsidiaries								
Indian								
OXY Ventures Private Limited	0.70%	1,810.88	2.36%	685.30	-12.95%	(7.38)	2.33%	677.92
OXY B Securities Private Limited	0.00%	4.03	0.00%	(0.41)	0.00%	-	0.00%	(0.41)
Oxyzo Investment Manager Private Limited	0.00%	(9.95)	-0.05%	(13.15)	0.00%	-	-0.05%	(13.15)
OXY Finvest Private Limited	0.00%	1.99	0.00%	(0.21)	0.00%	-	0.00%	(0.21)
Ziel Financial Technologies Private Limited	0.59%	1,541.76	-0.80%	(232.68)	-4.67%	(2.66)	-0.81%	(235.34)
Zfirst Technologies Private Limited	0.07%	188.32	0.07%	19.10	-0.67%	(0.38)	0.06%	18.72
Non controlling interest	0.14%	358.54	0.13%	36.36	-1.26%	(0.72)	0.12%	35.64
Inter company Elimination	-1.24%	(3,220.72)	-0.02%	(4.83)	0.00%	-	-0.02%	(4.83)
Total	**100.00%**	**2,59,856.57**	**100.00%**	**29,057.37**	**100.00%**	**56.97**	**100.00%**	**29,114.34**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Name of the entity in the Group	Net assets .i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	31 March 2023		31 March 2023		31 March 2023		31 March 2023	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in Lakhs)	As % of total comprehensive income	Amount (Rs. in Lakhs)
Holding Company								
Oxyzo Financial Services Private Limited	99.91%	2,29,732.59	99.49%	19,650.51	118.50%	(175.77)	99.35%	19,474.74
Subsidiaries								
Indian								
OXY Ventures Private Limited	0.28%	632.95	2.05%	405.51	-18.50%	27.44	2.21%	432.95
OXY B Securities Private Limited	0.00%	4.44	0.00%	(0.66)	0.00%	-	0.00%	(0.66)
Oxyzo Investment Manager Private Limited	0.00%	3.29	-0.03%	(6.81)	0.00%	-	-0.03%	(6.81)
OXY Finvest Private Limited	0.00%	(0.30)	0.00%	(0.40)	0.00%	-	0.00%	(0.40)
Ziel Financial Technologies Private Limited	0.21%	475.10	-1.63%	(321.64)	0.00%	-	-1.64%	(321.64)
Zfirst Technologies Private Limited	0.07%	169.60	0.05%	9.86	0.00%	-	0.05%	9.86
Non controlling interest	0.14%	322.90	0.10%	18.78	0.00%	-	0.10%	18.78
Inter company Elimination	-0.61%	(1,411.33)	-0.02%	(4.00)	0.00%	-	-0.02%	(4.00)
Total	**100.00%**	**2,29,929.24**	**100.00%**	**19,751.15**	**100.00%**	**(148.33)**	**100.00%**	**19,602.82**

*Net assets i.e total assets minus total liabilities of Oxyzo Financial Services Limited includes Goodwill on Consolidation.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

55 Financial risk management

i) Risk Management

Risk is an integral part of the Holding Company's business and sound risk management is critical to the success. As a Non-banking financial company, the Holding 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 Holding 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 Holding 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 Holding 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 group. The Group 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 Holding 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 March 31,2024	Balance as at March 31,2023
Loans	6,52,935.02	4,67,158.64
Investments	56,791.34	74,513.27
Trade Receivables	47.61	177.07
Cash and cash equivalents	18,124.69	10,122.12
Other bank balances	3,560.48	3,430.82
Other financials asset	408.64	73.54

The Holding 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 Holding 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 review system
- Establish metrics for portfolio monitoring
- Minimize losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Expected credit loss for loans

In order to mitigate the impact of credit risk in the future profitability, the Holding 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.

Refer Accounting Policy Note No. 2.14

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 Holding 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 w.r.t loss rates

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

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

Credit risk exposure and impairment loss allowance

	As at March 31, 2024		As at March 31, 2023	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	6,565.95	3,760.21	3,935.05	1,996.15
Loan assets having significant increase in credit risk (Stage 2)	15,504.32	635.46	14,918.65	677.82
Other loan assets (Stage 1)	6,41,057.86	3,280.32	4,55,062.87	2,301.02
Total	**6,63,128.13**	**7,675.99**	**4,73,916.57**	**4,974.99**

An analysis of Expected credit loss rate* :

	As at March 31, 2024	As at March 31, 2023
Stage-1	0.51%	0.51%
Stage-2	4.10%	4.54%
Stage-3	57.27%	50.73%
Total weighted average	**1.16%**	**1.05%**

* Expected credit loss rate is computed ECL divided by EAD

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Specific Provision

Holding Company reviews and monitors all cases DPD 240+ and based on the recoverability and various other factors like client's situation, legal cases and others, makes provision in addition to ECL by using estimates and judgments in view of the inherent uncertainties and a level of subjectivity involved in measurement of items.

Reconciliation of gross carrying amount is given below:

Particulars	31 March 2024				31 March 2023			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Gross carrying amount opening balance	**4,55,062.87**	**14,918.65**	**3,935.05**	**4,73,916.57**	**2,44,485.87**	**10,757.29**	**2,609.84**	**2,57,853.00**
New assets originated	5,12,032.17	9,779.10	736.36	5,22,547.63	3,83,880.73	6,858.20	279.22	3,91,018.15
Assets repaid (excluding write offs)	(3,21,398.99)	(9,638.56)	(1,068.36)	(3,32,105.91)	(1,65,679.67)	(7,696.67)	(685.69)	(1,74,062.03)
Transfers from Stage 1	(9,723.99)	6,165.52	3,558.47	-	(9,755.27)	7,964.85	1,790.42	-
Transfers from Stage 2	5,143.99	(5,717.37)	573.38	-	2,204.34	(3,146.29)	941.95	-
Transfers from Stage 3	88.03	-	(88.03)	-	-	259.70	(259.70)	-
Settlement loss and bad debts written off *	(146.22)	(3.02)	(1,080.92)	(1,230.16)	(73.13)	(78.43)	(740.99)	(892.55)
Gross carrying amount closing balance	**6,41,057.86**	**15,504.32**	**6,565.95**	**6,63,128.13**	**4,55,062.87**	**14,918.65**	**3,935.05**	**4,73,916.57**

Reconciliation of ECL balance is given below:

Particulars	31 March 2024				31 March 2023			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
ECL allowance opening balance	2,301.02	677.82	1,996.15	**4,974.99**	**1,304.38**	**249.87**	**1,508.88**	**3,063.13**
New assets originated/ change in ECL estimate	2,191.09	633.68	2,668.98	5,493.75	2,325.15	551.59	1,489.52	4,366.26
Assets repaid (excluding write offs)	(1,076.58)	(393.12)	(92.89)	(1,562.59)	(278.92)	(22.84)	(1,260.09)	(1,561.85)
Transfers from Stage 1	(186.42)	118.38	68.04	-	(980.86)	303.58	677.28	-
Transfers from Stage 2	170.61	(398.28)	227.67	-	4.40	(371.42)	367.02	-
Transfers from Stage 3	26.81	-	(26.81)	-	-	45.47	(45.47)	-
Settlement loss and bad debts written off *	(146.21)	(3.02)	(1,080.93)	(1,230.16)	(73.13)	(78.43)	(740.99)	(892.55)
ECL allowance closing balance	**3,280.32**	**635.46**	**3,760.21**	**7,675.99**	**2,301.02**	**677.82**	**1,996.15**	**4,974.99**

* Excluded ₹ 29.50 Lakhs related to sundry debtors written off by subsidiary companies (previous year ₹ 7.51 Lakhs).

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Write off policy

Refer accounting policy Note No. 2.15

Aging Schedule and details of significant increase in credit risk of Trade receivables are given below.

Trade receivable aging schedule for the year ending 31 March 2024 summarised as below:

Particulars	Unbilled	Outstanding for following periods from due date of payments						
		Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	-	47.61	-	-	-		**47.61**
(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	-	-	-	-	-	-		-

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

Particulars	Unbilled	Outstanding for following periods from due date of payments						
		Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	-	150.07	**27.00**	-	-		**177.07**
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-		-
								-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-		-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-		-

(All amounts in Lakhs of ₹ unless otherwise stated)

(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
							-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

B) Liquidity risk

Liquidity risk arises as Holding 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 Holding Company. Liquidity risk management is imperative to Holding 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 Holding 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 Holding Company 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 2024, the net of expected cash inflows and outflows within 12 months are ₹ 2,25,863.71 (31 March 2023: ₹ 1,98,889.82). Refer note 56 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 Holding 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 Holding Company to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowing	4,23,326.44	2,74,788.26
Fixed rate borrowing	36,380.50	37,781.35
Total borrowings	**4,59,706.94**	**3,12,569.61**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity		
Interest rates – increase by 100 basis points (31 March 2023: 100 bps)	2,774.56	1,467.56
Interest rates – decrease by 100 basis points (31 March 2023: 100 bps)	(2,774.56)	(1,467.56)

D) Foreign currency risk

There are no un-hedged liability or assets denominated in foreign currency with the Company except interest accrued on external commercial borrowing as at 31 March 2024 and 31 March 2023.*

Particulars	Foreign Currency	Year Ended 31 March 2024			Year Ended 31 March 2023		
		Exchange Rate*	Amount in Foreign Currency in Lakhs	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	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
Total Payables (D)	USD	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
Hedges by derivative contracts (E)	USD	73.1150	65.00	4,752.48	73.1150	65.00	4,752.48
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.**	**-**	**-**	**-**	**-**	**-**	**-**

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

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

56 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.

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

Particulars	31 March 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	18,124.69	-	18,124.69	10,122.12	-	10,122.12
Bank balances other than (a) above	3,560.48	-	3,560.48	3,430.82	-	3,430.82
Derivative financial instruments	-	313.83	313.83	-	231.10	231.10
Trade Receivable	47.61	-	47.61	177.07	-	177.07
Loans*	5,04,384.12	1,48,550.90	6,52,935.02	3,82,007.41	85,151.23	4,67,158.64
Investments	19,813.83	36,977.51	56,791.34	28,434.50	46,078.77	74,513.27
Other financial assets	389.64	19.00	408.64	54.42	19.12	73.54
Non-financial assets						
Current tax assets (Net)	-	686.82	686.82	-	392.09	392.09
Deferred tax assets (Net)	-	2,103.18	2,103.18	-	1,486.78	1,486.78
Investment Property	-	13.32	13.32	-	13.32	13.32
Property, Plant and Equipment	-	314.38	314.38	-	228.65	228.65
Intangible assets under Development	-	51.13	51.13	-	-	-
Other intangible assets	-	248.78	248.78	-	11.13	11.13
Right to Use Asset	-	248.77	248.77	-	154.88	154.88
Goodwill on consolidation	-	235.54	235.54	-	235.54	235.54
Other non-financial assets	248.24	-	248.24	125.11	-	125.11
Non-current Assets held for sale	94.78	-	94.78	118.00	-	118.00
Total Assets	**5,46,663.39**	**1,89,763.16**	**7,36,426.55**	**4,24,469.45**	**1,34,002.61**	**5,58,472.06**
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	0.76	-	0.76
Trade Payables						

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Particulars	31 March 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	573.36	-	573.36	389.90	-	389.90
Other payables						
(i) Total outstanding dues to micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,888.78	-	1,888.78	1,009.00	-	1,009.00
Debt securities	12,824.07	6,247.01	19,071.08	13,576.85	13,726.18	27,303.03
Borrowings (Other than debt securities)	2,96,696.91	1,44,213.94	4,40,910.85	1,99,327.21	86,114.59	2,85,441.80
Other financial liabilities	7,004.99	4,978.88	11,983.87	9,843.39	2,835.07	12,678.46
Non-Financial Liabilities						
Provisions	51.61	330.47	382.08	21.24	287.35	308.59
Current tax liabilities	846.16	-	846.16	805.73	-	805.73
Deferred tax liabilities (Net)	-	-	-	3.18	-	3.18
Other non-financial liabilities	913.80	-	913.80	602.37	-	602.37
Total Liabilities	**3,20,799.68**	**1,55,770.30**	**4,76,569.98**	**2,25,579.63**	**1,02,963.19**	**3,28,542.82**
Net equity	**-**	**-**	**2,59,856.57**	**-**	**-**	**2,29,929.24**

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

57 Expenditure on Corporate Social Responsibility

Particulars	31 March 2024	31 March 2023
(a) Gross amount required to be spent	261.98	116.74
(b) Amount spent:	-	-
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	267.00	120.00
(c) Shortfall at the end of the year	-	-
(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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

58 Leases

Group is a Lessee

(a) The Group has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 1 to 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets The Group also has certain leases of office premises with lease terms of 12 months or less. The Group applies the short-term lease' recognition exemptions for these leases

(b) Leases are shown as follows in the Consolidated balance sheet and profit & loss account

Carrying amounts of right-of-use assets recognised and the movements during the year.

