Key Information Memorandum
Srl. No.: 04/2025-26 *Private and Confidential*
Date: August 07, 2025 *For Private Circulation Only*

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED

Corporate Identity Number (CIN): U65100KA2016PTC086990
Permanent Account Number: AAGCK1119D
Date and Place of Incorporation: March 16, 2016, Bengaluru, Karnataka, India
Certificate of Registration issued by Reserve Bank of India: N-02.00281
Registered Office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murugeshpalya, Bengaluru - 560017
Corporate Office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murugeshpalya, Bengaluru - 560017
Telephone No: 080-41275009, Website: www.kbnbfc.in, Email: legal@krazybee.com
Compliance Officer: Pallavi Lingaraju Contact details of Compliance Officer: 91-9972857010; email address: secretarial@krazybee.com
Company Secretary: Pallavi Lingaraju Contact details of Company Secretary: 91-9972857010; email address: secretarial@krazybee.com
Chief Financial Officer: Vivek Veda Contact Details of Chief Financial Officer 080-41275009; email address: secretarial@krazybee.com
Promoter(s): Nil. As on date, the Company does not have any promoter. Please refer to Section 6 (*Issuer Information*).

This Issue does not form part of non-equity Tier-II / regulatory capital mentioned under Chapter V of the NCS Listing Regulations, and the Issuer hereby confirms that Chapter V of the NCS Listing Regulations is not applicable to the present Issue. The face value of each Debenture issued on private placement basis under this Issue shall be INR 1,00,000/- (Indian Rupees One Lakh).

THIS KEY INFORMATION DOCUMENT DATED AUGUST 07, 2025, 2025 FOR ISSUE OF DEBENTURES ON A PRIVATE PLACEMENT BASIS, TO BE READ ALONG WITH GENERAL INFORMATION DOCUMENT DATED OCTOBER 13, 2024 BEARING REFERENCE 2/2024-25.

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO THE ISSUANCE OF UP TO 47,500 (FORTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 475,00,00,000/- (INDIAN RUPEES FOUR HUNDRED SEVENTY FIVE CRORE ONLY) ("DEBENTURES" OR "NCDS") COMPRISING OF: (A) A BASE ISSUE OF UP TO 27,500 (TWENTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 275,00,00,000/- (INDIAN RUPEES TWO HUNDRED SEVENTY FIVE CRORE ONLY); AND (B) A GREEN SHOE OPTION OF UP TO 20,000 (TWENTY THOUSAND) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 200,00,00,000/- (INDIAN RUPEES TWO HUNDRED CRORE ONLY) ("GREEN SHOE OPTION") , BY WAY OF A PRIVATE PL ACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER") HAVING INTEREST RATE OF 10.65% (TEN POINT SIX FIVE PERCENT) PER ANNUM PAYABLE MONTHLY GROSS OF APPLICABLE TAX PAYABLE MONTHLY FROM THE DATE OF ISSUE.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Debenture Trustee	Register & Transfer Agent	Credit Rating Agency	Statutory Auditor
SBICAP Trustee Company Limited Address: 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai – 400 020 Tel.: +91 22 4302 5566/ +91 22 4302 5555 Email: corporate@sbicaptrustee.com Contact person: Mr. Aditya Kapil Vice President: Head Operations & Marketing Website: www.sbicaptrustee.com	**NSDL Database Management Limited** Address:4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Tel.: 022 -24994200 Email: sachin.shinde@nsdl.co.in Contact person: Sachin V Shinde Website: www.ndml-nsdl.co.in	**CARE Ratings Limited** Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Telephone Number: +91-22- 6754 3456 Email address:care@careratings.com; Contact person: Mr. Ravi Website: https://www.careratings.com/;	**Tattvam and Co.*** Address: JD-2C, 2nd Floor, Pitampura, Metro Pillar No. 355, New Delhi - 110034 Email Id: mail@tattavamgroup.in Telephone No: +91 9650777079 Contact Person: Sagar Arora Website: https://www.tattvamandco.com/Peer Review No: 016277

***** *M/s.Tattvam & Co. has resigned from the office of statutory auditor with effect from August 05, 2025 and the Company is evaluating various proposals to fill the said casual vacancy.*

ISSUE SCHEDULE	
Issue Opening Date	August 11, 2025
Issue Closing Date	August 11, 2025
Pay in Date	August 12, 2025
Deemed Date of Allotment / Allotment Date	August 12, 2025
Date of earliest closing of the issue, if any	NA

ISSUE DETAILS	
Nature	**Senior, Secured, Listed, Rated, Transferable, Redeemable, Non-Convertible Debentures**
Number	Issuance of up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**").
Price per Debenture	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture
Amount	INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only)
Issue size (base issue or green shoe)	Issuance of up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**") comprising of: a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Crore Only) ("**Green Shoe Option**")

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Coupon	Fixed interest of 10.65% (Ten point six five percent) per annum payable monthly
Coupon Payment Frequency	Monthly basis
Redemption Date	August 12, 2027
Redemption Amount	Debentures shall be redeemed at par
Credit Rating	The Debentures proposed to be issued by the Issuer have been rated by CARE Ratings Limited ("**Rating Agency" / "CRISIL**"). The Rating Agency has *vide* its letter dated July 11, 2025, and rating rationale dated July 14, 2025 assigned a rating of "CARE A" with 'Stable' outlook in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Key Information Document for the rating letter dated July 11, 2025 and rating rationale dated July 14, 2025 from the Rating Agency assigning the credit rating abovementioned and the press release by the Rating Agency in this respect.
Details of Eligible Investors	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"): a) Individuals except Politically Exposed Person b) Hindu Undivided Family c) Trust Limited Liability Partnerships d) Partnership Firm(s) e) Portfolio Managers registered with SEBI f) Association of Persons g) Companies and Bodies Corporate including Public Sector Undertakings. h) Commercial Banks i) Regional Rural Banks j) Financial Institutions k) Insurance Companies l) Mutual Funds m) FPIs n) NBFCs Any other investor eligible to invest in these Debentures
Details about Underwriting	Not Applicable
Listing	In the event that: (i) the Debentures are not listed on the BSE within a period of 3 (Three) trading days from the Issue closing date or as per the applicable guidelines whichever is lower, the Company shall pay default interest calculated at the rate of 1% (One Percent) per annum on the outstanding principal amount of the Debentures over and above the Coupon Rate for the period that the Debentures are unlisted or delisted. The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited ("**BSE**" or the "**Stock Exchange**"). The Issuer shall comply with the requirements of the SEBI LODR Regulations (as defined in Key Information Document) to the extent applicable to it on a continuous basis. Please refer to Annexure VII of the Key Information Document for the 'in-principle' listing approval from the Stock Exchange.
Electronic Book Provider Platform	The Issue shall be made through the electronic bidding platform (EPB) in compliance with the extant Non-Convertible Securities (NCS) Issuance and Listing Regulations read with

<table>
<tr><td></td><td>Listed NCDs Master Circular for details refer to Annexure IX (Application Process) of the Key Information Document.</td></tr>
<tr><td>Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Key Information Document on the Electronic Book Provider Platform, if applicable.</td><td>This Issue, offer and subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI and BSE under the EBP Guidelines (as defined below) by placing bids on the EBP Platform during the period of the Issue. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines (as defined below) are set out hereinbelow:
<table>
<tr><td>Details of size of the Issue including green shoe option, if any</td><td>Total Issue size: Issuance of up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) (“Debentures” / “NCDs”).

