

Independent Auditor's Review Report on Interim Financial Results**To the Board of Directors of Oxyzo Financial Services Private Limited**

1. We have reviewed the accompanying Statement of unaudited Financial Results of Oxyzo Financial Services Private Limited (the "Company"), for the quarter and nine months ended 31 December 2021 (the "Statement"). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

4. We draw attention to Note 8 to the Statement, which describes that the Company has recognised impairment of the financial assets to reflect the adverse business impact and uncertainties arising from COVID-19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from impact of the COVID-19 pandemic. Our conclusion to the statement is not modified in respect of this matter.

Other Matter

5. As described in Note 3 of the Statement, the comparative figures for the quarter ended 30 September 2021 are the balancing figures between reviewed figures in respect of the half year ended 30 September 2021 and management certified figures for the quarter ended 30 June 2021 which was not subjected to limited review / audit. The comparative information the quarter and nine months ended 31 December 2020 is management certified only and have not been subjected to limited review / audit. Our conclusion to the statement is not modified in respect of this matter.



6. The comparative Ind AS financial information of the Company for the year ended 31 March 2021 have been traced from the audited financial information which was audited by the predecessor auditor M/s Deloitte Haskins & Sells, who expressed an unmodified opinion on that financial information on 07 June 2021. Our report is not modified in this respect.

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No. - 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570
UDIN No: 22096570AAJKEM8854

Place: Gurugram
Date: 04 February 2022



Oxyzo Financial Services Private Limited
Statement of financial results for the quarter and nine months ended 31 December 2021
(All amounts in Rupees lakhs, unless otherwise stated)
Registered office: Shop No. G-22C (UGF) D-1 (K-84) Green Park Main, New Delhi-110016
Tel. No: 011-40507973, Website: www.oxyzo.in
CIN: U65929DL2016PTC306174

Particulars	Quarter ended			Nine months ended		Year ended 31 March 2021 (Audited)
	31 December 2021 (Unaudited)	30 September 2021 (Unaudited) (Refer note 3)	31 December 2020 (Unaudited) (Refer note 3)	31 December 2021 (Unaudited)	31 December 2020 (Unaudited) (Refer note 3)	
1 Revenue from operations						
(i) Interest income	7,794.15	6,987.98	4,668.90	20,699.81	13,468.26	19,250.25
(ii) Fee and commission income	310.27	257.43	114.34	846.82	299.60	414.33
(iii) Net gain on fair value changes	0.23	37.33	9.12	110.15	9.12	88.39
Total Revenue from operations	8,104.65	7,282.74	4,792.36	21,656.78	13,776.98	19,752.97
2 Other income	15.83	3.81	-	19.64	3.56	4.20
3 Total Income (1+2)	8,120.48	7,286.55	4,792.36	21,676.42	13,780.54	19,757.17
4 Expenses						
(i) Finance costs	3,845.58	3,288.42	2,353.74	10,171.64	6,206.05	9,021.93
(ii) Impairment on financial instruments	232.57	637.71	231.69	1,171.14	1,312.97	1,576.47
(iii) Employees benefit expenses	1,129.07	1,033.50	684.52	2,955.06	2,032.78	2,995.48
(iv) Depreciation and amortisation expense	8.06	7.21	6.58	21.57	19.90	26.44
(v) Other expenses	344.97	219.28	247.45	812.60	526.83	755.17
Total expenses	5,560.25	5,186.12	3,523.98	15,132.01	10,098.53	14,375.49
5 Profit before tax (3-4)	2,560.23	2,100.43	1,268.38	6,544.41	3,682.01	5,381.68
6 Tax expense						
Current tax	684.45	635.07	263.21	1,864.62	1,054.96	1,538.43
Deferred tax charge/ (benefit)	(23.67)	(92.14)	59.51	(172.01)	(118.99)	(150.44)
	660.78	542.93	322.72	1,692.61	935.97	1,387.99
7 Profit for the year/ period (5-6)	1,899.45	1,557.50	945.66	4,851.80	2,746.04	3,993.69
8 Other comprehensive income, net of tax						
Items that will not be reclassified to profit or loss						
Remeasurement (loss)/ gain on defined benefit plans	(0.49)	(0.49)	-	(1.47)	-	(1.64)
Income tax benefit/ (charge) on above	0.12	0.13	-	0.37	-	0.41
Other comprehensive income / (loss) for the year/ period	(0.37)	(0.36)	-	(1.10)	-	(1.23)
9 Total comprehensive income for the year/ period (7+8)	1,899.08	1,557.14	945.66	4,850.70	2,746.04	3,992.46
10 Earnings per share (nominal value of share Rs. 10 each):						
Basic (in Rupees)*	3.71	3.09	1.95	9.67	5.72	8.29
Diluted (in Rupees)*	3.71	3.09	1.95	9.67	5.72	8.29