Particulars	Building- Office premises	Total
Opening balance as at 1st April 2022	-	-
Additions	175.85	175.85
Depreciation Expense	20.97	20.97
Carrying amount as at 31st March 2023	**154.88**	**154.88**
Additions	185.13	185.13
Deletions (Terminated during the year)	0.49	0.49
Depreciation Expense	90.74	90.74
Carrying amount as at 31st March 2024	**248.78**	**248.78**

Carrying amount of lease liabilities and movement during the year

Particulars	Amount
Opening balance as at 1st April 2022	-
Additions	175.85
Accretion of Interest	6.80
Payments	10.98
Amount recognised in P/L for changes in lease payment on account of rent concession	-
Carrying amount as at 31st March 2023	**171.67**
Additions	176.38
Deletions (Terminated during the year)	11.47
Accretion of Interest	32.56
Payments	103.05
Amount recognised in P/L for changes in lease payment on account of rent concession	
Carrying amount as at 31st March 2024	**266.09**
Current Liability (Short term)	77.82
Non-Current Liability (Long term)	188.27
Closing net carrying balance 31 March 2024	**266.09**

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

Details regarding the contractual maturities of lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	77.82	52.16
One to five years	188.27	119.51
More than five years	-	-
Closing net carrying balance	**266.09**	**171.67**

Amounts recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2024	As at 31 March 2023
Depreciation expense of right of use assets	90.74	20.97
Interest expense on lease liabilities	32.56	6.80
Gain on Termination/modification of lease	10.95	
Expense related to Short term lease	32.14	8.83
Total expenses recognised to Profit and loss	**166.39**	**36.60**

59 Additional Disclosures including discloures in compliance with amendment in Schedule III (Division III) to the companies act, 2013 dated 24th March 2021

(i) The Group 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 Group 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) On 10 August 2023, the Board of Directors of the Holding company have approved the proposed scheme of arrangement to be filed with National Company Law Tribunal Bench- New Delhi amongst Oxyzo Financial Services Limited (formerly known as Oxyzo Financial Services Private Limited) (the Amalgamated Company/ Holding Company), Zfirst Technologies Private Limited (the Amalgamating Company/ Subsidiary Company) and Ziel Financial Technologies Pvt Ltd (the Transferee Company/ Wholly Owned Subsidiary Company) and their respective shareholder under section 230 to section 232 of the Companies Act 2013 to amalgamate the amalgamating company in amalgamated company, and upon completion of amalgamation, slump sale of the loan facilitating services business of amalgamated company to the transferee company. In this regard the Holding Company has filed a joint application with the Hon'ble National Company Law Tribunal, New Delhi on March 20, 2024.

(iv) The Group 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 Group has not traded or invested in crypto currency or Virtual Currency during the financial year.

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

(vii) The Group 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.

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

(viii) The Group 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.

60 Contingent liabilities, commitments and leasing arrangements

(i) Contingent liability

Particulars	As at 31 March 2024	As at 31 March 2023
Disputed claims and proceedings against the Group, which arise in the ordinary course of business	11.66	8.21
Income tax matters		
Appeals by the Group	133.22	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).During the current year, there is no change in the status of the appeal.

(ii) Capital commitment

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

61 The Holding 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.

62 The Group 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

63 The Holding Company has incorporated/acquired subsidiaries in the FY 2022-23. Figures wherever disclosed as on 01 April 2022 reflects opening balance of holding company on standalone basis.

64 The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group 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 19)

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

66 The Holding company and it's subsidiaries, is using accounting software for maintaining its books of account in which transactional audit log is inbuilt and cannot be disabled. This a feature of recording audit trail facility operated throughout the year for all relevant transactions recorded in the software.

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

Notes forming part of the consolidated Ind AS financial statements for the year ended 31 March 2024

(All amounts in Lakhs of ₹ unless otherwise stated)

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

69 The above financial statements have been reviewed by the Audit Committee at its meeting held on 27 May 2024 and approved by the Board of Directors at its meeting held on 28 May 2024.

70 'On 03 February 2024, the Board of Director of the Holding company have approved to convert the company from private limited company to public company. The necessary approvals from registrar of company received on 05 March 2024, accordingly status of the Holding Company changed to Public Limited from Private Limited w.e.f. 05 March 2024.

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

Rahul Singhal

Partner
Membership No: 096570

Place : Gurugram
Date : 28 May 2024

For and on behalf of the Board of Directors of
OXYZO FINANCIAL SERVICES LIMITED
(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra

Whole-time director and Chief Financial Officer
DIN: 03103474

Vasant Sridhar

Director
DIN: 07685035

Pinki Jha

Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

Board's Report

Dear Members,

Your Directors have pleasure in presenting the Eighth Annual Report on the performance of your Company along with Audited Financial Statements of the Company for the period ended on 31st March 2024.

STANDALONE & CONSOLIDATED FINANCIAL RESULTS

Amount in Lakhs

Particulars	Standalone		Consolidated	
	As on 31st March, 2024	As on 31st March, 2023	As on 31st March, 2024	As on 31st March, 2023
Revenue from Operations	85313.57	56,119.63	90,337.79	56,990.91
Other Income	17.51	58.59	74.48	58.59
Total Income	85,331.08	56,178.22	90,412.27	57,049.50
Expenses	47,006.64	30,212.35	51,426.39	30,942.59
Profit/(Loss) before tax and prior period Adjustments	38,324.44	25,965.87	38,985.96	26,106.91
Profit/(Loss) before tax	38,324.44	25,965.87	38,985.96	26,106.91
Tax Expenses	9,756.55	6,315.36	9,928.59	6,355.76
Profit/(Loss) for the year	**28,567.89**	**19,650.51**	**29,057.37**	**19,751.15**

During the period under review, on a standalone basis the company has earned revenue from operation of **Rs. 85,313.57 Lakhs** however, the company has incurred expenses of **Rs. 47,006.64 Lakhs.** The Directors are hopeful that in view of these financial results the efforts will be enhanced by the Company for promoting its services, the business of the company would further augment in the coming years. The Company has earned Profit of the year of **Rs. 28,567.89 Lakhs which is higher than previous year**

STATE OF COMPANY'S AFFAIRS

During the year under review, in a strategic move to expand opportunities, the Company transitioned from a "Private Limited Company" to a "Public Limited Company" by a special resolution passed by the shareholders of the Company on 03rd Feb, 2024. Subsequently the Company name was changed to "OXYZO Financial Services Limited". A fresh certificate of Incorporation, reflecting the new name and the conversion to a public limited company, was issued by the Registrar of the Companies on 05th March 2024.

WEB ADDRESS OF THE COMPANY

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

DIVIDEND

The Board of Directors of the Company, with a view to conserve the profits earned for future operations and growth, have not declared dividend for the current Financial Year.

RESERVE AND SURPLUS

During the period under review, the company has transferred 5,713.58 Lakhs to Reserve and Surplus.

CHANGE IN NATURE OF BUSINESS

During the year under review there has been no change in the nature of Business carried on by the Company.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the Financial Year ended March 31, 2024 made under the provisions of Section 92 of the Act is to be placed at web address of the Company i.e. https://www.oxyzo.in/investor-relation/disclosures

CAPITAL STRUCTURE

Authorized Share Capital:

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

Issued, Subscribed and Paid-Up Capital:

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

Changes in Share Capital during the period under review

Authorized Share Capital:

During the period under review and as on the date of the report there is no change in the Authorized share capital

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

Paid-Up share capital

During the period under review and as on the date of the report there is no change in the Paid-up share capital of the Company.

DEBT STRUCTURE AND OTHER SECURITIES

Non- Convertible Debentures:

The Company has alloted Non-Convertible Debentures of INR 49 cr during the Financial Year ending on March 31, 2024. The Securities of the Company are listed on BSE Limited.

Commercial Paper

As on the date of the report, no Commercial Paper is outstanding. Further no commercial papers have been issued during the period under review.

Contact Details of Debenture Trustee are as under:

Particulars	Name of Debenture Trustee	
	Axis Trustee Services Limited	**IDBI Trusteeship Services Limited**
Name of the Contact Person	**Mr. Ganesh**	**Mr. Munjal.K.G.Dhanani / Ms. Sheetal Mehta**
Address	The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028	Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai, Maharashtra 400001
Email	debenturetrustee@axistrustee.in	itsl@idbitrustee.com
Contact No.	022-62300451	022 40807000

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company being an NBFC registered with RBI is engaged in the business of giving loans in ordinary course of business and the Particulars of loan, investments and guarantee for the Financial Year have been provided in Note No 5 and 6 of the Financial Statements of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

The Company has formulated a Policy on Related Party Transactions and the same is available on Company's website at: https://www.oxyzo.in/investor-relation/codes-and-policies

Salient Feature:
The Policy intends to ensure that proper approval, reporting and disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All the Related Party Transactions entered during the financial year ended March 31, 2024, in the Ordinary Course of Business and at Arm's Length were reviewed and approved by the Audit Committee & Board respectively. All Related Party Transactions are placed before the Audit Committee for its review on a quarterly basis.

The disclosure with respect to related party as specified in Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are mentioned in Note no. 44 of the notes to accounts annexed to the Financial Statements enclosed herewith.

SUBSIDIARY COMPANIES/ JOINT VENTURE/ ASSOCIATE COMPANIES

During the period under review and as on the date of the report your Company has following Subsidiaries

Name of the Entity	Date of Incorporation/ Acquisition
OXYZO Finvest Private Limited	18th July 2022
OXY B Securities Private Limited	20th June 2022
OXYZO Investment Manager Private Limited	13th July 2022
OXY Ventures Private Limited	26th April 2022
Ziel Financial Technologies Private Limited (Acquired)	24th November 2022
Zfirst Technologies Private Limited (Acquired)	20th February 2023

The Company does not have any joint venture companies during the period under review.

NUMBER OF MEETINGS OF THE BOARD

The Board has met Ten (10) times during the period ended on 31st March 2024. The necessary quorum was present for all the Board Meetings. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board.

The attendance of the Directors is as follows:

S.No.	Date of the Meeting	Ruchi Kalra	Asish Mohapatra	Vasant Sridhar	Praveen Kumar Bhambani	Sathyan David	Rohit Kapoor
1	02.05.2023	Y	Y	Y	Y	Y	Y
2	23.05.2023	Y	Y	Y	Y	Y	Y
3	10.08.2023	Y	Y	Y	Y	Y	Y
4	18.09.2023	Y	Y	Y	Y	Y	Y
5	09.11.2023	Y	Y	Y	Y	Y	Y
6	03.02.2024	Y	Y	Y	Y	Y	Y
7	14.02.2024	Y	Y	Y	Y	Y	Y
8	07.03.2024	Y	Y	Y	Y	Y	Y
9	15.03.2024	Y	N	Y	Y	Y	Y
10	22.03.2024	Y	Y	Y	Y	Y	Y

GENERAL BODY MEETING

Annual General Meeting

Year	Date	Location	Time	Special resolution Matter
2022-23 (7th)	26th September 2023	Via Video Conferencing ("VC") Other Audio-Visual Means ("OAVM")	12:00 Noon	1. To approve Alteration of Articles of Association of the Company
2021-22 (6th)	26th September 2022	Via Video Conferencing ("VC") Other Audio-Visual Means ("OAVM")	12:05 Noon	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
2020-2021 (5th)	September 28, 2021	Registered office - Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016	10:00 A.M.	No such Business

* No meeting is conducted through Postal Ballot.

Details of Extra Ordinary General Meeting held in FY 23-24:

S.No	Date	Location	Resolution Matter
1	03rd February, 2024	Corporate Office- #101, First Floor, Vipul Agora Mall, M.G. Road, Gurugram 122001	1. Approval for conversion of the Company to Public Limited Company 2. Adoption of new set of Articles of Association in compliance with the provisions of the Companies act, 2013 3. Re-appointment of Mr. Rohit Kapoor as a Non-executive Independent Director 4. To borrow in excess of the limits provided under section 180 (1)(c) of the Companies act, 2013

2	07th March, 2024	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1. To Approve the Issue and Offer of Rated, Listed, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures ("NCDs" or "Debentures") on Preferential basis. 2. To consider and approve the authorization to Board of Directors under section 180(1)(a) of the Companies act, 2013 up to an aggregate limit of INR 3,500 crores
3	16th March, 2024	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1. To approve the Issue and Offer of Listed, Rated, Senior, Secured, Unsubordinated, Transferable, Redeemable, Fully Paid- up, Non-Convertible Debentures ("NCDs" or "Debentures") on preferential basis.

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

Information under Section 134(3)(m) of The Companies Act, 2013 read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the Financial Year ended 31st March 2024.

(A) Conservation of Energy

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

(B) Technology Absorption

(a) Research & Development:

(1) Company is investing in analytics and artificial intelligence capabilities to
(a) automating tasks requiring manual interference (eg invoices OCR)
(b) find patterns as a first warning towards potential defaults

(2) The company is investing in building algorithms to:
i) Identify credit risk more effectively.
ii) Enriching potential leads with data from across public sources for better decision-making
iii) Finding potential leads for the salesperson by Data Mining
iv) Ease integration with potential partners for Zero operation workflows

(b) Technology Absorption, Adaptation & Innovation:

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

1. Use of Lead management system to maintain and manage all the client leads
2. Use of Loan Management System to automate all pre sanction and post sanction business workflows. Essential modules like ALM, risk, hypothecation, lender management, collections etc to aid multiple teams in their operations.
3. Customer website and app where customers can request disbursements, manage ledgers, pay their dues, and manage their profile.
4. Risk Management System to monitor the entire portfolio automatically
5. Integration with OCEN to be part of the new lending landscape in India
6. Integration with multiple 3rd parties to enrich data for better credit decision-making
7. VKYC /EKYC/CKYC Integrations and automation for 100% compliance coverage
8. API Suite for complete workflow integration with lending partners.