Green Shoe Option: up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only)</td></tr>
<tr><td>Anchor Portion Details</td><td>No</td></tr>
<tr><td>Interest rate parameter</td><td>Fixed Coupon</td></tr>
<tr><td>Bid opening and closing date</td><td>Bid opening date: August 11, 2025; and
Bid closing date: August 11, 2025</td></tr>
<tr><td>Minimum Bid lot</td><td>100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter</td></tr>
<tr><td>Manner of bidding in the Issue/ Bid Book Type</td><td>Closed</td></tr>
<tr><td>Manner of allotment in the Issue</td><td>The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.</td></tr>
<tr><td>Manner of settlement in the Issue</td><td>Pay-in of funds through ICCL and the account details are given in the Annexure IX (Application Process) of this Key Information Document</td></tr>
<tr><td>Settlement cycle & Deemed Date of Allotment</td><td>T+1; where T refers to the date of bid opening date / issue opening date
Settlement of the Issue will be on August 12, 2025.</td></tr>
<tr><td>Listing Period</td><td>T+3; where T refers to the date of bid opening date / issue opening date</td></tr>
</table></td></tr>
<tr><td>Specific declaration requested by BSE: non-equity regulatory capital</td><td>This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the NCS Listing Regulations. The face value of each Debenture is INR 1,00,000/- (Indian Rupees One Lakh Only).</td></tr>
<tr><td>Disclosure of filing</td><td>Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Companies Act, 2013.</td></tr>
<tr><td>Reissuance of Debentures</td><td>The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be..</td></tr>
</table>

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BACKGROUND

This Key Information Document (as defined below) is related to the Debentures to be issued by Krazybee Services Private Limited (the "**Issuer**" or "**Company**") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on June 27, 2025 and the Board of Directors of the Issuer on June 25, 2025 under Section 180 (1)(c) of the Companies Act, 2013 read with resolution passed by Finance Committee on July 30, 2025 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated June 27, 2025 in accordance with provisions of Section 180 (1)(c) the Companies Act, 2013 ("**Companies Act**"), the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 8500,00,00,000/- (Indian Rupees Eight Thousand Five Hundred Crore).

This Issue does not form part of non-equity Tier-II / regulatory capital mentioned under Chapter V of the NCS Listing Regulations and the Issuer hereby confirms that Chapter V of the NCS Listing Regulations is not applicable to the present Issue. The face value of each Debenture issued on private placement basis under this Issue shall be INR 1,00,000/- (Indian Rupees One Lakh).

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this issue document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the issue document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

GENERAL RISK

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 4 of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

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SECTION 1 DISCLAIMERS

GENERAL DISCLAIMER

This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus and does not constitute an offer to the public to subscribe to the Issue.

The Debentures are to be listed on BSE and is being made strictly on a private placement basis. The Key Information Document is not intended to be circulated to more than 200 (two hundred) persons. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. No invitation is being made to any persons other than to those to whom Application Form along with this Key Information Document have been sent. Any application by a person to whom the Key Information Document and Application Form have not been sent by the Company shall be rejected without assigning any reason. The person who is in receipt of the Key Information Document shall maintain utmost confidentiality regarding the contents of the Key Information Document and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer.

This Key Information Document has been prepared in conformity with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended up to date and other applicable Law and regulations. Therefore, as per the applicable provisions, a copy of this Key Information Document has not been filed or submitted to the SEBI for its review and/or approval. It is the responsibility of potential investors to also ensure that any sale by them of the NCDs/Debentures does not constitute an offer to the public within the meaning of the Companies Act.

Apart from the Key Information Document, no offer document or prospectus has been prepared in connection with this Issue and that no prospectus in relation to the Issuer or the NCDs relating to this Issue has been delivered for registration nor such a document is required to be registered under the applicable Law.

The Key Information Document issued by the Company and the views contained in disclosure do not necessarily reflect the views of its directors, employees, affiliates, subsidiaries, or representatives and should not be taken as such. The Key Information Document have been prepared to provide general information about the Issuer to potential Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. The Key Information Document do not purport to contain all the information that any potential Eligible Investor may require. Where the Key Information Document summarize the provisions of any other document, that summary should not be relied upon and the relevant document should be referred to for the full effect of the provisions.

Neither the Key Information Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Key Information Document should not consider such receipt a recommendation to purchase any Debentures. Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such investor's particular circumstances.

This Key Information Document and the contents hereof are intended only for recipients who have been addressed to directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue. The contents of this Key Information Document is intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

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DISCLAIMER OF THE ISSUER

The Issuer confirms that, as of the date hereof, this Key Information Document (including the documents incorporated by reference, if any) contains all information that is material in the context of the Issue, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, are not misleading. The sale or transfer of these Debentures outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

The Issuer confirms that all information considered adequate for and relevant to the Issue and the Issuer has been made available in this Key Information Document for the use and perusal of the potential investors and no selective or additional information would be made available to any section of investors in any manner whatsoever. The information relating to the Company contained in the Key Information Document is believed by the Company to be accurate in all respects as of the date hereof.

The Issuer does not undertake to update the Key Information Document to reflect subsequent events after the date of the Key Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Key Information Document nor any Issue of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

The Issuer having made all reasonable enquiries, accepts responsibility for and confirms that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Company or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE DISCLOSURE DOCUMENT/ KEY INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCEOF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER BY THE STOCK EXCHANGE

As required, a copy of this Key Information Document has been submitted to the BSE for hosting the same on its website as per the applicable Law.

It is to be distinctly understood that filing of this Key Information Document with the BSE should not in any way be deemed or construed that the same has been cleared or approved by the BSE, nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the Stock Exchange; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Debentures of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

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DISCLAIMER BY SEBI

This Key Information Document has not been filed with the SEBI. The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy this Key Information Document. It is to be distinctly understood that filing of the issue document to the Securities and Exchange Board of India (SEBI) should not in any way be deemed or construed to mean that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the issue document. The lead manager(s) (if any) has certified that the disclosures made in the issue document are generally adequate and are in conformity with the regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.

DISCLAIMER BY THE DEBENTURE TRUSTEE

The Debenture Trustee or its agents or advisers associated with the Issue of the Debentures do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Key Information Document and shall not have any responsibility to advise any investor or prospective Investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors.

The Debenture Trustee and its agents or advisors associated with the issue of the /Debentures have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee shall have no liability in relation to the information contained in this Key Information Document or any other information provided by the Issuer in connection with the Issue. The Debenture Trustee is neither a principal debtor nor a guarantor of the /Debentures.

DISCLAIMER BY CREDIT RATING AGENCY

The ratings of the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the Debentures. The Credit Rating Agency ratings are subject to a process of surveillance which may lead to a revision in ratings. Please visit the Credit Rating Agency's website https://www.careratings.com/ contact the Credit Rating Agency's office for the latest information on the Credit Rating Agency's ratings. All information contained herein has been obtained by the Credit Rating Agency from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the credit rating agency in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or opinion and Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication and completeness of any such information. All information contained herein must be construed solely as statements or its contents.

DISCLAIMER BY RESERVE BANK OF INDIA

The Debentures have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this Key Information Document. It is to be distinctly understood that this Key Information Document should not, in any way, be deemed or construed that the Debentures have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Debentures being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Key Information Document. The potential investors may make investment decision in respect of the Debentures offered in terms of this Key Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

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DISCLAIMER IN RESPECT OF JURISDICTION

Issue shall be made to investors as specified in the clause titled "Eligible Investors" as stated in Key Information Document who have been/shall be specifically approached by the Company. The General Information Document/ Key Information Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals as specifically set out in the Debenture Trust Deed and Key Information Document.

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SECTION 2 DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Affiliates	means, with respect to the Company, another person which is (a) Controlled, directly or indirectly, by the Company; or (b) Controlling, directly or indirectly (excluding investors), and singly or together with other Affiliates, the Company
Application Form	The form which shall be circulated to the prospective investors along with the Key Information Document for the purpose of applying for the debentures and marked as Section 7.
Applicable Law	means any statute, treaty, law, code, regulation, ordinance, rule, judgement, order, decree, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction.
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue.
Allotment Date	means August 12, 2025
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository.
Board/ Board of Director(s)	Board of Director(s) of the Issuer.
BSE	BSE Limited
Business	The Company is a systemically important non-deposit taking non-banking financial company registered with RBI and engaged in the business of providing loans to customers through its tech platforms.
Business Day	means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Chennai/ Bangalore;
CERSAI	means the Central Registry of Securitization Asset Reconstruction and Security Interest of India.
CDSL	Central Depository Services (India) Limited.
Company / Issuer	Krazybee Services Private Limited.
Constitution Documents	means the memorandum of association, articles of association and certificate of incorporation of the Company;
Control/Controlled by/under common Control with	means the power, directly or indirectly (a) to direct or cause the direction of management, activities or policies of a Person whether through the ownership of voting securities, voting equity interests or economic rights, by agreement or otherwise; or (b) to appoint or remove (or to direct or cause the direction of the appointment or removal of) more than half of the Directors, partners or other individuals exercising similar authority with respect to a Person (including by holding a majority of the voting rights exercisable at meetings of its board (or equivalent) on all, or substantially all, matters), or in any other manner; or (c) the possession, directly or indirectly, and exercise of a voting interest in excess of 50% (fifty percent) in a Person;
Coupon	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
Coupon Payment Date	means the date(s) as specified in Section 8 (*Summary of Terms*) of this Key Information Document.
Coupon Pay-in Date	has the meaning assigned to such term in Annexure X.