* not annualised for the half year and quarter ended.

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Notes forming part of financial results for the quarter and nine months ended 31 December 2021

- 1 The Company is a Non-Banking Financial Company - Non-Deposit taking Systemically Important Company ('NBFC-ND-SI'), registered with the Reserve Bank of India ('the RBI').
- 2 The above financial results for the quarter and 9 months ended 31 December 2021 have been reviewed by the Audit Committee at their meeting and approved by the Board of Directors at their meeting held on 4 February 2022. The report is being filed with Bombay stock exchange ("BSE") and is also available on the Company's website www.oxyzo.in.
- 3 In compliance with Regulation 52 of the Securities Exchange Board of India("SEBI") (Listing Obligations and Disclosure Requirements) Regulations,2015 (as amended), a limited review of financial results for the quarter and nine months ended 31 December 2021 has been carried out by the Statutory Auditors. However, the comparative figures for the quarter ended 30 September 2021 are the balancing figures between reviewed figures in respect of the half year ended 30 September 2021 and management certified figures for the quarter ended 30 June 2021 which have not been subjected to limited review / audit. Similarly the figures for the quarter and nine months ended 31 December 2020 are management certified figures and have not been subjected to limited review / audit.
- 4 These results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 5 Information as required by Regulation 52 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per 'Annexure I' attached.
- 6 The Company during the quarter and nine months ended 31 December, 2021 has issued 250 units and 3,280 units of Non-Convertible Debenture amounting to Rs. 2,500 lakhs and 13,000 lakhs respectively which are listed on BSE.
- 7 Disclosure as required under RBI notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020 and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 on COVID-19 Regulatory Package - Asset Classification and Provisioning is not required to be disclosed for the nine months ended 31 December 2021.
- 8 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Company has based on currently available information and based on the policy approved by the Board of Directors, determined the prudential estimate of the provision for impairment of financial assets. In estimating the provision for impairment of financial assets, the Company has considered internal and external sources of information including economic forecasts and industry reports up to the date of approval of these financial results.

Accordingly, the provision for expected credit loss on financial assets as at 31 December 2021 aggregates Rs. 2,968.44 lakhs (as at 31 March 2021, Rs. 2,372.80 lakhs) which includes potential impact on account of the pandemic amounting to Rs. 200.00 lakhs (as at 31 March 2021, Rs. 399.62 lakhs). The eventual outcome of global health pandemic due to prevailing uncertainty may be different from those estimated as on the date of approval of financial results and Company will continue to monitor any material changes for future economic conditions. However, based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

- 9 Disclosure as per format prescribed under notification no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 5 May 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to Rs.50 crores) read with notification no. RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 1 January 2019.