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

1. Year on Year reduction in OpEx even with more scale
2. 100% compliance coverage and monitoring
3. Better portfolio risk monitoring leading to industry-best NPA as a portion of the portfolio.
4. Exponential increase in organic traffic and organic applications

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

(C) Foreign Exchange Earnings and Outgo

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The company has six (6) Directors on its Board consisting of one (1) Promoter - Whole Time Director, one (1) Promoter - Non- Executive Director, one (1) Executive Director & three (3) Independent Directors and one (1) KMP – Company Secretary & Chief Compliance Officer.
The Board of Directors and Key Managerial Personnel of the Company as on date of this report comprise as follows:

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

S.No.	Name			Designation
1	Sathyan David	Independent Director	Non- Executive Director	11/04/2019
2	Praveen Kumar Bhambani	Independent Director	Non- Executive Director	06/08/2022
3	Rohit Kapoor	Independent Director	Non- Executive Director	05/02/2019
4	Asish Mohapatra	Director	Non- Executive Director	05/02/2019
5	Vasant Sridhar	Director	Executive Director	26/12/2016
6	Ruchi Kalra	Whole time Director and CFO (KMP)	Executive Director	21/09/2016
7	Pinki Jha	Company Secretary & Chief Compliance Officer	KMP	26/05/2022

Pursuant to Section 164 of the Companies Act, 2013, none of directors of the Company are disqualified from being appointed as Directors of the Company and this fact has been affirmed by the auditors in their report.

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

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

During the Financial Year ended March 2024, the following reappointments occurred in the composition of Board of the Company.

S.No.	Name	Designation	Date of Re-appointment
1	Rohit Kapoor	Independent Director	03-02-2024
2	Sathyan David	Independent Director	22-03-2024
3	Ruchi Kalra	Whole Time Director	03-02-2024

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations/ disclosures from each Independent Director of the Company under Section 149(7) of the Act, that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors have also confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

Further, based on these disclosures and confirmations, the Board is of the opinion that the Directors of the Company are distinguished persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as the Director of the Company.

All the Independent Directors are covered under exemption to take the Proficiency test, and your Company have received the exemption declaration from both the Directors regarding the same

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Rules made thereunder, the Nomination & Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and the individual Board members. The Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors) and Chairman. Feedback was sought by well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

Performance Evaluation framework of the Company is as follows:

a. NRC would approve framework of performance evaluation of the Company;
b. Board would evaluate the performance of the Independent Directors, Board as a whole and Committees of the Board;
c. Independent Directors would evaluate the performance of the Chairman of the Company after taking views of other directors, Board as a whole, Managing Director & CEO and Non-Independent Directors; and
d. Self-evaluation of individual Directors.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board will not participate in the discussion of his/her evaluation. The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation of the Board and of its Committees was carried out by the Board. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee.

Board Committees:

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

The Board of Directors has amongst others constituted:

- Audit Committee,
- Asset Liability Management Committee,
- Risk Management Committee,
- Nomination & Remuneration Committee,
- IT Strategy Committee,
- IT Steering Committee,
- Investment Committee,
- CSR Committee,
- Borrowing and resource,
- Operational Committee,
- Stakeholders' Relationship Committee,
- Internal Complaint Committee (POSH)

The term of reference of the Board Committees are provided in the Corporate Governance Report as annexed herewith.

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

AUDIT COMMITTEE

S.No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Mr. Praveen Kumar Bhambani	Independent Director	Chairperson
2	Mr. Sathyan David	Independent Director	Member
3	Ms. Ruchi Kalra	CFO and WTD	Member

NOMINATION AND REMUNERATION COMMITTEE

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

RISK MANAGEMENT COMMITTEE

S.No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Mr. Sathyan David	Independent Director	Chairperson
2	Ms. Ruchi Kalra	CFO & WTD	Member
3	Mr. Asish Mohapatra	Director	Member
4	Mr. Gurtej Singh*	Chief Risk Officer	Member

*Member since 20th December, 2023.

ASSETS LIABILITY COMMITTEE

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	CFO & WTD	Chairperson
2	Mr. Prashant Roy Sharma	Chief Business Officer (Mid Market - DCM)	Member
3	Mr. Vasant Sridhar	Director	Member

IT STEERING COMMITTEE

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

IT STRATEGY COMMITTEE

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Mr. Sathyan David	Independent Director	Chairman
2	Mr. Dhruva Shree Agrawal	CTO & CIO - IT development	Member
3	Mr. Asish Mohapatra	Director	Member
4	Ms. Ruchi Kalra	Director	*Member since April 21, 2024

INVESTMENT COMMITTEE

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Prashant Roy Sharma	Chief Business Officer (Mid Market - DCM)	Member

CSR COMMITTEE

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

Internal Complaint Committee (POSH)*

* Reconstituted as on September 25, 2023

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Ms. Pinki Jha	Presiding Officer	Presiding Officer
2	Ms Himani Manak	Deputy Manger	Internal Member
3	Mr. Bhubneshwar Jha	Finance Controller	Internal Member
4	Ms. Nivedita Puggal	NGO Member	External member
5	Mr. Ananda Dalai	Credit Head - North	Internal Member

BORROWING AND RESOURCE COMMITTEE

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Asish Mohapatra	Director	Member
3	Mr. Prashant Roy Sharma	Chief Business Officer (Mid Market - DCM)	Member

Operational Committee

S. No.	Name of the Director	Designation at Company	Designation at Committee Meeting
1	Ms. Ruchi Kalra	WTD & CFO	Member
2	Mr. Dhruva Shree Agrawal	CTO & CIO	Member
3	Mr. Vasant Sridhar	Director	Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

*Constituted on March 22, 2024

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

Compliance with RBI DIRECTIONS

Under erstwhile Master Direction - Non-Banking Financial Company - Systemically Important Non -Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company was classified as an Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND- SI). As per the present Master Direction — RBI (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023, the Company is classified under the "Middle Layer" category under the said framework.

The Company has duly complied with the applicable regulations from time to time. Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report, forms part of the notes to the Standalone Financial Statements.

COMPLIANCE WITH FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019:

The Company has duly complied with all the applicable provisions of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, for the downstream investment made by it and has also obtained a certificate to this effect from its Statutory Auditor.

The Statutory Auditor certificate does not contain any observations, qualification, reservations, adverse remarks and disclaimers

COMPLIANCE WITH SECRETARIAL STANDARDS

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

CREDIT RATING(S)

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

S.No.	Instrument	Rating Agency	Rating As at March 31, 2024	Rating As at March 31, 2023
1	Non-convertible debentures	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
2	Commercial paper	ICRA Ltd	[ICRA] A1+	[ICRA] A1+
3	Long term - Fund Based	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
4	LT-Market Linked Debenture	ICRA Ltd	PP-MLD[ICRA] A+ (Stable)	PP-MLD[ICRA] A+ (Stable)
5	LT borrowing programme	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
6	Fund Based Facilities	CRISIL	CRISIL A+/Stable	CRISIL A+/Stable
7	Long term Principal Protected Market Linked Debenture	CRISIL	CRISIL PPMLD A+/Stable	CRISIL PPMLD A+/Stable
8	Non-convertible debentures	CRISIL	CRISIL A+/Stable	CRISIL A+/Stable
9	Bank Lines	CARE	Withdrawn	CARE A+(Stable)
10	Non-convertible debentures	CARE	Withdrawn	CARE A+(Stable)

NON ACCEPTANCE OF DEPOSITS

The Company is a Non-Deposit taking Non-Banking Financial Company (NBFC-ND) classified as a Middle Layer and has not accepted deposits from the public during the period under review. The Company has passed a Board resolution for non acceptance of deposit from public.

PARTICULARS OF EMPLOYEES/ DIRECTORS:

Disclosures in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in 'Annexure-II'. Further, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Act, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

Nomination & Remuneration Policy:

Pursuant to the provisions of Section 178(3) of the Act, the Board has formulated Nomination and Remuneration Policy of the Company which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management. The Nomination and Remuneration Policy also covers the Remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Nomination and Remuneration Policy is available on the website of the Company at https://d5nfy7n2jvqm2.cloudfront.net/oxyzo-docs/OXYZO_Remuneration_Policy_03.pdf

STATUTORY AUDITORS AND THEIR REPORT

In accordance with RBI Circulars, the shareholders of the Company at their 5th Annual General Meeting ('AGM) dated September 28, 2021 had appointed M/s. S.N. Dhawan & Co LLP, having Firm Registration No. 000050N/N500045), as the Statutory Auditors of the Company for a period of three years till the conclusion of this 8th Annual General Meeting. Considering that their term of office is expiring at this AGM, they will not be eligible for reappointment.

Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2023-24 is disclosed in the Financial Statements forming part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.
During the year under review, the Statutory Auditors have not reported any instances of fraud in the Company committed by officers or employees of the company to the Audit Committee.

The Board of Directors in its meeting held on 25th June, 2024 recommended the appointment of M/s. Lodha & Co. LLP (ICAI Firm Registration No.301051E/E300284) as Statutory Auditors of the Company, in terms of the RBI guidelines, to hold office for a continuous period of three years until the conclusion of 11th Annual General Meeting of the Company to be held in the year 2027, to the shareholders for approval.

SECRETARIAL AUDITORS AND THE REPORT

Pursuant to the provision of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, M/s Abhinav Agarwal & Associates, Company Secretaries (ACS-41091, CP-22129) Company Secretaries were appointed as Secretarial Auditor of the company for F.Y. 2023-24.

The Report of the Secretarial Auditor in Form MR-3 is annexed as 'Annexure C'. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in its Report for the year under review.

Information Technology and General Control (IS Audit):

M/s Aumyaa Consulting Services LLP, an external agency has been appointed as the IT/IS audit of your company for F.Y. 2023-24. The Information System Audit approach relies extensively on automated controls and therefore on the effectiveness of control over the IT System. The IS Auditor in their report on Information Technology and General Control of your company for the Financial Year ended March 31, 2024, identified risk based IT/IS audit scope; and assesses the inherent risk in the processes and activities of IT departments to ensure that appropriate risk management limits, control mechanisms and mitigation strategies are in place.

INTERNAL FINANCIAL CONTROLS

The Board of Directors confirms that the Company has laid down a set of standards, processes and structure which enables it to implement Internal Financial Controls across the organisation with reference to financial statements and that such controls are adequate and are operating effectively throughout the year. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls.

Internal Control Systems

The Company has a comprehensive Internal Control System for all major processes to ensure accuracy & reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The Internal Control system basically covers the area of Accounting Control, Internal Audit, Compliance Audit at regular intervals by the Internal auditor and systems audit by Information System (IS) Auditor.

The Internal Auditors also assesses opportunities for improvement in business processes, systems and controls, provides recommendations, designed to add value to the organisation and follow up the implementation of corrective actions and improvements in business processes after review by the Audit Committee.

Internal Audit

The Company has established adequate internal control systems in line with the nature of its business and the size of its operations. At the beginning of each financial year, an audit plan is rolled out after the same has been approved by the Audit Committee. The audit plan is aimed at evaluation of the efficiency and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations. Based on the reports of internal audit function process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Mr. Saurabh Bhardwaj has been appointed as Internal Auditor of your company on May 28, 2024, for F.Y. 2024-25.
The Internal Audit approach relies extensively on internal control, processes & policies laid down by management and the regulations. The Auditor in their report identified internal audit scope and assesses the inherent risk in the processes and activities of all departments to ensure that appropriate control mechanisms and mitigation strategies are in place. The suggestions made by the Auditor and the compliances thereof are placed before the Audit Committee for their discussion and actions.
The Board give suggestions / recommendations and control directives to mitigate the shortcomings and make the process, procedure, systems and functions more robust, accountable, reliable and compliant.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is mentioned under Annexure B of Independent Auditor's Report

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes that CSR is a way of creating shared value and contributing to social and environmental good. Our endeavor is to promote children education, your Company collaborates with development-focused NGOs, in the development process and works with systems & frontline staff to achieve desirable social outcomes in a sustainable manner
The Company has constituted a CSR Committee in accordance with Section 135 of the Act. The Company's CSR interventions are designed to promote children education & All CSR initiatives are implemented in accordance with the Schedule VII of the Companies Act, 2013 ("Act").

The brief outline of CSR Policy, including overview of the program proposed to be undertaken, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of amount spent on CSR activities during the financial year have been disclosed in "Annexure -III" to this report, as mandated under the said Rules. Further, the Corporate Social Responsibility Policy of the Company as approved by the Board has been hosted on the website of the Company at https://www.oxyzo.in/investor-relation/csr-policies

RISK MANAGEMENT FRAMEWORK

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risk associated with the business of the Company. Major risk identified by the business and functions, if any, systematically addressed through mitigating actions on a continuing basis. The Board of Directors have adopted a **'Risk Management Policy'** which inter-alia integrates various elements of risk management into a unified enterprise-wide policy.

The Risk Management Committee of the Company has not identified any elements of risk which in their opinion may threaten the existence of your company except as disclosed as note no 47 of notes to account.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEE

As per the provisions of Section 177(9) of the Act, the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company as part of the 'vigil mechanism' has in place a Board approved 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website of the Company and can be accessed at https://d5nfy7n2jvqm2.cloudfront.net/oxyzo-docs/Whistle_Blower_Policy_01.pdf

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimisation of employees and directors and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistle blower complaints are reviewed by the Audit Committee on a quarterly basis.