Debentures or NCDs	Issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**") comprising of: a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) ("**Green Shoe Option**").
Debt Disclosure Documents	means the General Information Document dated October 13, 2024, and this Key Information Document.
Debenture Holder(s)/Investors	means, in respect of any Debentures issued pursuant to this Key Information Document, each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail, and "Debenture Holder" or "Investor" shall be construed accordingly.
Debenture Trust Deed / DTD	The Debenture trust deed entered / to be entered into between the Company and the Debenture Trustee.
Debenture Trustee	Trustee for the Debenture Holder(s), in this case being SBICAP Trustee Company Limited.
Debenture Trustee Agreement	means the agreement entered into by and between the Issuer and the Debenture Trustee for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of the Debentures.
Deed of Hypothecation	means the deed of hypothecation executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property.
Default Coupon	has the meaning assigned to such term in Section 8 of this Key Information Document.
Depository Participant / DP	means a depository participant as defined under Depositories Act, 1996 as amended from time to time.
Depository	means either the National Securities Depository Limited (NSDL) or Central Depository Services Limited (CDSL), as the case may be
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director	means a director on the board of directors of the Company.
DRR	Debenture Redemption Reserve.
EBP Guidelines	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (Electronic Book Provider platform) of the Listed NCDs Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time.
EBP Platform / EBP	Means web based electronic booking platform for private placement of securities under the EBP Guidelines
EFT	Electronic Fund Transfer.

Event of Default	shall mean the occurrence of any of the events mentioned in Section 10 of this Key Information Document
Financial Year / FY / Fiscal Year	Financial year the of Company i.e. a period commencing from 1st April of each year and ending on 31st March of the next calendar year.
Financial Indebtedness	means any indebtedness for in respect of: a. moneys borrowed; b. any amount raised by acceptance under any loan or credit facility; c. any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; d. any amount payable for redemption of any redeemable preference share which: i. is redeemable at the option of the Company; or ii. according to the terms of its issue, is redeemable prior to the maturity of the Debentures; e. the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with Indian Accounting Standards, be treated as a finance or capital lease; f. receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); g. any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; h. the acquisition cost of any asset or service to the extent payable before or after its acquisition or possession by the party liable where the advance or deferred payment: i. is arranged primarily as a method of raising finance or of financing the acquisition of that asset or service or the construction of that asset or service, or ii. involves a period of more than six months before or after the date of acquisition or supply, and iii. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); i. any counter-indemnity obligation in respect of a guarantee by the Company, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; j. any obligation under any call or put option arrangement in respect of any shares or any form of guarantee or indemnity in respect of any call or put option arrangement; and k. without double counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.
Final Redemption Date	means the date on which all Secured Obligations have been irrevocably and unconditionally discharged by the Company, to the satisfaction of the Secured Parties.
General Information Document	The General Information Document dated October 13, 2024, bearing reference no. 2/2024-25 issued by the Issuer.
Governmental Authority	means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
Hypothecated Property	shall have the meaning assigned to such term in the Deed of Hypothecation.
Issue Opening Date	August 11, 2025
Issue Closing Date	August 11, 2025

Key Information Document	means this key information document dated August 07, 2025 and supplementing General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25 which sets out the terms and conditions for the issue and offer of the Debentures by the Issuer on a private placement basis and contains the relevant information in this respect.
Listed NCDs Master Circular	means "*Master Circular for issue and listing of non-convertible securities, securitized debt instrument, security receipts, municipal debt securities and commercial paper*" issued vide circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 and as amended, modified, or restated from time to time.
Majority Debenture Holders	Such number of Debenture Holders collectively holding equivalent or more than 51% (fifty-one percent) of the value of the Outstanding Principal Amounts of the Debentures.
Material Adverse Effect	shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer which in the opinion of the Issuer affects the actual repayment capability of the Issuer; (ii) which in the opinion of the Issuer affects the actual ability of the Issuer to perform their payment obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Maturity Date	means August 12, 2027
Master Circular for Debenture Trustee / SEBI Debenture Trustee Master Circular	means the SEBI circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 on "*Master Circular for Debenture Trustees*", as amended, modified, supplemented or restated from time to time.
NCS Listing Regulations/Debt Listing Regulations/	Securities And Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
Ordinary Course of Business	in relation to the Company, means an action, event or circumstance that is (i) recurring in nature or taken in the ordinary course of the Company's normal day-to-day operations, and (ii) in compliance of Applicable Law;
Outstanding Amounts	means, on a particular day, the amount outstanding in relation to the Debentures, together with the accrued Coupon, the accrued Default Coupon and any other expenses, fees, charges and costs under the Transaction Documents.
PAN	Permanent Account Number
Person	means an individual, company, partnership, trust, joint venture, association, corporation, body corporate and any Governmental Authority and their successors, administrators and permitted assigns.
POA	Power of Attorney
PPOA	Private Placement Offer Letter cum Application/ Offer Letter
Purpose	means for Onward lending only, not for operating expenses.
Rating Agency/ Credit Rating Agency	shall mean CARE Ratings Limited registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its office at 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Record Date	means, date occurring 15 (fifteen) calendar days prior to any Due Date Provided that if the Record Date falls on a day that is not a Business Day, then a Business Day prior to the said Record Date shall be considered.
Redemption Date	means each of the respective dates on which the Debentures are redeemed, as set out in Section 8 of this Key Information Document.
REF / Recovery Expense Fund	means recovery expense fund created/to be created by the Issuer with the BSE.

Registrar of Companies / ROC	means the jurisdictional Registrar of Companies for the Company, being the Registrar of Companies, Bangalore.
R&T Agent / Registrar	Registrar and Transfer Agent to the Issue, in this case being NSDL Database Management Limited.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India.
SEBI Debenture Trustee Regulations	shall Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended, modified or restated from time to time.
SEBI LODR Regulations/ LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI LODR Master Circular	means the master circular issued by SEBI bearing the reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 on "Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper" to the extent applicable in respect of the private placement of debt securities (including to the extent applicable to high value debt listed entities), as amended, modified, or restated from time to time;
SEBI Listed Debentures Circulars and Regulations	means, collectively, Master Circular for Debenture Trustee, the Listed NCDs Master Circular, NCS Listing Regulations, SEBI LODR Master Circular and the LODR Regulations (to the extent applicable).
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Master Circular.
Security	means all such Security Interest created by the Company in favour of the Debenture Trustee, for the benefit of the Debenture Holders, in accordance with the terms set out in the Deed of Hypothecation.
Security Cover	means the value of the Hypothecated Property being equivalent to at least 110% (one hundred and ten percent) of the Outstanding Amount (not including Coupon and Default Coupon), at all times during the Tenor of the Debentures.
Secured Parties	means the Debenture Trustee and the Debenture Holders collectively, and "**Secured Party**" shall be construed accordingly.
Shareholder	mean the Persons holding any Equity Security of the Company from time to time.
Stock Exchange / Designated Stock Exchange	WDM of BSE Limited
Taxes	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Law by any Governmental Authority and as maybe applicable in relation to the Payment Obligations of the co mpany under this Key Information Document
Tenor	means a period of 24 (twenty four) months from the Deemed Date of Allotment.
TDS	Tax Deduction at Source.
Transaction Document(s)	has the meaning assigned to such term under Section 8 of the Key Information Document.
WDM	Wholesale Debt Market.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 3 UNDERTAKING OF THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document.

Specific attention of investors is invited to the statement of 'Risk factors' given under the section 'General Risks'. "The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document contains all information with regard to the issuer and the issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters of the Issuer and Permanent Account Number of the directors of the Issuer have been submitted to the stock exchange(s) on which the non-convertible securities are proposed to be listed, at the time of filing of the Key Information Document.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

Issuer has amended and incorporated provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 as specified in press release of SEBI Board Meeting (PR No. 37/2022) and SEBI circular issued from time to time.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 4 RISK FACTORS

Please refer to Section 4 (*Risk Factors*) of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25 for the risk factors in respect of the issuance of Debentures.

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SECTION 5 REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of the NCS Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the NCS Listing Regulations:

LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE AND DEBENTURE TRUSTEE

List of disclosures to be filed along with the listing application to the Stock Exchange:

(I) Memorandum and articles of association of the Issuer and necessary resolution(s) for the allotment of the debt securities;

(II) Copy of last three years audited and adopted annual reports;

(III) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

(IV) Copy of the Board Resolution dated June 25, 2025 and Finance Committee Resolution dated July 30, 2025 authorizing the borrowing and list of authorized signatories.