No. of accounts restructured	Amount (in lakhs)*
13	573.4

* Exposure to accounts before implementation of the plan

- 10 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced a scheme for COVID-19 Relief for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium as per RBI regulatory package was availed or not. The Company had implemented the Scheme and credited the accounts of or remitted amounts to the eligible borrowers as per the Scheme, amounting to Rs. 19.64 lakhs. The Company has filed its revised supplementary claim for Rs. 19.64 lakhs for the ex-gratia with State Bank of India on September 23, 2021, as per the Scheme. Subsequently, the Company has received Rs. 19.64 lakhs in the month of December 2021.
- 11 On November 12, 2021, Reserve Bank of India issued circular requiring changes to and clarifying certain aspects of Income Recognition and Asset Classification Norms. The Management has taken necessary steps to comply with norms/changes as and when they became applicable.
- 12 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 13 Previous period/ year figures have been regrouped / reclassified, wherever found necessary, to conform to current period's classification.
- 14 The Code on Social Security 2020 has been notified in the Official Gazette on 29 September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in the period in which said code becomes effective and the rules formed thereunder are published.

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

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Ruchi Kalra

Whole time Director and Chief Financial Officer
(DIN: 03103474)

Place: Gurugram
Date: 04 February 2022



Oxyzo Financial Services Private Limited

Annexure I :

Additional Information required to be submitted in terms of Regulation 52(4) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015
(All amounts in Rupees lakhs, unless otherwise stated)**1) Ratios:**

Sr. No	Ratio	Computation	Quarter ended					
			31 December 2021 (Unaudited)	30 September 2021 (Unaudited) (Refer note 3)	31 December 2020 (Unaudited) (Refer note 3)	Nine month ended		Year ended
						31 December 2021 (Unaudited)	31 December 2020 (Unaudited) (Refer note 3)	31 March 2021 (Audited)
1	Debt Equity Ratio (No. of Times)	(Debt Securities + Borrowings (other than Debt Securities)/ (Equity Share Capital + Other Equity)	3.29	2.70	2.50	3.29	2.50	2.60
2	Debt Service Coverage Ratio		NA	NA	NA	NA	NA	NA
3	Interest service coverage ratio		NA	NA	NA	NA	NA	NA
4	Outstanding redeemable preference shares (Nos. in Lakhs)		-	-	-	-	-	-
5	Outstanding redeemable preference shares (Values)		-	-	-	-	-	-
6	Debenture Redemption Reserve		-	-	-	-	-	-
7	Net Worth	Equity Share Capital + Other Equity	54,940.33	52,998.61	37,145.93	54,940.33	37,145.93	44,961.65
8	Current ratio		NA	NA	NA	NA	NA	NA
9	Long term debt to working capital		NA	NA	NA	NA	NA	NA
10	Current liability ratio		NA	NA	NA	NA	NA	NA
11	Total debts to total assets(%)	(Debt Securities + Borrowings (other than Debt Securities) /Total Assets	75.82	72.02	70.32	75.82	70.32	71.02
12	Debtors turnover		NA	NA	NA	NA	NA	NA
13	Inventory turnover		NA	NA	NA	NA	NA	NA
14	Operating margin(%)		NA	NA	NA	NA	NA	NA
15	Net profit margin (%)	Profit after Tax/ Revenue from Operations	23.44	21.39	19.73	22.40	19.93	20.22
16	Bad debts to account receivable ratio		NA	NA	NA	NA	NA	NA
17	CRAR (Tier I+II)	Total Net owned funds / Adjusted value of funded risk assets on balance sheet items	25.23	28.58	30.09	25.23	30.09	32.32
18	Gross Non Performing Assets (%)	Gross NPA/ Gross Loans	1.57	1.21	1.31	1.57	1.31	1.21
19	Net Non Performing Assets(%)	Net NPA/ Net Loans	0.98	0.66	0.32	0.98	0.32	0.50
20	Provision Coverage Ratio(%)	Impairment loss allowance on Gross NPA/ Gross NPA	38.73	46.91	76.39	38.73	76.39	59.08
21	Asset Cover Ratio (No. of Times)		1.08	1.13	0.86	1.08	0.86	1.19

NA – Not applicable. As per the management, these ratios are either not applicable or cannot be meaningfully computed considering the nature of Company's operations.

2) The Company does not have any non- convertible redeemable preference shares/ non- convertible preference shares/ redeemable preference shares.

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