During the year under review, no complaint was received by the Company. None of the personnel of your Company were denied access to the Audit Committee.

Key award and recognition

Awards.	Month	Year	Reference Link
ET Startup Awards 2023	September	2023	https://economictimes.indiatimes.com/tech/startups/et-start-up-awards-2023-ofbusiness-profits-at-scale-to-bag-top-prize/articleshow/103643157.cms
VCCircle Disruptors Awards 2023	December	2023	https://www.vccircle.com/citiustechphysicswallah-oxyzo-zerodha-among-winners-of-vccircle-disruptors-awards-2023

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Consistent with its core values, your company is committed to create an environment in which all individuals are treated with respect and dignity and to promote a gender sensitive and safe work environment. Accordingly, the Board of Directors adopted a "POSH Policy" and also constituted an Internal Complaints Committee, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Considering the geographic diversification throughout the country and increase in number of employees, the Board of Directors also constituted Regional Internal Complaints Committees for respective regions.

During the year under review, no complaints related to sexual harassment were received by the Internal Complaints Committee and the Regional Internal Complaints Committees.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Number of complaints pending at the beginning of the year	0
Number of complaints received during the year	0
Number of complaints disposed off duing the year	0
Number of cases pending at the end of the year	0

DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review the following cases have been initiated by your company:

S. No.	
1	Name of the party – KLD Creation Infrastructure Private Limited
2	Date of institution – 05-12-2023
3	Case Number:- C.P. (IB) - 12/2024
4	Particulars about the case - We are financial creditors in it and have moved the NCLT, Delhi for initiating insolvency proceedings. The amount involved in Rs. 1,53,41,290/-

EMPLOYEE STOCK OPTION

Human Resources are key to the growth and success of an organization, more so in financial services industry. It is therefore imperative to align the interests of the employees and shareholders of the Company. Employee Stock Option schemes have been universally accepted as retention and wealth creation tool.

Oxyzo Financial Services Limited ('Oxyzo'), the company, had framed an Oxyzo Stock Options Plan, 2021 ('ESOP 2021 Plan'), which was duly approved by the Shareholders 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.

During the financial year under review, the following stock options were granted to the employees of the Company:

Particular's	Grant Date	The no. of options granted as per financials
Grant-I	03 January 2022	21,32,651
Grant-II	06 April 2022	2,80,709
Grant-III	06 April 2023	5,92,775
Grant-IV	23 April 2023	4,60,654

The detail particulars about the ESOPs are captured in note no 47.1 & 47.2 Notes to account to Financial Statements.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There is no one-time settlement during the year under review

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

During the period under review, no material changes affecting the financial position of the company:

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed and no material departures have been made from the same ;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

Auditor of a company in the course of the performance of his duties as auditor, has no reason to believe that an offence of fraud involving such amounts as prescribed under the Act , has been committed in the company by its officers or employees, and no such report made to the Central Government.

Further, to apprise you that there is no such matter on which auditors have reported frauds to the audit committee or the Board but not reported to the Central Government.

SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATOR

RBI Inspection was carried out in the Company premises from February 28, 2022, to March 04, 2022, with reference to the financial position of the company as on March 31, 2021. The physical Inspection was followed by an Inspection Report, Risk Assessment Report along with annexures, issued on April 8, 2022. During the period under review there were a few rounds of communication with the RBI including physical meeting in order to ensure the necessary flow of information to the Regulator. The latest communication sent by your Company was on 22nd November 2023. The communications to the RBI were operational in nature and there was no material concerns raised by the RBI.
Further, your company has complied with the relevant byelaws/regulation/circular/notices/guidelines as may be issued by the Regulatory Authority from time to time.

COST RECORDS

For the purposes of sub-section (1) of section 148 of the Act. The Company is neither engaged in the production of the goods or providing services as specified in the Act, hence Company is not required to include cost records for any product or services in their books of account.

DETAILS OF MONEY ACCEPTED FROM DIRECTOR

During the period under review the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company.

REVENUE RECOGNITION

During the year under review there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

COMPLIANCE WITH CODE OF CONDUCT

All Board members and Senior Management Personnel have affirmed their compliance with the Company's Code of Conduct for Financial Year 2023-24.
A declaration to this effect signed by the Managing Director & CEO is included in this Annual Report as Annexure - IV.

ACKNOWLEDGEMENTS

The Board of Directors acknowledge with gratitude the co-operation and assistance extended by its bankers, financial institutions, rating agencies, customers, associates, debenture holders, auditors, trustees, regulatory bodies and its employees. The Board of Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors and other business partners for the excellent support received from them during the year. Our employees are instrumental in helping the Company scale new heights, year after year. Their commitment and contribution is deeply acknowledged. Your involvement as shareholders is also greatly valued. The Board of Directors look forward to your continuing support.

For and on behalf of Board of Directors
OXYZO Financial Services Limited
(Formerly known as OXYZO Financial Services Private Limited)

Sd/-

Ruchi Kalra
CFO and WTD
DIN:03103474
Add: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park, Main New Delhi, South Delhi -110016

Sd/-

Vasant Sridhar
Director
DIN : 07685035
Add: Shop No. G-22 C (UGF) D-1 (K-84) Green Park, Main New Delhi, South Delhi -110016

Dated: 25th June, 2024
Place : Gurugram, Haryana

ANNEXURE I

FORM NO. AOC - 1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Summary of financial Information of Subsidiary Companies as on and for the year ended 31 March 2024

Amount in Lakhs

S. No	Name of Subsidiaries	Date of Acquisition	Reporting Currency	Exchange Rate	Share Capital	Other Equity	Total Assets	Total Liabilities	Total Investments	Turnover	Profit/(Loss) before taxation	Provision for taxation*	Profit/(loss) after taxation	Proposed Dividend	% of Shareholding
1	OXY Venture Private Limited	26-04-22	INR	1.00	700.00	1,110.88	6,370.02	4,559.14	6,244.49	1,590.24	912.14	226.84	685.30	-	100%
2	OXY B Securities Private Limited	20-06-22	INR	1.00	5.10	(1.07)	4.40	0.37	-	-	(0.77)	(0.36)	(0.41)	-	100%
3	Oxyzo Investment Manager Private Limited	13-07-22	INR	1.00	10.10	(20.05)	16.49	26.44	-	-	(19.90)	(6.75)	(13.15)	-	100%
4	Oxyzo Finvest Private Limited	18-07-22	INR	1.00	2.60	(0.61)	2.34	0.35	-	-	(0.42)	(0.21)	(0.21)	-	100%
5	Ziel Financial Technologies Private Limited	24-11-22	INR	1.00	2,100.00	(558.24)	2,197.25	655.49	-	3,247.60	(304.00)	(71.32)	(232.68)	-	100%
6	Zfirst Technologies Private limited**	20-02-23	INR	1.00	572.11	(25.24)	963.11	416.24	-	1,129.91	79.29	23.82	55.47	-	34.43%

* Includes deferred tax

** The Holding Company by virtue of control, has consolidated ZFirst Technologies Private Limited as subsidiary company.

For and on behalf of the Board of Directors of

OXYZO FINANCIAL SERVICES LIMITED

(FORMERLY KNOWN AS OXYZO FINANCIAL SERVICES PRIVATE LIMITED)

Ruchi Kalra
Whole-time director and Chief Financial Officer
DIN: 03103474
Place: Gurugram
Date : 28 May 2024

Vasant Sridhar
Director
DIN: 07685035
Place: Gurugram
Date : 28 May 2024

Pinki Jha
Company Secretary
M.No.: F10683
Place: Gurugram
Date : 28 May 2024

ANNEXURE I

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis and in ordinary course of business

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any
OFB Tech Private Limited (Holding Company)	(a) Inter-company Loan Agreement with OFB (b) Technical Support Agreement with OFB (c) Common Sharing Agreement with OFB	Effective from November 01, 2017 and shall remain in full force and effect until it is terminated in accordance with the terms of Agreement.	1. Working Capital Loan repayable on demand 2. Information Technology Services to OXYZO 3. a) Shared Services: The OXYZO Financial Services Private Limited shall use the following facilities on a cost to cost basis: -Office space and its maintenance; -Electricity; -Telecommunication etc. (refer note 44 of Financial)	To share general nature of activities between company	The related party transactions are in ordinary course of business and are at arm's length basis. Accordingly, the approval/ ratification /recommendation of the Board / Audit Committee is obtained on Quarterly basis.	NA

OFG Manufacturing Business Private Limited (Fellow Subsidiary)	1. Common expenses sharing basis on actual cost as per TP study	1. Sanction letter dated 13-12-2021 (30 months Term Loan). 2. shall remain in full force and effect until it is terminated	1. Shared Services: The Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) and OFB Manufacturing shares few common expenses (refer note 44 of Financial)		Same as above	Loan repaid Rs. 131.45 Lakhs.
OAgri Farm Private Limited (Fellow Subsidiary)	Common expenses sharing basis on actual cost as per TP study	shall remain in full force and effect until it is terminated	Shared Services: The Oxyzo Financial Services Limited (Formerly known as Oxyzo Financial Services Private Limited) and Oagri farm few common expenses (refer note 44 of Financial)		Same as above	NA
OXY Ventures Private Limited	1. Common Sharing Agreement with Oxy venture Private Limited 2. Working Capital Loan	Effective from April 26, 2022 and shall remain in full force and effect until it is terminated in accordance with the terms of Agreement.	1. Shared Services: The Oxyzo Financial Services Limited (Formerly Oxyzo Financial Services Private Limited) shall use the following facilities on a cost to cost basis: -Office space and its maintenance; -Electricity; -Telecommunication etc. 2. Loan agreement dated 05 June 2023 and duly authorized by Board and Audit Committee (refer note 44 of Financial)	To share general nature of activities between company	Same as above	NA
Oxyzo Finvest Private Limited	Investment in equity share capital	-	-	Investment in equity share capital	-	-
Oxyzo Investment Manager Private Limited	1. Investment in equity share capital 2. Loan given	Loan agreement dated 12-Jan-2024	1. Working Capital Loan repayable on demand.	Investment in equity share capital	-	Loan given 25 Lakhs
Ziel Financial Technologies Private Limited	1. Services Agreement 2. Investment in equity share capital	Effective from November 24, 2022 and shall remain in full force and effect until it is terminated in accordance with the terms of Agreement.	Servicer shall source Borrowers to Oxyzo	To build the Synergies of operations and establishment.	General Business Contract agreement delegated to Operation committee. And the Investments are duly authorized by Board and Audit Committee	NA

Zfirst Technologies Private Limited	Services Agreement	Effective from February 28, 2023 and shall remain in full force and effect until it is terminated in accordance with the terms of Agreement.	Servicer shall source Borrowers to Oxyzo	To build the Synergies of operations and establishment.	General Business Contract agreement delegated to Operation committee. . And the Investments are duly authorized by Board and Audit Committee	NA
Oxyzo Financial Services Private Limited Employees Group Gratuity Trust	Gratuity Trust (w.e.f 25 March 2022)	-	Contribution for Gratuity	-	-	-
Oxyzo Investment Trust	Trust	-	Trust Sponsored by Subsidiary (w.e.f 08 August 2022)	-	-	-
Candor Foods Private limited	-	-	One time purchase of Material	-	-	-

Value of Transaction

(Amount in Lakhs)

Particulars	Nature of transaction	Year ended 31 March 2024
OFB Tech Private Limited	Purchase of property, plant and equipment	12.68
	Sale of property, plant and equipment	14.04
	Business auxiliary services (cost allocation received)	402.83
	Business auxiliary services (cost allocation made)	22.43
	Employee costs and reimbursements (cost allocation received)*	651.76
	Employee costs and reimbursements (cost allocation made)#	31.82
	Tech Support Services (cost allocation received)	107.46
	Interest and Fee Income (Net of expenses)	1,226.38
	Travelling and other expenses (cost allocation received)	13.83
	Gratuity and leave encashment recoverable	45.68
	Gratuity and leave encashment payable	37.20
	Loan Availed	5,000.00
	Loan Repayments (including interest)	5,002.74
	Payment on behalf of borrowers	1,47,424.01
	Employee stock options (cost allocation received)	1,028.76
	Prepaid Insurance (on allocation basis)	62.38
OXY Ventures Private Limited	Investment in equity share capital	500.00
	Loan Given (net of repayment)	4,463.00
	Interest and other income	302.14

	Employee costs and reimbursements (cost allocation made)	21.73
	Business auxiliary services (Cost allocation made)	0.53
	Business auxiliary services (Cost allocation received)	0.01
	Debt arrangement and facilitation fee	4.90
	Purchase of property, plant and equipment	0.17
	Sale of property, plant and equipment	0.64
	Gratuity and leave encashment recoverable	6.30
	Gratuity and leave encashment payable	0.86
OXY B Securities Private Limited	Investment in equity share capital	-
Oxyzo Finvest Private Limited	Investment in equity share capital	2.50
Oxyzo Investment Manager Private Limited	Loan Given	25.00
	Interest and other income	0.52
Ziel Financial Technologies Private Limited	Investment in equity share capital	1,302.00
	Reimbursement of business loan premium	590.97
	Service fees expenses	2,664.12
Zfirst Technologies Private Limited	Reimbursement of business loan premium	112.50
	Service fees expenses	771.37
OFG Manufacturing Businesses Private Limited	Business auxiliary services (cost allocation made)	0.79
	Loan Repaid/ Settled	131.45
	Sale of property, plant and equipment	0.77
	Tech Support Services received	229.82
	Employee costs and reimbursements (cost allocation made)	6.10
	Gratuity and leave encashment recoverable	9.19
Candor Foods Private limited	Staff welfare expenses (purchase of material)	0.09
Oagri Farm Private Limited	Business auxiliary services (cost allocation made)	0.10
	Sale of property, plant and equipment	0.15
Oxyzo Investment Trust	Reimbursement for expenses	1.18
Oxyzo Financial Services Private Limited Employees Group Gratuity Trust	Contribution for Gratuity	100.00

For Oxyzo Financial Services Limited
(Formerly known as OXYZO Financial Services Private Limited)

SD/-

Ruchi Kalra

CFO and WTD

DIN:03103474

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

SD/-

Vasant Sridhar

Director

DIN : 07685035

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

Dated: 28 May 2024
Place: Gurugram, Haryana

ANNEXURE II

Information in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Board's Report for the Financial Year ended March 31, 2024

Disclosures under Rule 5(1)

1. The ratio of the remuneration of each Director to the median remuneration of employees of the Company for the financial year is given below:

Name and Designation	Ratio
Ms. Ruchi Kalra, Whole Time Director and Chief Financial Officer	2.67:1
Mr. Vasant Sridhar, Executive Director	4.13:1
Mr. Rohit Kapoor, Independent Director	0.25:1
Mr. Sathyan David, Independent Director	1.50:1
Mr. Praveen Bhambani, Independent Director	0.50:1
Mr. Asish Mohapatra, Non-executive Director	N.A.