(V) Copy of the resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on June 27, 2025 authorizing the issue/offer of non-convertible debentures by the Company

(VI) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/ act/ rules etc. and the same would be uploaded on the website of the Stock exchange, where the debt securities have been listed, within five working days of execution of the same.

(VII) Any other particulars or documents that the BSE may call for as it deems fit.

(VIII) An undertaking that permission/ consent from the prior creditor for second or *pari passu* charge being created, wherever applicable, in favour of the debenture trustees to the proposed issue has been obtained.- Not applicable

(IX) Due diligence certificates from the Debenture Trustee as per the format specified in the SEBI Debenture Trustees Master Circular and Schedule IV of the SEBI Debt Listing Regulations.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 6 ISSUER INFORMATION

I. Promoters of the Company

Details of Promoters of the Issuer Company

A complete profile of all the promoter, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number:

The details of the Promoter of the Issuer are set out below:

Particulars	Details
Insert Photograph/Logo	***Nil**
Name	Nil
Date of Birth/Date of Incorporation:	NA
Educational Qualifications:	NA
Experience in the business or employment:	NA
Positions/posts held in the past:	NA
Directorships held:	NA
Other ventures of the promoter:	NA
Special achievements:	NA
Business and financial activities:	NA

*As on current date, the Company has no identifiable promoter(s).

II. Credit Rating of Debenture

Details of credit rating, along with the latest press release of the Credit Rating Agency in relation to the issue, and a declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.

CARE Ratings Limited has assigned "CARE A/ Stable" rating to these Debentures by a letter dated July 11, 2025. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The rating letter as released by CARE Ratings Limited is enclosed as Annexure II.

The Company hereby declares that the rating is and shall be valid as on the date of issuance and listing of any Debentures.

III. Listing

Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s).

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Issuer has obtained the in-principle approval for the listing of the Debentures on the WDM segment of the BSE as set out in Annexure VII.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

IV. If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board.

The Debentures are proposed to be listed only on one stock exchange.

The Issuer and the Trustees has entered into a Trustee Agreement dated August 06, 2025, inter alia, specifying the powers, authorities and obligations of the Issuer and the Trustees in respect of the Debentures and other terms and conditions of Debenture trustee Agreement including fees charged by Debenture trustee, details of security to be created and process of due diligence to be carried out by the Debenture trustee.

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Issuer has created the Recovery Expense Fund in accordance with the Master Circular for Debenture Trustees with the BSE. In this regard, please also refer to the section on "*Creation of recovery expense fund*" under Section 8 (*Summary of Terms*) below.

V. Issue schedule

ISSUE SCHEDULE	
Issue Opening Date	August 11, 2025
Issue Closing Date	August 11, 2025
Pay in Date	August 12, 2025
Deemed Date of Allotment/ Allotment Date	August 12, 2025
Date of earliest closing of the issue, if any	NA

VI. Name, logo, addresses, website URL, email address, telephone number and contact person of the following:

Name:	**Details**
Arrangers, if any	Not applicable
Debenture Trustee:	**SBICAP Trustee Company Limited** Address: 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai – 400 020 Tel.: +91 22 4302 5566/ +91 22 4302 5555 Email: corporate@sbicaptrustee.com Contact person: Mr. Aditya Kapil, Vice President: Head Operations & Marketing Website: www.sbicaptrustee.com
Register and Transfer Agent	**NSDL Database Management Limited** Address: 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Tel.: 022 - 24994200 Email: sachin.shinde@nsdl.co.in

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	Contact person: Sachin V Shinde Website: www.ndml-nsdl.co.in
Credit Rating Agency	**CARE Ratings Limited** Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Telephone Number: +91-22- 6754 3456 Email address: care@careratings.com; Website: https://www.careratings.com/ Contact person: Mr. Ravi
Auditors:	**Tattvam and Co.*** Address: JD-2C, 2nd Floor, Pitampura, Metro Pillar No. 355, New Delhi - 110034 Email Id: mail@tattavamgroup.in Telephone No: +91 9650777079 Website: https://www.tattvamandco.com/ Contact Person: Sagar Arora Peer Review No: 016277
Valuation Agency	Not applicable
Guarantor	Not applicable
Legal Counsel	**Verist Law** Address: The Empire Business Centre, 414 Senapati Bapat Marg, Lower Parel, Mumbai 400013 Website: www.veristlaw.com Telephone: +91 2266 907 368 Email: srishti.ojha@veristlaw.com

*****M/s.Tattvam & Co. has resigned from the office of statutory auditor with effect from August 05, 2025 and the Company is evaluating various proposals to fill the said casual vacancy.*

VII. About the Issuer

a. Overview and a brief summary of the business activities of the issuer:

Please refer to Section 6 (*Issuer Information*) of the General Information Document dated October 13, 2024 bearing reference no. 2/2024-25.

b. Structure of the group

Please refer to Section 6 (*Issuer Information*) of the General Information Document dated October 13, 2024 bearing reference no. 2/2024-25.

c. A brief summary of the business activities of the subsidiaries of the issuer:

Please refer to Section 6 (*Issuer Information*) of the General Information Document dated October 13, 2024 bearing reference no. 2/2024-25.

d. Details of branches or units where the issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link.

If the issuer provides the details of branches or units in the form of a static QR code and web link, the details of the said branches or units shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (8) (g) of paragraph XXXI of this Section to this Key Information Document. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing information about branches or units of the issuer to the debenture trustee and confirmation of the same by the debenture trustee.

Sr. No.	Address	Purpose
1	3rd Floor, 128/9, Maruthi Sapphire, Old HAL Airport Road, Murugeshpalya, Bengaluru- 560017, Karnataka	Head-Office
2	1st Floor, 128/9, Maruthi Sapphire, Old HAL Airport Road, Murugeshpalya, Bengaluru- 560017, Karnataka	Extended Head-Office
3	5th Floor, Ajaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, Bengaluru- 560008, Karnataka	Tech-Back Office
4	3rd Floor, Champak Pragathi Towers, No. 3/2, Hosur Main Road, Bommanahalli, Bengaluru- 560068, Karnataka	Operations-Back Office
5	KRD Gee Gee Crystal, 2nd Floor, A-Wing, No. 91-92, R K Salai, Mylapore, Chennai- 600004, Tamil Nadu	Extended Chennai branch
6	KRD Gee Gee Crystal, 4th Floor, B-Wing, No. 91-92, R K Salai, Mylapore, Chennai- 600004, Tamil Nadu	Chennai branch
7	KRD Gee Gee Crystal, 4th Floor, B-Wing, No. 91-92, R K Salai, Mylapore, Chennai- 600004, Tamil Nadu	LAP Marketing office
8	Meriside Heights, Pai Layout Entrance, Nagavarapalya Village, Benniganahalli Dhakale, K.R. Puram Hobli, Bengaluru East, Bengaluru, Karnataka	Operations-Back Office
9	2nd Floor, No. 1466/ 1266, Patel Muniyappa Complex, Opposite Bus Stand, Nelmangala, B H Road, Bengaluru-562123, Karnataka	LAP Marketing office
10	Arya, Shop No. 5, 1st Floor, Above Eye+Opticians, College Road, Opposite to Forest Office, M V Extension, Hoskote, Bengaluru- 562114, Karnataka	LAP Marketing office
11	No. 728, Ramaiah Complex, 2nd Floor, Jalahalli Cross, Peenya, Bengaluru-560057	LAP Marketing office
12	Sanhasa Square, Bharathi Park, 3rd Cross, SAHS Post, Coimbatore- 641043, Tamil Nadu	Sales Back Office
13	INNOV8, Regal Building, 69, Connaught Cir, Hanuman Road Area, Connaught Place, New Delhi, Delhi 110001, New Delhi	Sales Back Office
14	Level 1, Unit 2, Sy No. 83/1, Plot No. 2, Inorbit Mall Road, Raidurg Village, Hi-Tech City, Hyderabad- 500081, Telangana	Sales Back Office
15	No. 2232, 2nd Floor, LIG 3rd Phase, 16th B Cross, K.H.B, Yelahanka New Town, Yelahanka, Bengaluru- 560064, Karnataka	LAP Branch Office
16	No. 1, Ground Floor, Navarathna Garden, Doddakallasandra, Kanakapura Road, Bengaluru- 560062, Karnataka	LAP Branch Office
17	No. 41/8, 1st Floor, Gandhi Road, Tambaram, Chennai- 600045, Chennai	LAP Branch Office
18	4th Floor, Champak Pragathi Towers, No. 3/2, New Property No. 23/2, Khata No. 1067, Survey No. 3, Hosur Main Road, Bommanahalli, Bengaluru- 560068, Karnataka	Operations-Back Office
19	10th Floor, Plot No. E/3, Khata No. 612, Infinia Tower, Chandrasekharpur, Infocity, Bhubaneswar- 751024, Odisha	Branch Office
20	4th Floor, Tower Ashiyana Building, Door No. 10-12-1/A, Ward No. 19, Rednam Gardens, Ram Nagar, Visakhapatnam- 530001, Andhra Pradesh	Branch Office