Notes:-

1. Overall remuneration does not include the fair value of employee stock options in calculation
2. No remuneration paid to Mr. Asish Mohapatra during the period under review

2. Percentage increase/decrease remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year is given below:

Designation	Percentage Increase/decrease
Ms. Ruchi Kalra, Whole Time Director and Chief Financial Officer	4.10%
Mr. Vasant Sridhar, Executive Director	3.90%
Mr. Rohit Kapoor, Independent Director*	(9.09%)
Mr. Sathyan David, Independent Director*	66.67%
Mr. Praveen Bhambani, Independent Director*	66.67%
Ms. Pinki Jha, Company Secretary	7.91%

Notes:-

*Independent directors are paid only sitting fees and percent change is on account of revised sitting fee and increase/decrease in number of attended meetings.

3. The percentage increase in the median remuneration of employees in the financial year is 8.64%.

4. The number of permanent employees on the rolls of company of as March 31, 2024 – 449

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:– *Average percentage difference in the salaries of employees other than the managerial personnel in the last Financial Year was 8.47% whereas the difference in the managerial remuneration was 11.44%.*

6. Affirmation that the remuneration is as per the remuneration policy of the company: - *The remuneration is in line with the remuneration policy of the Company.*

Statement containing the particulars as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as a separate Annexure forming part of this report. The said annexure is available at the Registered office of the Company and is open for inspection by the Shareholders of the Company in terms of proviso to section 136(12) of the act. Any member interested in obtaining a copy of the same may write to compliance@oxyzo.in or company secretary of the company

ANNEXURE III

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2023-24

1. Brief outline on CSR Policy of the Company.
   - The Company's CSR mission is to contribute to the social and economic development of the community through a series of interventions in the area of Health, Education, Environment, Poverty etc.
   - The Company's strategy is to integrate its activities in community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Asish Mohapatra	Director	1	1
2	Ruchi Kalra	CFO & WTD	1	1
3	Rohit Kapoor	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://www.oxyzo.in/investor-relation/csr-policies

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-2021	5500.87	5500.87
2	2021-2022	80128.65	80128.65
3	2022-2023	1,84,756.89	1,84,756.89
	TOTAL	2,70,386.41	2,70,386.41

6. Average net profit of the company as per section 135(5). INR 1,32,48,92,881.00/-

7.
   a. Two percent of average net profit of the company as per section 135(5): INR 2,64,97,858.00/-
   b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL
   c. Amount required to be set off for the financial year, if any: 2,70,386.41
   d. Total CSR obligation for the financial year (7a+7b+7c). INR 2,62,27,472.00/-
   e. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.) : **NIL**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2,67,00,000/-	NIL	NA	NA	NIL	NA

b. Details of CSR amount spent against ongoing projects for the financial year: NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project Duration	Amount allocated for the Project.	Amount spent in the Current Financial Year (in Rs.)	Amount Transferred to unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of implementation- Direct (Yes/ No).	Mode of implementation -Through implementation	
				State	Dist.						Name.	CSR Reg. No.

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation- Direct (Yes/No).	Mode of implementation - Through implementing Agency as per rule 4.	
				State	Dist.			Name.	CSR Reg. No.
1	Children Education	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;		Delhi	Delhi	2,62,00,000 (Two Crores Sixty Two Lakhs Only)	NO	Through Implementing Agency as per rule 4. (Mata Krishnawanti Memorial Educational Society)	CSR00006897
2	Children Education	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;		Delhi	Delhi	5,00,000 (Five Lakhs Only)	NO	Through Implementing Agency as per rule 4. (Vishwa Prakash Mission)	CSR00021131
	TOTAL					**2,67,00,000**			

d. Amount spent in Administrative Overheads: NA

e. Amount spent on Impact Assessment, if applicable: NA

f. Total amount spent for the Financial Year (8b+8c+8d+8e): INR 2,67,00,000/-

g. Excess amount for set off, if any:

S. No.	Particular	Amount (in Rs.)
i	Two percent of average net profit of the company as per section 135(5)	**2,62,27,472.00**
ii	Total amount spent for the Financial Year	2,67,00,000.00
iii	Excess amount spent for the financial year [(ii)-(i)]	4,72,528.00
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	4,72,528.00

h. Details of Unspent CSR amount for the preceding three financial years: NIL

S. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	TOTAL						

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1								
2								
3								
	TOTAL							

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a. Date of creation or acquisition of the capital asset(s). :NA
b. Amount of CSR spent for creation or acquisition of capital asset.: NA
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). :NA

11 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : NA

Ruchi Kalra
CFO & WTD
DIN: 03103474
Date: 25.06.2024
Place: **Gurugram, Haryana**

Details of Debenture Trustee

PURSUANT TO REGULATION 53 (E) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	Name of Debenture Trustee	
	Axis Trustee Services Limited	**IDBI Trusteeship Services Limited**
Name of the Contact Person	**Mr. Ganesh Tondon**	**Mr. Munjal.K.G.Dhanani / Ms. Sheetal Mehta**
Address	The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028	Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai, Maharashtra 400001
Email	debenturetrustee@axistrustee.in	itsl@idbitrustee.com
Contact No.	022-62300451	022 40807000

Related Party Disclosure

PURSUANT TO REGULATION 53 (F) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND AS PER MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION DIRECTIONS, 2023

1. The Company is in compliance with the Accounting Standard on "Related Party Disclosures"- Disclosure as required by Ind AS -24 on "Related Party Disclosure" notified under the companies (Indian Accounting Standard) Rules, 2015, All the transactions entered thereto, and loans provided to such related parties have been carried out at arm's length price. Further, all the related party transactions are placed before the Audit Committee for its approval and thereafter placed before the Board for their approval:

Please refer note no. 44 of Notes to Accounts of Standalone Financial Statement for "Related Party Disclosure".

2. A. The disclosure with respect to related party as specified in regulation 53(f) Of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the year end and maximum amount of advances/investments outstanding during the year are given below:

S. No.	Particulars	Amount (INR)
1	Loans and advances in the nature of loans to subsidiaries by name and amount. Loans and advances in the nature of loans to associates by name and amount. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	Please refer note no. 44 of Notes to Account of Standalone Financial Statement.
2	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	

B. Disclosures of transactions of OXYZO Financial Services Limited with OFB Tech Private Limited, holding more than 10 % in OXYZO Financial Services Ltd.:

Please refer note no. 44 of Notes to Account of Standalone Financial Statement or Form AOC-2 forming part of this Board report.

Declaration by Management (Annexure IV)

Declaration by the Management under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time and other law for the time being in force, I Ruchi Kalra, Chief Financial Officer and Whole Time Director of the Company, hereby confirm on behalf of the Company that all Board Members and Senior Management Personnel of the Company have adhered with the Code of Conduct as applicable to them for the Financial Year ended March 31, 2024.

For and on behalf of Board of Directors
OXYZO Financial Services Limited
(Formerly known as OXYZO Financial Services Private Limited)

SD/-

Ruchi Kalra

CFO and WTD

DIN:03103474

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

Dated: 28 May 2024

Place: Gurugram, Haryana

CORPORATE GOVERNANCE REPORT

(Pursuant to the Companies Act, 2013 & Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I. Company's Philosophy on Code of Governance

The Company's philosophy is based on the guiding principles on Corporate Governance and aims to help the Company in efficient conduct of its business and to fulfil its responsibilities to all its stakeholders. OXYZO is committed to adopting global best practices in Governance and Disclosure. OXYZO believes that highest standards of Corporate Governance are essential to enhance long term value of the Company for its stakeholders and practice the same at all levels of the organization. Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust are the traits of your Company's Corporate Governance. Good Governance practices stem from the culture and mindset of the organization. The Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the best governance practices with highest integrity, transparency and accountability. The said Corporate Governance Code has been uploaded on the Company's website and can be accessed at https://www.oxyzo.in/policy/disclaimer.

The highlights of the Company's Corporate Governance regime are: -

1. The Company believes that an active, well-informed and independent Board is necessary to ensure high standards of Corporate Governance.
2. Constitution of several Committees for focused attention and proactive flow of information.
3. Established Code of Conduct for Directors and Senior Management as also for other employees.
4. Robust Vigil Mechanism and Ombudsperson process.
5. Robust Compliance system.
6. Timely, transparent and regular disclosures.
7. Digital meetings of Board and Committees.
8. Robust Risk Management and Control Mapping for each of the business processes.

The Securities and Exchange Board of India ('SEBI') regulates Corporate Governance practices and disclosure for the listed companies through the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company is in full compliance with the Listing Regulations.

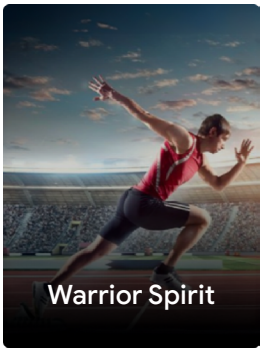
Salient features of OXYZO's Corporate Governance Philosophy

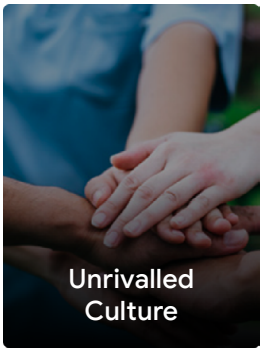
- Act in the spirit of Law and not just the letter of law
- Do what is right and not what is convenient
- Provide complete transparency on our operations
- Follow openness in our communication to all our stakeholders

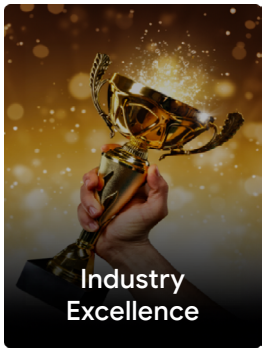
The Corporate Governance Structure of OXYZO can be described through three layers namely:

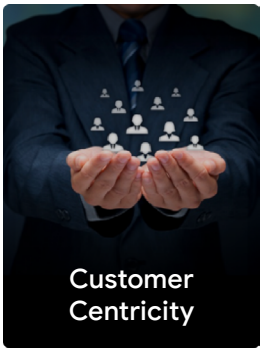
- Shareholders appoint the Board of Directors and entrust them with necessary powers.
- The Board leads strategic management and appoints various Committees to handle specific areas of responsibilities.
- The Executive Management and the Committees take up specific responsibilities and day-to-day affairs as set by the Board.

OXYZO's Values









II. The Board of Directors (The Board)

The Board of Directors and its Committees, provide leadership and guidance to the Company's Management while discharging its duties & fiduciary responsibilities, directs as well as review business objectives, management strategic plans and monitor the performance of the Company.

The Company has a professional Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive and Non-Executive Directors including Independent Directors. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of corporate governance.

a. Composition

As on March 31, 2024, The Board comprised of Six (6) Directors consisting of two (2) Executive including one (1) Women Director, one (1) Non-Executive and (3) Three Non-Executive Independent Directors. The composition of the Board was in accordance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Number of Directorships held by Executive, Non-Executive and Independent Directors are within the permissible limits under Companies Act, 2013 & as per RBI Directions. The current composition of the Board can be accessed at https://www.oxyzo.in/about/team/board-of-directors. or refer the table hereunder: -

S No.	Name	Designation	Type of Directorship	Director Since
1	Sathyan David	Independent Director	Non- Executive Director	11/04/2019
2	Praveen Kumar Bhambani	Independent Director	Non- Executive Director	06/08/2022
3	Rohit Kapoor	Independent Director	Non- Executive Director	05/02/2019
4	Asish Mohapatra	Director	Non- Executive Director	05/02/2019
5	Vasant Sridhar	Director	Executive Director	26/12/2016
6	Ruchi Kalra	Whole time Director and CFO (KMP)	Executive Director	21/09/2016

Disclosure pursuant to Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs: The Shareholding of the Non- Executive Directors, as above-mentioned is NIL in the Company for the financial year ended 31st March 2024.