21	House No. 4089/45, 46 and 47, 3rd Floor, Pet Baseerbagh, Quthbullapur, Hyderabad- 500067, Telangana	LAP Branch Office
22	No. 2588, 1st Floor, Avadi Byepass Road, Thiruvallur-602001, Tamil Nadu	LAP Branch Office
23	No. 399, 3rd Floor, 14th Main, Saraswathipuram, Mysuru- 570009, Karnataka	LAP Branch Office
24	C-874, H No. 6-3-2379, 1st Floor, NGOs Colony, Vanasthalipuram, Near Area Hospital, Hyderabad- 500070, Telangana	LAP Branch Office
25	No. 613, 614, 1st Floor, Trunk Road, Poonamallee, Chennai- 600056, Tamil Nadu	LAP Branch Office
26	PID No. 18709, Old 1856, New 839, AGM Arcade, 1st Floor, M G Road, 1st Cross, Ward 17, Tumkur- 572101, Karnataka	LAP Branch Office
27	No. 7, 1st Floor, Thiyagarajan Street, Pondicherry- 605001, Tamil Nadu	LAP Branch Office
28	New No. 42, Old No. 17, Dr. Varadharajan Street, Vedachalam Nagar, Chengalpattu- 603001, Tamil Nadu	LAP Branch Office
29	H No. 2-1-9, 3rd Floor, Central Mall, Opposite Bus Stand, Shubash Gunj Main Road, Zaheerabad, Sangareddy-502220, Telangana	LAP Branch Office
30	Plot No. 15, East Side Part, No. 195, Ground Floor, Mayuri Nagar Colony, Ramachandrapuram, Hyderabad, Sangareddy, Telangana-502032	LAP Branch Office
31	4th Floor, 409, Aditya Trade Center, Ameerpet, Hyderabad- 500038, Telangana	Rental Branch Office
32	No. 291, 2nd Floor, GNT Road, Redhills-600052, Tamil Nadu	LAP Branch Office
33	H. No. 10-23/5, Plot No. 104, 2nd Floor, Pothireddypally, Sangareddy- 502295, Telangana	LAP Branch Office
34	Shop No. 6, 2nd Floor, Panchusheela Arcade, 100 Feet Raod, 1st Cross, Gandhinagar, Mandya- 571401, Karnataka	LAP Branch Office
35	H.No. 3-335/1, 4th Floor, Rampally X Road, Nagaram, Keesara, Mandal, Medchal Malkajgiri- 500083, Telangana	LAP Branch Office
36	No. 4, 1st Floor, Railway Station Raod, Kanchipuram- 631501, Tamil Nadu	LAP Branch Office
37	Thyappa Commercial Complex, Survey No. 728/1, 1st Floor, Behind Darling Showroom, 4th Plot, Old Banaglore Road, Hosur, Tamil Nadu- 635109	LAP Branch Office
38	Parvatheswara Complex, 1st Floor, Vijayapura Cross, Opposite to Jain Temple, Devanahalli, Bengaluru- 562110, Karnataka	LAP Branch Office
39	No. 1673/847/1&2, 2nd Floor, Ward No. 15, Chathra, Near Jnana Vikas Institute of Technology, Off Bangalore-Mysore Highway, Bidadi, Ramanagar Dist- 562109, Karnataka	LAP Branch Office
40	1-7-121, 1-7-122, 1st Floor, Station Road, Bhongir, Nalgonda- 508116, Telangana	LAP Branch Office
41	H.No. 2-5-294-A, 3rd Floor, SPS Plaza, Beside Sony Centre, Opposite to Haritha Kakatiya Hotel, Nakkalagunta, Hanamkonda, Warangal- 506001, Telangana	LAP Branch Office
42	Rohin Complex, No. 254/3, 1st Floor, Lakshmana Perumal Nagar, Veeramani Salai, OMR, Kandanchavadi, Kottivakkam, Chennai- 600096, Tamil Nadu	LAP Branch Office
43	Santhosh Complex, No. 167/25-A, 2nd Floor, S S Layout, B-Block, Ring Road Circle, Davanagere- 577006, Karnataks	LAP Branch Office
44	Shri Banashankari Complex, No. 250/2B, 2nd Floor, Near Shivashakti Palace, Vidy Nagar, PB Road, Haveri- 581110, Karnataka	LAP Branch Office
45	R Palani Complex, No. 7/1, 1st Floor, Arcot Road, Sathuvachari, Vellore- 632009, Tamil Nadu	LAP Branch Office
46	No. 1108, PID No. 3-1-512-77A, Old No. MIG-II-57-A, Channakeshava Arcade, 2nd Floor, NDRK College Circle, Near Mathrushree Kalyana Mantapa, Kuvempu Nagara, Hassan- 573201, Karanataka	LAP Branch Office
47	Property No. 13, Revenue Collection Area No. 13, Khata No. 797/797, Sharief Mansion, No. 48/4, 1st Floor, Vinayaka Nagar, 100 Feet Road, Opposite Blood Bank, Shivamogga- 577201, Karnataka	LAP Branch Office

e. Use of proceeds (in the order of priority for which the said proceeds will be utilized): (i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project.

The Issue proceeds will be utilized for originating personal/business loans, provided however that the Issuer shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks until the utilization of the funds raised for the intended Purpose.

VIII. Expenses of the Issue

Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Particulars	**Amount**	**As a percentage of the Issue proceeds**** (in %)**	**As a percentage of the total expenses of the Issue (in %)**
Lead manager(s) fees,	N.A.	N.A.	N.A.
Underwriting commission	N.A.	N.A.	N.A.
Brokerage, selling commission and upload fees	N.A.	N.A.	N.A.
Fees payable to the registrars to the issue	3,000	0.0001%	0.005%
Fees payable to the Debenture Trustee	2,00,000	0.0042%	0.301%
Fees payable to the legal Advisors	1,00,000	0.0021%	0.151%
Advertising and marketing expenses*	N.A.	N.A.	N.A.
Fees payable to the regulators including stock exchanges	54,500	0.0011%	0.082%
Expenses incurred on printing and distribution of issue stationary**	N.A.	N.A.	N.A.
Arrangers Fees	N.A.	N.A.	N.A.
Any other fees, Commission or payments under whatever nomenclature	6,60,25,000	1.3900%	99.461%
Grand Total	6,63,82,500	1.3975%	100.00%

* As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific advertising and marketing expenses are envisaged to be payable in respect of such issue of Debentures.
** As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific expenses are envisaged to be incurred on printing and distribution of issue stationary in respect of such issue of Debentures.
*** The Issuer is under discussions with certain entities to pay processing fee in respect of the Debentures. These amounts have not been finalized as on date of this Key Information Document. Other than the above, as the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no specific fees, commission and payments under whatever nomenclature are envisaged to be incurred in respect of such issue of Debentures.
**** The issue proceeds taken is INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only).

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

IX. Financial Information

a. The audited financial statements (i.e., Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").

Please refer to ANNEXURE I for the Audited financial statements of the Issuer for a period of March 31, 2025.

However, if the Issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the offer document or placement memorandum, may provide only a web-link and a static quick response code of the audited financial statements in the offer document or placement memorandum subject to the following conditions:

a. Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document.
b. The scanning of such static quick response code or clicking on the weblink, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.

Not applicable

b. Listed issuers (whose debt securities or specified securities are listed on stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as prescribed therein with limited review report in the offer, as filed with the stock exchanges, instead of audited financial statements for interim period, subject to making necessary disclosures in this regard in offer document including risk factors.

Not applicable

c. Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:

i. The issue is made on the EBP platform irrespective of the issue size; and
ii. ii. The issue is open for subscription only to Qualified Institutional Buyers.

Not applicable

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

d. The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

e. Key Operational and Financial Parameters on a consolidated basis and standalone basis in respect of the financial information provided under clauses (a) to (c) above:

Standalone Basis

(in Lakhs)

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)	FY 2024-25 (Audited)
BALANCE SHEET				
Assets				
Property, Plant and Equipment	60	74	318	469
Financial Assets	1,40,817	2,86,347	4,91,275	6,10,810
Non-financial Assets excluding Property, Plant and Equipment	3,230	6,297	12,500	13,719
Total assets	**1,44,107**	**2,92,718**	**5,04,093**	**6,24,998**
Liabilities				
Financial Liabilities				
-Derivative financial instruments				
-Trade Payables	721	2,080	12,848	14,065
-Other Payables				
-Debt Securities	26,113	66,115	1,20,184	1,61,635
-Borrowings (other than Debt Securities)	53,335	63,244	1,53,787	1,98,706
-Deposits	-	-	-	-
-Subordinated liabilities	-	-	-	-
-Lease liabilities	192	339	1,627	2,134
-Other financial liabilities	971	324	6,093	7,612
Non-Financial Liabilities				
-Current tax liabilities (net)	801	-	-	36
-Provisions	113	237	776	724
-Deferred tax liabilities (net)	-	-	-	-
-Other non-financial liabilities	1,210	1,325	3,743	4.505
Equity (Equity Share Capital and Other Equity)	60,651	1,59,054	2,05,034	2,35,582
Non-controlling interest	-	-	-	
Total Liabilities and Equity	**1,44,107**	**2,92,718**	**5,04,093**	**6,24,998**
PROFIT AND LOSS				
Revenue from operations	33,659	71,701	1,39,926	2,18,588
Other income	28	207	107	96
Total Income	**33,687**	**71,908**	**1,40,033**	**2,18,683**
Total Expenses	29,549	63,158	1,19,997	1,96,562
Profit after tax for the year	**2,879**	**6,509**	**20,036**	**22,122**

Other comprehensive income	17	-14	-1	-20
Earnings per equity share (Basic)	261	579	1,787	1,962
Earnings per equity share (Diluted)	261	533	1,264	1,297
Cash flow				
Net cash from / used in (-) operating activities	-49,844	-1,09,212	-1,81,696	-76,507
Net cash from / used in (-) investing activities	-2,975	-9,761	11,263	-13,179
Net cash from / used in (-) financing activities	35,712	1,39,537	1,63,749	86,398
Net increase/decrease (-) in cash and cash equivalents	**-17,107**	**20,564**	**-6,684**	**-3,288**
Cash and cash equivalents as per Cash Flow Statement as at end of Year	7,616	28,180	21,510	18,222
Additional Information				
Net worth	60,651	1,59,054	2,05,034	2,35,582
Cash and Cash Equivalents	7,616	28,180	21,510	18,222
Loans	1,11,497	2,31,832	4,56,693	5,64,921
Total Debts to Total Assets	0.55	0.44	0.54	0.58
Interest Income	17,500	47,775	1,22,583	1,58,966
Interest Expense	7,533	16,425	23,510	37,520
Impairment on Financial Instruments	16,184	24,853	43,188	76,213
Bad Debts to Loans				
% Stage 3 Loans on Loans (Principal Amount)	2.86%	2.24%	2.24%	2.76%
% Net Stage 3 Loans on Loans (Principal Amount)	0.75%	0.78%	0.58%	0.65%
Tier I Capital Adequacy Ratio (%)	39.36%	58.91%	32.50%	28.34%
Tier II Capital Adequacy Ratio (%)	1.20%	1.25%	1.25%	1.25%

**As per RBI Circular dated November 16, 2023 bearing reference no. RBI/2023-24/ 85 DOR.STR.REC.57/ 21.06.001/2023-24

a. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. As Given Below.

Please refer to Annexure I (Note no. 45) for the financial statements for the financial years ending March 31, 2025, (Note No. 44) March 31, 2024 and (Note No. 44) March 31, 2023

b. The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued

Not applicable

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

X. BRIEF HISTORY OF THE ISSUER

i. Share Capital

Details of Share Capital as at last quarter ended on June 30, 2025 is given below:

Share Capital	Amount (INR) (Lakhs)
Authorised	
Equity Share Capital	35,300
Preference	1,00,800
TOTAL	1,36,100
Issued, Subscribed and Paid-up Share Capital	
Equity Shares	22762.80
Preference Shares	86,015.88
TOTAL	1,08,778.68

ii. Change in Capital Structure

Change in the capital structure as on last quarter ended on June 30, 2025, for the preceding three financial years and current financial year

Date of Change (~~AGM~~/ EGM)	Particulars
06/07/2016	Increase in authorised capital from Rs. 1,00,000 to Rs. 10,00,000
16/10/2017	Increase in authorised capital from Rs. 10,00,000 to Rs. 20,00,000
17/10/2018	Increase in authorised capital from Rs. 20,00,000 to Rs. 50,00,000
06/02/2019	Increase in authorised capital from Rs. 50,00,000 to Rs. 1,00,00,000
24/02/2021	Increase in authorised capital from Rs. 1,00,00,000 to Rs. 1,50,00,000
08/11/2022	Increase in authorised capital from Rs. 1,50,00,000 to Rs.10,11,00,00,000 divided into 30,00,000 Equity Shares of face value of Rs. 10 each and 5,60,000 Compulsory Convertible Preference Shares of Rs. 18,000 each.
28/03/2025	The Company has increased the Authorized Equity Share Capital of the Company form INR 3,00,00,000/- (Indian Rupees Three Crore only) to INR 353,00,00,000/- (Indian Rupees Three Hundred Fifty-Three Crore only)

iii. History of Equity Share Capital

Details of the equity share capital for the preceding three financial years and current financial year:

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
March 16, 2016	10	10	10	100	Subscription to Memorandum of Association	10	100	-	NA
March 16, 2016	9,990	10	10	99,900	Subscription to Memorandum of Association	10,000	1,00,000	-	NA
August 16, 2016	10,408	10	3,162	3,29,10,096	Private Placement	20,408	2,04,080	3,28,06,016	NA
July 28, 2017	18,822	10	3,162	5,95,15,164	Rights Issue	39,230	3,92,300	9,21,32,960	NA
November 17, 2017	88,312	10	3,162	27,92,42,544	Rights Issue	1,27,542	12,75,420	37,04,92,384	NA
September 12, 2019	41,468	10	3,500	14,51,38,000	Rights Issue	1,69,010	16,90,100	51,52,15,704	NA

November 15, 2018	1,44,440	10	3,500	50,55,40,000	Rights Issue	1,69,010	16,90,100	1,01,93,11,304	NA
January 11, 2019	1,00,665	10	3,500	35,23,27,500	Rights Issue	4,14,115	41,41,150	1,37,06,32,154	NA
March 0, 2019	2,03,171	10	3,500	71,10,98,500	Rights Issue	6,17,286	61,72,860	2,07,96,98,944	NA
March 28, 2019	39,240	10	3,500	13,73,40,000	Rights Issue	6,56,526	65,65,260	2,21,66,46,544	NA
June 12, 2019	99,807	10	3,500	34,93,24,500	Rights Issue	7,56,333	75,63,330	2,56,49,72,974	NA
March 26, 2021	3,13,900	10	6,710	2,10,62,69,000	Rights Issue	10,70,233	1,07,02,330	4,66,81,02,974	NA
September 02, 2021	53,619	10	6,880	36,88,98,720	Preferential issue via Private Placement	11,23,852	1,12,38,520	5,03,64,65,504	NA
November 29, 2023	9,361	10	24,175.13	22,63,03,391.93	Preferential issue via Private Placement	11,33,213	1,13,32,130	22,62,09,781.93	NA
April 16, 2025	22,43,35,486	10	-	224,33,54,860	Bonus Issue	22,54,62,800	225,46,28,000	-	NA

iv. History of Preference Share Capital

Preference Share Capital History of the Company as on last quarter ended on June 30, 2025, for the preceding three financial years and current financial year:-