No Director is representing to any Investor / lender / institution.

b. Attendance of Board Meetings and the last Annual General Meeting (AGM)

The Attendance Record of the Directors at the Board Meetings (Financial Year 2023-24) and at the Seventh AGM are as follows: -

Name of Director	DIN	Attendance at the Board (10 BM)	Attendance at Seventh AGM (Yes / No)
Ruchi Kalra	03103474	10	Yes
Vasant Sridhar	07685035	10	Yes
Asish Mohapatra	06666246	09	Yes
Rohit Kapoor	06529360	10	No
Praveen Kumar Bhambani	09681934	10	Yes
Sathyan David	08386521	10	No

*Meetings attended includes attendance through audio visual means/video conferencing.

c. Number of Directorship / Committee position of Director as on March 31, 2024 in other Companies

Name of Director	Directorship			Committee positions in listed and unlisted public limited companies	
	In Listed Company	In unlisted Public Company	In Private Company	As Member	As Chairman
Ruchi Kalra	Nil	Nil	7	NA	NA
Asish Mohapatra	Nil	Nil	11	NA	NA
Vasant Sridhar	NIL	Nil	5	NA	NA
Praveen Kumar Bhambani	Nil	Nil	1	NA	NA
Rohit Kapoor	1	Nil	Nil	NA	NA
Sathyan David	NIL	Nil	3	NA	NA

d. Number of Board Meeting held

The Board has met Ten (10) times during the period ended on 31st March 2024. The necessary quorum was present for all the Board Meetings. The maximum interval between any two Board Meetings was well within the maximum allowed gap of one hundred and twenty days. After each Board Meeting, your Company has a well-articulated system of follow up, review and reporting on actions taken by the Management on the decisions of the Board.

S.No.	Date of the Meeting	Ruchi kalra	Asish Mohapatra	Vasant Sridhar	Praveen Kumar Bhambani	Sathyan David	Rohit Kapoor
1	02-05-2023	Y	Y	Y	Y	Y	Y
2	23-05-2023	Y	Y	Y	Y	Y	Y
3	10-08-2023	Y	Y	Y	Y	Y	Y
4	18-09-2023	Y	Y	Y	Y	Y	Y
5	09-11-2023	Y	Y	Y	Y	Y	Y
6	03-02-2024	Y	Y	Y	Y	Y	Y
7	14-02-2024	Y	Y	Y	Y	Y	Y
8	07-03-2024	Y	Y	Y	Y	Y	Y
9	15-03-2024	Y	N	Y	Y	Y	Y
10	22-03-2024	Y	Y	Y	Y	Y	Y

e. Relationship between Director inter-se;

The Board Members are not related to each other except Mr. Asish Mohapatra and Ms. Ruchi Kalra are spouses.

f. Number of Shares and Non-convertible Instrument held by Non- Executive Director

No shares or Non-convertible Instruments are held by the Non-Executive Director

g. Familiarization Programme for Independent Directors

Your Company is a debt Listed Company, hence Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable on your Company.

h. Chart/Matrix relating to skills /expertise /competence of the Board Directors

Skill Areas	Ruchi Kalra	Asish Mohapatra	Vasant Sridhar	Praveen Kumar Bhambani	Rohit Kapoor	Sathyan David
Leadership qualities	✓	✓	✓	✓	✓	✓
Business & Strategic planning	✓	✓	✓	✓	✓	✓
Industry & Knowledge and experience	✓	✓	✓	✓	✓	✓
Governance, Compliance and Audit purview	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓

i. Change in Board & KMP Composition

Details of Directors/Key Managerial Personal appointed or resigned or details of change in designation during the Financial Year -

S. No.	Name of the Director/KMP	Designation	Details of Change
1	Mr. Rohit Kapoor	Independent Director	Reappointed as Independent Director on 03.02.2024 in the shareholder's meeting
2	Ms. Pinki Jha	Company Secretary and Chief Compliance Officer (KMP)	Appointed as the Chief Compliance Officer (CCO) of the Company on 18.09.2023. Further the GRO of the Company was changed from Ms. Pinki Jha to Mr. Abhishek Goyal w.e.f. 21st April 2024.

j. Independent Directors

Independent Director is a Non-Executive Director, who fulfils the criteria as laid down under Listing Regulations and Companies Act, 2013, including any amendments thereto. The Company has issued formal letter of appointment to its Independent Directors. The brief profile of Independent Director is posted on Website of the Company i.e https://www.oxyzo.in/about/team/board-of-directors. The Independent Director is not related to the Management of the Company in any aspect.

The appointment of Independent Directors is in accordance with the Companies Act, 2013 and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023or other applicable law for the time being in force.

k. Declaration of independence

The Company has received the necessary declaration and confirmation from each of the Independent Directors confirming that they meet the criteria of independence as prescribed under the CA, 2013. Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank. In the opinion of the Board, the Independent Directors continue to fulfil the criteria prescribed for an independent director as stipulated as per Section 149(6) of the Act and are independent of the management of the Company.

l. Board Evaluation and Independent Directors meeting

Pursuant to the provisions of the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, the Nomination & Remuneration Committee had approved a framework for performance evaluation of the Board of Directors, its Committees and the individual Board members. The Board has carried out an annual performance evaluation of its own performance, evaluation of the working of its Committees as well as performance of all the Directors individually (including Independent Directors) and Chairman. Feedback was sought by well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, etc.

Performance Evaluation framework of the Company is as follows:

a. Board would evaluate the performance of the Independent Directors, Board as a whole and Committees of the Board;

b. Independent Directors would evaluate the performance of the Chairman of the Company after taking views of other directors, Board as a whole, Managing Director & CEO and Non-Independent Directors; and

c. Self-evaluation of individual Directors.

The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board will not participate in the discussion of his/her evaluation. The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation of the Board and of its Committees was carried out by the Board. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee.

The meeting of the Independent Directors was held on 22nd March 2024.

Committees of the Board

The Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters, your Company has duly constituted Board level Committees as per Companies Act, 2013, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

All decisions pertaining to the constitution of Committees, appointment of members and terms of reference for Committee members are taken by the Board of Directors.

Further, the Company Secretary of the Company acts as the Secretary to all the Committees. All recommendations of the Committees are placed before the Board for approval or information, if required. During the Financial Year ended March 31, 2024, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board. The members of the Committees conduct meetings as and when required and as statutorily required.

Details pertaining to the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

Following are the committees of the board with their scope and composition:

S. No.	Name Of The Committee	Composition	Terms Of Reference And Meetings
1	Audit Committee	1. Ruchi Kalra, Member since August 21, 2019 2. Sathyan David, Member since August 21, 2019 3. Praveen Kumar Bhambani, Chairman since November 10, 2022	**Terms of Reference** 1. Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the company. ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process. iii. Examination of the financial statement and the auditors' report thereon. iv. Approval or any subsequent modification of transactions of the company with related parties. Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed. v. Scrutiny of inter-corporate loans and investments. vi. Valuation of undertakings or assets of the company, wherever it is necessary. vii. Evaluation of internal financial controls and risk management systems. viii. Monitoring the end use of funds raised through public offers and related matters. 2. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

3. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
4. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
5. Audit committee shall oversee the vigil mechanism, if exist, through the committee and if any of the members of the committee have a conflict of interest in each case, they should recuse themselves and the others on the committee would deal with the matter on hand.
6. The Audit Committee must ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the applicable NBFCs
7. Any other functions as Board/Management may decide from time to time as per the regulatory requirement.

Meetings

AC Meeting Dates are- May 02, 2023, May 22, 2023, August 09, 2023, September 18, 2023, November 08, 2023, February 12, 2024.

Name	Number of Meetings held during the tenure	Number of Meeting Attended
Praveen Kumar Bhambani	6	6
Ruchi Kalra	6	6
Sathyan David	6	6

2	Nomination and Remuneration Committee	1. Sathyan David Member- (since 26th May 2022) 2. Asish Mohapatra, member (since 21 August 2019 3. Rohit Kapoor, Member (since 26th May 2022)	**Terms of Reference** 1. To ensure 'fit and proper' status of proposed/ existing directors and there is no conflict of interest in appointment of directors on Board of the Company, KMPs and Senior Management. 2. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. 3. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. 4. The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that— -The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully. -Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and -Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. 5. To oversee the framing, review and implementation of compensation policy and then approval from Board 6. To work closely for better coordination with RMC in order to maintain effective alignment between compensation and risk. 7. To ensure that compensation levels are supported by the need to retain earnings of the Company. 8. To ensure the maintenance of adequate capital based on internal capital adequacy assessment process (ICAAP). 9. Any other function as Board/Management may decide time to time as per regulatory requirement.

			Meetings **NRC Meeting date is**- Mar 22, 2024 Name / Number of Meetings held during the tenure / Number of Meeting Attended Rohit Kapoor: 1 / 1 Asish Mohapatra: 1 / 1 Sathyan David: 1 / 1 **Performance Evaluation Criteria for the Independent Directors:** The performance of the independent directors was done by the entire Board excluding the director to be evaluated and the continuance or extension of the independent director was determined by the performance evaluation report. The performance evaluation criteria for Independent Directors is based on various factors which includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.
3	Risk Management Committee	1. Sathyan David, Chairman (since 21 August 2019 2. Ruchi Kalra, Member (since 21st August 2019) 3. Asish Mohapatra, Member (since 21st August 2019) 4. Gurtej Singh Member (since Dec 20, 2023)	**Terms of Reference** i. Approving and monitoring the Company's risk management policies and procedures; ii. Framing, implementing, reviewing and monitoring the risk management plan including cyber security for the Company; iii. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; iv. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems; v. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; vi. Approving and reviewing the Assets Classification & Expected Credit Loss policy, Review IT Risk assessment of IT systems; vii. Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements. **Meetings** **RMC Meeting dates are-** May 22, 2023, Nov 08, 2023, and Mar 22, 2024 Name / Number of Meetings held during the tenure / Number of Meeting Attended Ruchi Kalra: 3 / 3 Sathyan David (Chairperson): 3 / 3 Asish Mohapatra: 3 / 3
4	Stakeholder's Relationship Committee	1. Mr. Asish Mohapatra - Director (Chairman) 2. Ms. Ruchi Kalra- CFO & WTD (Member) 3. Mr. Vasant Sridhar – Director (Member)	The Stakeholders Relationship Committee shall consider and resolve the grievances of security holders of the company. **Meetings** The Committee was constituted at the end of Financial Year 2024, therefore, no meeting has been conducted in FY 2023-24.

		(The Committee was constituted in the Meeting held on Mar 22, 2024)	
5	Assets Liability Committee	1. Ruchi Kalra, Chairperson (since 21 August 2019) 2. Prashant Roy Sharma, Member(since 26th May 2022) 3. Vasant Sridhar, Member (since 21st August 2019)	1. Liquidity risk management 2. Management of market risks. 3. Funding and capital planning. 4. Profit planning and growth projection. 5. Forecasting and analysing 'What if scenario' and preparation of contingency plans. Any other functions as Board/ Management may decide time to time as per regulatory requirement. **Meeting** **ALM Committee Meeting dates are: -** May 22, 2023, Aug 09, 2023, Nov 08, 2023, and Feb 12, 2024. Name / Number of Meetings held during the tenure / Number of Meeting Attended Ruchi Kalra (Chairperson) / 4 / 4 Prashant Roy Sharma, Member / 4 / 4 Vasant Sridhar, Member / 4 / 4
6	IT Strategy Committee	1. Sathyan David- Chairman (since 21st August 2019) 2. Dhruva Shree Agrawal- CTO and CIO (since 21st August 2019) 3. Asish Mohapatra- Member (since 21st August 2019) 4. Ruchi Kalra, Member (since April 21, 2024)	1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place. 2. Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business. 3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable. 4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources. 5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls. 6. Any other functions as Board/ Management may decide time to time as per regulatory requirement. **Meetings** **IT Strategy Meeting dates are: -** May 08, 2023, May 22, 2023, Nov 08, 2023, and Feb 12, 2024. Name / Number of Meetings held during the tenure / Number of Meeting Attended Dhruva Shree Agrawal- CTO and CIO / 4 / 4 Sathyan David (Chairperson) / 4 / 4 Asish Mohapatra / 4 / 1

<table>
<tr>
<td>7</td>
<td>IT Steering Committee</td>
<td>1. Ruchi Kalra- Business owner (since 21st August 2019)
2. Dhruva Shree Agrawal- Development Team (21st August 2019)
3. Asish Mohapatra member (since 21st August 2019)</td>
<td>1. To provide oversight and monitoring of the progress of the project, including deliverables to be realized at each phase of the project and milestones to be reached according to the project timetable.
Any other functions as Management may decide time to time as per regulatory requirement.

Meetings

IT Steering Meeting date is: - Jan 05, 2024
<table><tr><th>Name</th><th>Number of Meetings held during the tenure</th><th>Number of Meeting Attended</th></tr><tr><td>Ruchi Kalra</td><td>1</td><td>1</td></tr><tr><td>Dhruva Shree Agrawal-</td><td>1</td><td>1</td></tr><tr><td>Asish Mohapatra</td><td>1</td><td>1</td></tr></table></td>
</tr>
<tr>
<td>8</td>
<td>Corporate Social Responsibility Committee</td>
<td>1. Mr. Asish Mohapatra Member (since 10th November 2020)
2. Mr. Rohit Kapoor Member (Since 26th May 2022)
3. Ms. Ruchi Kalra Member (since 10th November 2020)</td>
<td>1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the company as per the Companies Act, 2013.
2. To review and recommend the amount of expenditure to be incurred on the CSR related activities to be undertaken by the company.
3. To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken by the Company from time to time.

Any other matter the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Meeting

CSR Committee Meeting date is: - Sep 18, 2023
<table><tr><th>Name</th><th>Number of Meetings held during the tenure</th><th>Number of Meeting Attended</th></tr><tr><td>Ruchi Kalra</td><td>1</td><td>1</td></tr><tr><td>Rohit Kapoor</td><td>1</td><td>1</td></tr><tr><td>Asish Mohapatra</td><td>1</td><td>1</td></tr></table></td>
</tr>
<tr>
<td>9</td>
<td>POSH Committee</td>
<td>1. Ms. Pinki Jha (Presiding Officer- Since 25th Sep 2023)
2. Ms. Himani Manak (Internal Member-Since 25th Sep 2023)
3. Mr. Bhubneshwar Jha (Internal Member-Since 25th Sep 2023)
4. Mr. Ananda Dalai (Internal Member-Since 25th Sep 2023)
5. Ms. Nivedita Puggal (External Member-Since May 15, 2023)</td>
<td>1. This Policy extends to all employees of the Company and its subsidiary company and is deemed to be incorporated in the service conditions of all employees of the Company in India. Local country laws will take precedence over this policy, in other geographies, if applicable.
2. To organize programs for the gender sensitization of executives and Employees through workshops, seminars, etc. It may take the assistance of specialized NGO/Ethics Counsellors, etc., if necessary, for this purpose.
3. Any other matter as the Committee may deem appropriate.</td>
</tr>
</table>

V. Remuneration paid to Directors

Remuneration by way of Sitting Fees to Independent Directors are in accordance with the Appointment letter and Terms and conditions mentioned thereunder.

Remuneration to Independent Directors and Non-Executive Directors, is fixed by the Board based on -

(i) The contribution they make to the decision making at the Board level and

(ii) Industry standards/practice. Mr. Vasant Sridhar has been allocated 4,60,654 ESOPs under OXYZO Plan for FY 2023-24.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive and/or Independent Directors apart from the remuneration and the transactions under the Related Party Transactions, as disclosed in the financial statements.

The details of the remuneration paid to Ms. Ruchi Kalra, CFO & WTD and Mr. Vasant Sridhar, Executive Director of the Company for the financial year ended March 31, 2024 are given below:

Particulars	Ruchi Kalra	Vasant Sridhar
Gross Salary	22.46 Lakhs	33.97 Lakhs
a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	22.46 Lakhs	33.97 Lakhs
b) Value of perquisites under section 17(2) Income-tax Act, 1961		
c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
Period of Contract		
Notice Period and Severance Fees		
Employee Stock Options (“ESOP”)		4,60,654 shares
Benefits		
Bonus		
Pension		
Fixed component		
Variable component along with criteria		
Severance fees		
Stock option if issued at discount		
Accrued stock option		
Exercisable option		

The sitting fees paid to the Non-Executive Directors is as follows:

Name of the Director	Sitting Fees Paid (in Lakhs)
Sathyan David	15
Rohit Kapoor	2.5
Praveen Kumar Bhambani	5
Asish Mohapatra	NIL

No other compensation, commission etc. paid to any Director during the year 2023-24.

VII. General Body Meeting

Annual General Meeting:

Year	Date	Location	Time	Special Resolution Matter
2022-23 (7th)	26th September 2023	Via Video Conferencing ("VC") Other Audio-Visual Means ("OAVM")	12:00 Noon	1. To approve Alteration of Articles of Association of the Company
2021-22 (6th)	26th September 2022	Via Video Conferencing ("VC") Other Audio-Visual Means ("OAVM")	12:05 Noon	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
2020-21 (5th)	28th September 2021	Registered office - Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016	10:00 A.M.	No such Business

* No meeting is conducted through Postal Ballot.

Details of Extra Ordinary General Meeting held in FY 23-24 :

S. No	Date	Location	Special Resolution Matter
1	03rd February, 2024	Corporate Office- #101, First Sloor, Vipul Agora Mall, M.G. Road, Gurugram 122001	1. Approval for conversion of the Company to Public Limited Company 2. Adoption of new set of Articles of Association in compliance with the provisions of the Companies act, 2013 3. Re-appointment of Mr. Rohit Kapoor as a Non-executive Independent Director 4. To borrow in excess of the limits provided under section 180 (1)(c) of the Companies act, 2013
2	07th March, 2024	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1. To Approve the Issue and Offer of Rated, Listed, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures ("NCDs" or "Debentures") on Preferential basis. 2. To consider and approve the authorization to Board of Directors under section 180(1)(a) of the Companies act, 2013 up to an aggregate limit of INR 3,500 crores
3	16th March, 2024	Via Video Conferencing ("VC") Other Audio Visual Means ("OAVM")	1. To approve the Issue and Offer of Listed, Rated, Senior, Secured, Unsubordinated, Transferable, Redeemable, Fully Paid- up, Non-Convertible Debentures ("NCDs" or "Debentures") on preferential basis.

VIII. Means of Communication

A separate dedicated section 'Investors' is maintained on the website of the Company for ease of the shareholders. The information required to be disseminated by the Company in terms SEBI Listing Regulations are uploaded on the website of the Company.

Quarterly, Half-Yearly, Annual Financial Results & Annual Report are intimated to the BSE Limited. The Financial Results & Annual Report are also uploaded on the website of the Company. The said communication can be accessed at https://www.oxyzo.in/investor-relation/financial-information.

The Financial Results are generally published in leading business newspaper, namely, Financial Express (English) and simultaneously posted on the website of the Company, which can be accessed at https://www.oxyzo.in/investor-relation/financial-information.

IX. General Shareholders' Information

Eighth Annual General Meeting

Day, Time and Date	Venue
On or before 30th September 2024	Physically or Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

The Shareholders/Members, who cannot attend the AGM in person, can appoint a proxy to represent themselves at the AGM by sending a Proxy Form. The Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the AGM.

Financial Year: The Company follows April 01 to March 31 as its financial year

Details of Dividend for the Financial Year 2023-24:

The Company has not declared any dividend for the FY 2023-2024

Listing on Stock Exchange:

The non-convertible securities of the Company are listed on the debt market segment of BSE Limited.

Name of the Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

The Company has paid the listing fees for FY2024-25 to BSE Limited.

Stock Code – The equity shares of the Company are not listed on the Stock Exchange, hence the Stock code is not applicable

Market Price Data: High, Low during each month in the Financial Year 2023-24

Not Applicable , No equity shares are listed.

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc:

Not Applicable, No equity shares are listed.

Security Suspended

No such event occurred during the period under review.

Registrar and Share Transfer Agent

In terms of Regulation 7 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015; **KFin Technologies Limited**, continues to be the Registrar and Share Transfer Agent and handles all relevant share registry serviced. The communication address of the Registrar and Share Transfer Agent is given hereunder:

KFin Technologies Limited

Address: Selenium Building, Tower B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi – 500032, Telangana, India

E-mail: compliance.corp@kfintech.com

Share transfer system.

All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.

Process:

Step 1 - The investor fills the DIS (Delivery Instruction Slip) and submits to his/ her Depository Participant (DP)

Step 2 - The DP forwards the DIS form or request to respective depository (NSDL/ CDSL)

Step 3 - The Depository will transfer your existing shares to the Transferee Demat account

Step 4 - Once all the shares are transferred, the same will be reflected in the new investor Demat account.

Distribution of Shareholding as on March 31, 2024 on Fully Diluted Basis

S. No.	Category	Shareholding	
		No. of shares held	% of shareholding
A	**Promoters' holding**		
	Indian:		
1	**Individual**		
	Ruchi Kalra*	29,35,283	4.00%
2	**Body Corporate**		
	OFB Tech Private Limited	5,14,77,159	70.15%
	Sub Total (A)	**5,44,12,442**	**74.15%**
B	**Non-Promoters' holding**		
	Body Corporate:		
	Matrix Partners India IV AIF	44,896	0.06%
	Foreign Companies:		
	Norwest Capital, LLC	27,88,525	3.80%
	Creation Investments Social Ventures Fund V, LP	14,67,644	2.00%
	Internet Fund VII Pte. Ltd.	33,02,201	4.50%
	Alpha Wave Ventures II LP	54,30,286	7.40%
	Matrix Partners India Investment IV, LLC	13,11,303	1.79%
	Matrix Partners India Investments IV-A, LLC	38,063	0.05%
3	**Indian Private Equity Fund**	-	-
4	**Partnership Firms/ sole proprietorship**	-	-
	Sub Total (B)	1,43,82,918	19.60%
C	**ESOP**	45,86,348	6.25%
	Sub Total (C)	**45,86,348**	**6.25%**
	GRAND TOTAL(A+B+C)	**7,33,81,708**	**100%**

***Includes: 7,33,816 (1%) as Series A optionally convertible and redeemable preference shares.**

Dematerialization of Shares and Liquidity

Your Company's shares are admitted into both the Depositories i.e. NSDL and CDSL by the Company's Registrar and Share Transfer Agent, all the shares are in Demat Form.

Shares held in Physical Form

The Company does not have shares in the Physical Form.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity shares of the Company.

There are no outstanding GDRs / ADRs / Warrants / of the Company and hence, the same is not applicable to the Company.

However, the Company has issued Convertible Securities in the form of OCRPS/CCPS:

1. Private Placement of Cumulative Mandatorily and Fully Convertible Preference / OCRPS Security:
   During the FY 2023-24: N.A.
2. Conversion of OCRPS Security
   During the FY 2023-24: N.A.
3. Transfer of CCPS

S. No	Transferor	Transferee	Date of Transfer	Number of shares
1	MATRIX PARTNERS INDIA III AIF TRUST	MATRIX PARTNERS INDIA IV AIF,	21-04-2023	12,107 Series A CCPS and 1 Equity Share
2	Matrix Partners India Investments IV, LLC	Matrix Partners India Investments IV-A, LLC	10-07-2023	38,063 Series A CCPS
3	Matrix Partners India Investments IV, LLC	Matrix Partners India IV AIF	08-08-2023	32,788 Series A CCPS

Commodity price risk or foreign exchange risk and hedging activities

Your Company do not have any above captioned risk.

Plant Locations of the Company

Not Applicable

Address for Correspondence

Stakeholder can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and other grievances. The contact details are provided below:

Name of the officer	Ms. Pinki Jha
Designation	Chief Compliance Officer and Company Secretary
Postal address	101, First Floor, Vipul Agora Mall, MG Road, Gurugram-122001, Haryana, India
Telephone Number	0124-4006603
Mobile Number	+91-7353013499
Email ID	getsupport@oxyzo.in

Credit Rating: The credit rating details:

S.NO.	Instrument	Rating Agency	Rating As at March 31, 2024	Rating As at March 31, 2023
1	Non-convertible debentures	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
2	Commercial paper	ICRA Ltd	[ICRA] A1+	[ICRA] A1+
3	Long term - Fund Based	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
4	LT-Market Linked Debenture	ICRA Ltd	PP-MLD[ICRA] A+ (Stable)	PP-MLD[ICRA] A+ (Stable)
5	LT borrowing programme	ICRA Ltd	[ICRA] A+ (Stable)	[ICRA] A+ (Stable)
6	Fund Based Facilities	CRISIL	CRISIL A+/Stable	CRISIL A+/Stable
7	Long term Principal Protected Market Linked Debenture	CRISIL	CRISIL PPMLD A+/Stable	CRISIL PPMLD A+/Stable
8	Non-convertible debentures	CRISIL	CRISIL A+/Stable	CRISIL A+/Stable
9	Bank Lines	CARE	Withdrawn	CARE A+(Stable)
10	Non-convertible debentures	CARE	Withdrawn	CARE A+(Stable)

Revision in Credit rating during the Financial Year:

There has been no upward/downward revision in the credit rating of the instruments issued by OXYZO Financial Services Limited during the Financial Year 2023-24. Further Credit Rating from CARE was reaffirmed CARE A+; Stable / CARE A1+ and withdrawn for Bank Lines and Non-Convertible Debentures.

X. Other Disclosures

Whistle Blower Policy /Vigil Mechanism

The Company has in place a Whistle Blower Policy ('Policy') and has established the necessary vigil mechanism for Directors and employees in confirmation with Section 177(9) of the Companies Act, to report concerns about unethical behavior.

The Policy provides a neutral and unbiased forum for any Director or employees of the Company to voice concerns in a responsible and effective manner, if they discover information, which they believe shows malpractice, impropriety, abuse or violation of code of conduct, without fear of reprisal. The Policy is disclosed on Company's website at https://www.oxyzo.in/policy/disclaimer

The Audit Committee reviews the functioning of the Policy. During the year, no Director or full-time employee of the Company was denied access to the Chairperson of the Audit Committee.

Disclosure of Related Party Transactions and weblink

Your Company has formulated a policy on related party transactions and on dealing with related party transactions in accordance with Companies Act, 2013 and RBI Master Direction.