Date of Allotment	No of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Consid-eration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Preference Shares	Preference Shares Capital (Rs. In Lakhs)	Preference Share Premium (Rs In Lakhs)	
02/12/2022	1,42,260	18,000	24,175.13	Cash	Preferential issue via private placement	1,42,260	25606.80	8784.74	NA
08/12/2022	24,202	18,000	24,175.13	Cash	Preferential issue via private placement	1,66,462	29,963.16	10,279.24	NA
18/01/2023	2,03,507	18,000	24,175.13	Cash	Preferential issue via private placement	3,69,969	66,594.42	22,846.07	NA
27/01/2023	19,680	18,000	24,175.13	Cash	Preferential issue via private placement	3,89,649	70,136.82	24,061.33	NA
27/03/2024	58,105	18,000	24,175.13	Cash	Preferential issue via private placement	4,47,754	80,595.72	27,649.39	NA
28/03/2024	30,112	18,000	24,175.13	Cash	Preferential issue via private placement	4,77,866	86,015.88	29,508.85	NA

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v. Amalgamation/ Acquisition

Details of any Acquisition or Amalgamation in the preceding one year:

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

vi. Reorganization or Reconstruction

Details of any Reorganization or Reconstruction in the preceding one year:

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

vii. Details of The Shareholding of The Company as on the Latest Quarter End

Details of the shareholding of the Company as at the latest quarter end, i.e., June 30, 2025 as per the format specified under the listing regulations: -

Particular	No. of Shares	Value in Rs.
Authorized share capital	35,30,00,000 Equity Shares of Rs.10/ – 5,60,000 Compulsorily Convertible Preference Shares of Rs. 18000/-	Equity shares – 3,53,00,00,000 Compulsorily Convertible Preference Shares – 10,08,00,00,000
Paid up share Capital	22,76,28,000 Equity shares of Rs.10/- 4,77,866 Compulsorily Convertible Preference Shares of Rs. 18,000/-	Equity Shares – 2,27,62,80,000 Compulsorily Convertible Preference Shares – 860,15,88,000

viii. Top 10 shareholders of the Company

Sr. No	Name of the Shareholders	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total number of equity shares.
1	NewQuest Asia Fund IV (Singapore) Pte. Ltd.	5,36,26,800	5,36,26,800	23.79%
2	PI Opportunities Fund-1	5,24,16,800	5,24,16,800	23.25%
3	Alpine Opportunity Fund IV, L.P	3,27,27,000	3,27,27,000	14.52%
4	India Business Excellence Fund III	2,40,69,600	2,40,69,600	10.68%
5	Madhusudan Ekambaram	1,47,13,075	1,47,13,075	6.53%
6	Mirae Asset Naver Asia Growth Investment Pte. Ltd.	1,07,98,000	1,07,98,000	4.79%
7	India Business Excellence Fund IV	63,88,400	63,88,400	2.83%
8	Alpine Opportunity Fund I, L.P	57,55,200	57,55,200	2.55%
9	Unitary Fund	55,95,000	55,95,000	2.48%
10	Krishnaswamy Karthikeyan	53,75,600	53,75,600	2.38%

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XI. DIRECTORS OF THE COMPANY

(I) The details of the current directors of the Company is given below:

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

(II) Change in directors

The details of change in directors in the preceding three financial years and current financial year:-

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

(III) Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years)

a. Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

S.No	Name of Director	Remuneration payable/ paid by the issuer	Shareholding in the issuer (on a fully diluted basis
2024-25			
1	Vivek Veda	13.37 Crores	Nil
2	Madhusudan Ekambaram	54.23 Crores	Nil
3	Karthikeyan Krishnaswami	12.14 Crores	Nil
2023-24			
1	Vivek Veda	25.90 Crores	Nil
2022-23			
2	Vivek Veda	1.43 Crores	Nil
2021-22			
3	Vivek Veda	81.70 Lakhs	Nil

b. Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

c. Full particulars of the nature and extent of interest, if any, of every director:

i. in the promotion of the issuer company; or
ii. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or
iii. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise

for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

(IV) **Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

(V) **Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.**

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

XII. AUDITORS OF THE COMPANY

i. Current auditor

The details of the auditors of the Company:

M/s.Tattvam & Co., has resigned from the office of statutory auditor with effect from August 05, 2025 and the Company is evaluating various proposals to fill the said casual vacancy.

ii. Details of change in auditors:

Details of change in auditor for preceding three financial years and current financial year:-

Name	Address	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable
ASC & Associates	F-7, Lajpat Nagar-III, New Delhi-110024	September 29, 2021	September 27, 2024	Not Applicable
M/s.Tattvam & Co.,	JD-2C, Second Floor, Pitampura, New Delhi-110034	September 27, 2024	Not Applicable	Not Applicable
M/s.Tattvam & Co., has resigned from the office of statutory auditor with effect from August 05, 2025 and the Company is evaluating various proposals to fill the said casual vacancy.				

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

XIII. DETAILS OF THE BORROWING OF THE COMPANY AS ON THE LATEST QUARTER END

Details of the following liabilities of the issuer, as at the end of the last quarter, i.e. June 30, 2025, or if available, a later date:

i. Secured Loan Facilities

The Company has availed secured loan facilities as on the latest quarter end on June 30, 2025

Facility	Name of Lender	Amount Sanctioned	Principal Amount outstanding	Repayment Date Scheduled	Credit Rating, if applicable	Asset Classification
Term Loan	IDFC First Bank Ltd	75,00,00,000	6,24,82,846	24-Aug-25	NA	NA
Term Loan	Vivriti Capital Private Limited	27,00,00,000	10,48,03,483	5-Dec-25	NA	NA
PTC	PTC 04	60,23,00,000	3,82,08,894	22-Jun-26	Care A+(SO)	NA
Term Loan	Cholamandalam Investment and Finance Company Limited	22,98,00,000	6,81,94,969	5-Nov-25	NA	NA
Term Loan	Oxyzo Financial Services Limited	30,00,00,000	13,70,00,327	25-May-26	NA	NA
Term Loan	Capsave	20,00,00,000	1,75,88,664	15-Jul-25	NA	NA
Term Loan	IDFC Bank_Term Loan2	1,00,00,00,000	49,86,33,835	27-Jun-26	NA	NA
Term Loan	Kotak Mahindra Inv Ltd	50,00,00,000	4,16,56,461	5-Jul-25	NA	NA
Term Loan	Aditya Birla Finance LtdTerm Loan 2	25,00,00,000	2,19,39,921	5-Jul-25	NA	NA
Term Loan	Protium Finance Ltd Term Loan 2	20,00,00,000	1,66,68,354	10-Jul-25	NA	NA
Term Loan	Ambit Finvest Ltd	25,00,00,000	4,37,63,916	5-Aug-25	NA	NA
Term Loan	A K Capital Finance Ltd	25,00,00,000	7,79,71,517	7-Nov-25	NA	NA
Term Loan	Karnataka Bank Ltd	25,00,00,000	14,55,51,931	5-Aug-26	NA	NA
Term Loan	MAS Financial Services Ltd. (62 to 63)	30,00,00,000	7,49,58,977	5-Sep-25	NA	NA
Term Loan	Oxyzo Financial Services Limited	15,00,00,000	9,33,15,584	25-Sep-26	NA	NA
Term Loan	State Bank of Mauritius	30,00,00,000	7,48,54,707	13-Sep-25	NA	NA
Term Loan	Kisetsu Saison Finance Pvt Ltd	75,00,00,000	37,49,08,449	15-Sep-25	NA	NA
Term Loan	Kisetsu Saison Finance Pvt Ltd	15,00,00,000	7,49,81,534	15-Sep-25	NA	NA
PTC	PTC 07	24,50,23,170	50,24,532	17-Jan-26	Care A+(SO)	NA
Term Loan	Utkarsh Small Finance Bank	35,00,00,000	8,74,78,347	25-Sep-25	NA	NA