During the Financial Year 2023-24, there were no materially significant related party transactions that may have potential conflict of interests of the Company at large. Related Party disclosures have been disclosed in Note 44 to the Standalone Financial Statements forming an integral part of the Annual Report.

The Policy disclosed on the website of the Company at www.oxyzo.in

Disclosure on Accounting treatment in preparation of Financial Statements

The Company has prepared financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

Breach of covenant

No breach of covenants was made during financial year 2023-2024 while availing Loans or Debt Securities issued.

Divergence in Asset Classification and Provisioning

NBFCs shall disclose details of divergence as per the Format given in the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, if either or both of the following conditions are satisfied:

(i) The additional provisioning requirements assessed by the Reserve Bank exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period,

(ii) The additional Gross NPAs identified by the Reserve Bank exceeds 5 percent of the reported Gross NPAs for the reference period.

- Not Applicable

Details of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

No penalties, structures were imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, in the financial year 2023-2024.

However, in the financial year 2022-23, the SEBI imposed penalty amounting Rs. 12,09,500 for delayed compliance under the regulation 50, 57(1), 57(5), and 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year 2022-2023 & 2021-2022.

After the prompt representations, the Compliance Team of OXYZO put its arguments before BSE and successfully withdraw the penalty amounting Rs. 9,81,760 and the company is in under discussion with BSE for remaining penalties.

There are no other penalties imposed by any other statutory authorities. Also, there is no such event occurred of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

Details of compliance with mandatory and adoption of non-mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations as applicable to the Company being a Debt Listed Company.

Details of the Material Subsidiaries of the Company

Material Subsidiary as defined under Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 is not applicable on our Company.

Reporting of Internal Auditor – The Internal auditor reports directly to the Audit Committee.

Audit Qualifications – The Company has unqualified financial statements. The Auditors of the Company, have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the year ended March 31, 2024.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

This regulation is not applicable, though company has issued NCD through private placement during FY 23-24 and utilised the fund for the purpose mentioned in term sheet / Sanction letter.

Certificate from Practicing Company Secretary regarding non-debarment and non disqualification of directors

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Kindly refer Annexure A

Cases where board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.

There has been no instance during the period under review where the Board has not accepted the recommendations of any mandatory committee.

Statutory Audit Fees paid by the listed entity and its subsidiaries

(in Lakhs)

Payment to Auditor	OXYZO Financial Services Limited	OXY Ventures Private Limited-	Oxy B Securities Private Limited-	Oxyzo Investment Manager Private Limited-	Oxyzo Finvest Private Limited-	Ziel Financial Technologies Private Limited-	Zfirst Technologies Private Limited
Auditor's Name	M/S S N DHAWAN & CO	M/S PSAN & Co.	M/S PSAN & Co.	M/S PSAN & Co.	M/S PSAN & Co.	Lodha & Co	Lodha & Co
Statutory Audit	20.00	1.25	0.25	0.25	0.25	2.75	0.75
Limited Review	11.00	-	-	-	-	-	-
Tax Audit	4.00	-	-	-	-	-	-
For other Certifications and Reporting	6.25	-	-	-	-	0.15	0.15
Audit of Consolidated financial statement	3.00	-	-	-	-	-	-
Group Reporting	2.00	-	-	-	-	-	-

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to provide a safe and conducive work environment to its employees. The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has the said policy, which can be accessed at https://www.oxyzo.in/policy/disclaimer

No. of complaints filed during the financial year	NIL
No. of complaints disposed of during the financial year	NIL
No. of complaints pending as on end of the financial year	NIL

Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

S. No.	Particulars	March 31, 2024 (Amount in Lakhs)
a)	Loans and advances in the nature of loans to subsidiaries	
	Name of the Company	OXY Ventures Private Limited
	Amount	4,463.00
	Name of the Company	Oxyzo Investment Manager Private Limited
	Amount	25.47
b)	Loans and advances in the nature of loans to associates	
	Name of the Company	
	Amount	
c)	Loans and advances in the nature of loans to firms/ companies in which directors are interested	

XI. Compliance with Corporate Governance

Your Company has complied with Corporate Governance practice to the extent of applicability under the Law. Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance is annexed as **Annexure B**.

***Not Applicable provisions**

Your Company registered on BSE as DEBT Listed is not required to comply with following clauses/points under Part C of Schedule V of SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

- Point -12 – Discretionary requirements as specified in Part E of Schedule II as per regulation 27 (1) though, Company has moved towards a regime of financial statements with unmodified audit opinion.
- Point 13 – Disclosure as per Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2)

Disclosures with respect to demat suspense account/ unclaimed suspense account

No such accounts are existing to the Company

For and on behalf of Board of Directors
OXYZO Financial Services Limited
(Formerly known as OXYZO Financial Services Private Limited)

SD/-

Ruchi Kalra

CFO and WTD

DIN:03103474

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

Dated: 28 May 2024

Place: Gurugram, Haryana

SD/-

Vasant Sridhar

Director

DIN : 07685035

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

Dated: 28 May 2024

Place: Gurugram, Haryana

ANNEXURE-A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS - 2024

KUNDAN KUMAR MISHRA & ASSOCIATES
Company Secretaries
Unique Identification No. S2018DE563000
PR -2908/2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (ListingObligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
OXYZO FINANCIAL SERVICES LIMITED
(Formally known as OXYZO FINANCIAL SERVICES PRIVATE LIMITED)
(CIN: U65929DL2016PLC306174)
Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main, South Delhi 110016

1. That the debt securities of **OXYZO FINANCIAL SERVICES LIMITED (Formally known as OXYZO FINANCIAL SERVICES PRIVATE LIMITED)** (herein after referred as "the Company") are listed on BSE Limited.

2. I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of OXYZO FINANCIAL SERVICES LIMITED (Formally known as OXYZO FINANCIAL SERVICES PRIVATE LIMITED) having CIN: U65929DL2016PLC306174 and having registered office at **Shop No. G-22 C (UGF) D-1 (K-84) Green Park Main, South Delhi 110016** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. In my opinion and to the best of my/our information and according to the verifications and examination of the disclosures under section 184, 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and Directors Identification Number (DIN) status at the portal, www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the below named Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	RUCHI KALRA	03103474	21/09/2016
2	ROHIT KAPOOR	06529360	05/02/2019
3	ASISH MOHAPATRA	06666246	05/02/2019
4	VASANT SRIDHAR	07685035	26/12/2016
5	SATHYAN DAVID	08386521	11/04/2019
6	PRAVEEN KUMAR BHAMBANI	09681934	06/08/2022

Kundan Kumar Mishra & Associates C.P.No. 19844 M. No. F11769 New delhi Company Secretaries

Address: Office No. 301, Building N0. 61, Vijay Block, Laxmi Nagar, New Delhi - 110092
Email id: Kundankumarmishra107@gmail.com ; cskundankumarmishra@gmail.com
Mobile: +91-8527675107, +91-8851440227

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS - 2024

4. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For Kundan Kumar Mishra & Associates
Company Secretaries

Kundan Kumar Mishra & Associates
C.P. No. 19844
M. No. F11769
FCS
New delhi
Company Secretaries

Kundan Kumar Mishra
14.05.2024
Kundan Kumar Mishra
Proprietor
M. No. F11769
CP. No. 19844
PR: 2908/2023
UDIN: F011769F000369491

Date: 14/05/2024
Place: New Delhi

ANNEXURE-B

CERTIFICATE OF CORPORATE GOVERNANCE

KUNDAN KUMAR MISHRA & ASSOCIATES
Company Secretaries
Unique Identification No. S2018DE563000
PR -2908/2023

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members of
OXYZO FINANCIAL SERVICES LIMITED
(Formally known as OXYZO FINANCIAL SERVICES PRIVATE LIMITED)
(CIN: U65929DL2016PLC306174)
Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main, South Delhi 110016

We have examined all the relevant records of OXYZO **FINANCIAL SERVICES LIMITED (Formally known as OXYZO FINANCIAL SERVICES PRIVATE LIMITED ("the Company")** for the purpose of certifying compliance with the conditions of the Corporate Governance under Chapter - V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the financial year from **April 01, 2023 to March 31, 2024.**

The compliance with conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This Certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Kundan Kumar Mishra & Associates
Company Secretaries

Kundan Kumar Mishra Kundan Kumar Mishra & Associates C.P.No. 19844 M. No. F11769 FCS New delhi Company Secretaries

14.05.2024

Kundan Kumar Mishra
Proprietor
M. No. F11769
CP. No. 19844
PR: 2908/2023
UDIN: F011769F000369302

Date: 14/05/2024
Place: New Delhi

Address: Office No. 301, Building N0. 61, Vijay Block, Laxmi Nagar, New Delhi – 110092
Email id: Kundankumarmishra107@gmail.com ; cskundankumarmishra@gmail.com
Mobile: +91-8527675107, +91-8851440227

Secretarial Audit report for the FY 2023-24 (Annexure-C)

Secretarial Audit Report (Financial Year 2023-2024)

ABHINAV AGARWAL & ASSOCIATES
Company Secretaries & Registered Valuers (IBBI-SFA)
(A peer reviewed firm of Company Secretaries)
Regd. Office: Office No. 256, Ground Floor,
Anarkali Complex, Jhandewalan, New Delhi - 1100552
T: +91-99900 61697 E: pcs.abhinav@gmail.com W: www.corpvaluers.com

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2024

To,
The Members,
OXYZO FINANCIAL SERVICES LIMITED
(Formerly known as Oxyzo Financial Services Private Limited)
Reg. Off: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main New Delhi - 110016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **OXYZO FINANCIAL SERVICES LIMITED** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **OXYZO FINANCIAL SERVICES LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not applicable to the Company during the Audit Period)**;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period)**;
   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the Audit Period)**;
   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not applicable to the Company during the Audit Period)**;
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**; and

vi) Other laws, specifically applicable to the company:
a) Specific provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
b) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;
c) RBI Regulations for NBFC Company; and
d) Other Laws including Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Labour Laws, etc. to the extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:
a) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
b) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has generally complied, to the extent possible, with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review except for certain re-appointments mentioned below.

Adequate notice has been given to all directors to schedule the Board Meetings. Except where the meeting is scheduled at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that in accordance with the information provided to us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:
i) Approved the Scheme of Composite Scheme of Arrangement amongst ZFirst Technologies Private Limited ("Amalgamating Company"), Oxyzo Financial Services Limited ("Amalgamated Company" or "Company"), Ziel Financial Technologies Private Limited ("Transferee company") and their respective shareholders in the Board Meeting held on August 10, 2023.
ii) Approved the alteration of Articles of Association in the Annual General Meeting held on September 26, 2023.
iii) Approved the re-appointment of Mrs. Ruchi Kalra (DIN: 03103474) as Whole-Time Director in the Board Meeting held on February 03, 2024.
iv) Approved the increased in limits under Section 180(1)(c) of the Act in the Extra-Ordinary General Meeting held on February 03, 2024.
v) Approved the conversion from Private Limited to Public Limited Company by altering its Articles of Association in the Extra-Ordinary General Meeting held on February, 03, 2024.
vi) Approved the re-appointment of Mr. Rohit Kapoor (DIN: 06529360) as Independent Director in the Extra-Ordinary General Meeting held on February 03, 2024.

Continuation Page | 2

ABHINAV AGARWAL & ASSOCIATES CS COMPANY SECRETARIES

vii) Approved the issue and allotment of 2500 (Two Thousand and Five Hundred) Non-Convertible Debentures of INR 1,00,000/- each, on private placement basis, at an issue price of INR 1,00,000/- per debenture in the Extra-Ordinary General Meeting held on March 07, 2024.

viii) Approved the increased in limits under Section 180(1)(a) of the Act in the Extra-Ordinary General Meeting held on March 07, 2024.

ix) Approved the issue and allotment of 2400 (Two Thousand and Four Hundred) Non-Convertible Debentures of INR 1,00,000/- each, on private placement basis, at an issue price of INR 1,00,000/- per debenture in the Extra-Ordinary General Meeting held on March 16, 2024.

x) Approved the recommendation to the shareholders for re-appointment of Mr. Sathyan David (DIN: 08386521) as Independent Director in the Board Meeting held on March 22, 2024.

For and on Behalf of
Abhinav Agarwal & Associates
Company Secretaries & Registered Valuers (IBBI-SFA)
(A peer reviewed firm of Company Secretaries)

RV FCS Abhinav Agarwal
Proprietor
FCS: 10972; C.P. No.: 15639
Firm Unique Code: I2015DE1372300
Peer Review Certificate no. 2809/2022

Place: New Delhi
Date: June 24, 2024
UDIN: F010972F000607975

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

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Annexure to the Secretarial Audit Report

To,
The Members,
OXYZO FINANCIAL SERVICES LIMITED
(Formerly known as Oxyzo Financial Services Private Limited)
Reg. Off: Shop No. G-22 C (UGF) D-1 (K-84)
Green Park Main New Delhi - 110016

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification.

For and on Behalf of
Abhinav Agarwal & Associates
Company Secretaries & Registered Valuers (IBBI-SFA)
(A peer reviewed firm of Company Secretaries)

ABHINAV AGARWAL & ASSOCIATES CS COMPANY SECRETARIES

RV FCS Abhinav Agarwal
Proprietor
FCS: 10972; C.P. No.: 15639
Firm Unique Code: I2015DE1372300
Peer Review Certificate no. 2809/2022

Place: New Delhi
Date: June 24, 2024
UDIN: F010972F000607975