Term Loan	Hinduja Leyland Finance Limited	28,00,00,000	7,32,08,024	28-Sep-25	NA	NA
Term Loan	Poonawalla Fincorp Limited	50,00,00,000	28,82,50,552	5-Apr-26	NA	NA
PTC	PTC 08	43,02,53,566	9,16,73,560	16-Mar-26	Care A+(SO)	NA
Term Loan	Suryoday Small Finance Bank	32,00,00,000	11,17,83,705	5-Oct-25	NA	NA
Term Loan	Northern Arc Capital Limited	50,00,00,000	17,39,30,589	25-Sep-25	NA	NA
Working Capital Loan	IndusInd Bank Ltd	30,00,00,000	29,71,80,164	29-Sep-25	NA	NA
Term Loan	AU Small Finance Bank	65,00,00,000	21,62,97,051	18-Oct-25	NA	NA
Term Loan	Indian Overseas Bank	50,00,00,000	42,96,20,917	12-Nov-29	NA	NA
Term Loan	Sriram Finance Ltd	20,00,00,000	13,77,32,667	5-Jun-26	NA	NA
Term Loan	MAS Financial Services Ltd. (64 to 65)	25,00,00,000	12,48,34,115	10-Dec-25	NA	NA
Term Loan	Usha Financial Services Pvt. Ltd.	20,00,00,000	10,25,19,754	19-Dec-25	NA	NA
Term Loan	Vivriti Capital Private Limited	40,00,00,000	35,85,56,408	24-Dec-26	NA	NA
Term Loan	MAS Financial Services Ltd. (66)	5,00,00,000	2,49,61,426	25-Dec-25	NA	NA
Term Loan	Jana Small Finance Bank Ltd	50,00,00,000	37,47,10,540	3-Jan-26	NA	NA
Term Loan	Poonawalla Fincorp Limited	25,00,00,000	18,45,53,183	5-Jul-26	NA	NA
Term Loan	Oxyzo Financial Services Limited	15,00,00,000	11,80,45,656	25-Jan-27	NA	NA
Term Loan	A K Capital Finance Ltd	20,00,00,000	13,26,59,621	29-Jun-26	NA	NA
Term Loan	Dhanlaxmi Bank	25,00,00,000	21,52,56,524	30-Mar-27	NA	NA
Term Loan	HSBC Bank Ltd	50,00,00,000	28,97,10,356	31-Jan-26	NA	NA
PTC	PTC 09	58,25,22,840	20,90,85,260	18-Aug-26	Crisil AAA and AA	NA
ICD	Matrix Moon Pvt Ltd	15,00,00,000	8,74,27,278	31-Jan-26	-	NA
Term Loan	MAS Financial Services Ltd (67 to 68)	30,00,00,000	19,96,54,716	10-Feb-26	NA	NA
PTC	PTC 10	1,01,67,75,000	46,54,35,495	28-Apr-26	Crisil AAA and AA	NA
Term Loan	AU Small Finance Bank	40,00,00,000	29,88,44,438	18-Mar-26	NA	NA
PTC	PTC 11	76,01,62,141	71,79,84,921	17-Dec-26	Care A+(SO)	NA
Term Loan	Utkarsh Small Finance Bank	19,00,00,000	14,24,14,604	15-Mar-26	NA	NA
Term Loan	Kisetsu Saison Finance Pvt Ltd	55,00,00,000	54,96,85,790	15-Sep-26	NA	NA
Term Loan	Anand Rathi Global Finance Ltd	20,00,00,000	17,41,35,426	25-Mar-27	NA	NA

Term Loan	Piramal Capital and Housing Finance Limited	75,00,00,000	62,32,72,269	25-Mar-26	NA	NA
Term Loan	Ambit Finvest Ltd	14,00,00,000	12,53,81,673	05-Oct-26	NA	NA
Term Loan	Incred Financial Services Limited	25,00,00,000	21,01,09,390	10-Apr-26	NA	NA
Term Loan	Hinduja Leyland Finance Limited	30,00,00,000	26,64,99,058	28-Mar-27	NA	NA
ICD	Matrix Moon Pvt Ltd	10,00,00,000	9,98,96,435	09-Apr-26	NA	NA
Term Loan	Axis Bank Ltd	25,00,00,000	24,91,97,158	30-Apr-26	NA	NA
Term Loan	Suryoday Small Finance Bank	45,00,00,000	44,95,94,075	05-May-26	NA	NA
Term Loan	Poonawalla Fincorp Limited	60,00,00,000	56,85,76,136	05-Nov-26	NA	NA
Term Loan	Jana Small Finance Bank Ltd	87,00,00,000	86,86,47,295	03-Jun-26	NA	NA
PTC	PTC 12	1,82,37,52,754	1,79,27,77,172	20-Dec-26	CARE A (SO)	NA
Working Capital Loan	RBL Bank	20,00,00,000	20,00,35,101	28-Aug-25	NA	NA
Term Loan	MAS Financial Services Ltd (69 to 70tr1)	20,00,00,000	19,96,09,816	05-Jun-26	NA	NA
Term Loan	MAS Financial Services Ltd (70 Tr 2)	10,00,00,000	9,98,04,028	05-Jun-26	NA	NA
Working Capital Loan	Yes Bank Ltd	50,00,00,000	49,99,75,949	17-Sep-25	NA	NA
Working Capital Loan	Kotak Mahindra Bank	50,00,00,000	49,99,78,295	12-Sep-25	NA	NA
Working Capital Loan	Kotak Mahindra Bank	50,00,00,000	49,99,84,935	16-Sep-25	NA	NA
Term Loan	Bajaj Finance Ltd	25,00,00,000	24,73,32,681	30-Jun-26	NA	NA
Working Capital Loan	RBL Bank	20,00,00,000	20,00,49,702	23-Sep-25	NA	NA
Term Loan	Federal Bank Ltd	25,00,00,000	24,93,20,088	27-Jun-26	NA	NA
Term Loan	IDFC First Bank Ltd	1,00,00,00,000	99,83,68,096	27-Jun-28	NA	NA
Term Loan	Oxyzo Financial Services Limited	25,00,00,000	24,80,61,195	25-Jul-27	NA	NA
Working Capital Loan	RBL Bank	25,00,00,000	24,99,98,974	26-Sep-25	NA	NA
Term Loan	Kisetsu Saison Finance Pvt Ltd	90,00,00,000	89,90,19,301	15-Dec-26	NA	NA
Term Loan	Karur Vysya Bank	50,00,00,000	49,67,37,087	30-Jun-27	NA	NA
Term Loan	Vivriti Capital Private Limited	23,00,00,000	22,87,21,952	30-Jun-27	NA	NA
Term Loan	AU Small Finance Bank	70,00,00,000	69,61,45,353	18-Jul-26	NA	NA
Term Loan	Northern Arc Capital Limited	30,00,00,000	29,92,49,864	05-Oct-26	NA	NA

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Overdraft Facility	Yes Bank Ltd-2173	2,99,75,00,000	56,77,02,837	31-Jan-26	NA	NA
Overdraft Facility & Working Capital Loan	Federal Bank Ltd	1,50,00,00,000	1,50,00,00,000	19-Dec-25	NA	NA
Overdraft Facility	Jana Small Finance Bank Ltd	50,00,00,000	4,76,708	22-Dec-25	NA	NA
Overdraft Facility	Suryoday Small Finance Bank	50,00,00,000	30,72,554	06-Mar-26	NA	NA

ii. Details of Unsecured Loan

The Company has availed unsecured loan as on the latest quarter end on June 30, 2025:

Lender's name	Type of facility	Sanction Amount (in Rs.)	Outstanding Principal Amount (in Rs. Lakhs)	Repayment date or Schedule	Credit Rating, if applicable
Not Applicable					

iii. Non-Convertible Debentures

The details of outstanding non-convertible securities in the following format as on the latest quarter end on June 30, 2025:

Series of NCD	ISIN	Tenor (Months)	Coupon	Amount	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured	Security (times)
Class E40	INE07HK07569	24	11.39%	15,00,00,000	09-Aug-23	9-Aug-25	Unrated	Secured	1.1
Class E37	INE07HK07577	24	11.39%	20,00,00,000	29-Aug-23	28-Aug-25	Unrated	Secured	1.1
Class E44	INE07HK07650	625 Days	10.96%	54,60,00,000	24-Nov-23	9-Aug-25	CRISIL A-	Secured	1.1
12.00% Krazybee Services Private Limited 2025	INE07HK07700	18	12.00%	35,00,00,000	13-Mar-24	13-Sep-25	CRISIL A-	Secured	1.1
12.50% Krazybee Services Private Limited 2025	INE07HK07718	18	12.50%	32,95,00,000	19-Apr-24	19-Oct-25	Care A-	Secured	1.1
9.84% Krazybee Services Private Limited 2025	INE07HK07726	15	9.84%	1,00,00,00,000	26-Apr-24	26-Jul-25	Care A-	Secured	1.1
9.84% Krazybee Services Private Limited 2025	INE07HK07726	24	9.84%	55,00,00,000	27-May-24	26-Jul-25	Care A-	Secured	1.1
12.50% Krazybee Services Private Limited 2025	INE07HK07734	18	12.50%	80,00,00,000	12-Jun-24	12-Dec-25	CRISIL A-	Secured	1.1

10.20% Krazybee Services Private Limited 2025	INE07HK07742	18	10.20%	50,00,00,000	19-Jun-24	19-Dec-25	CRISIL A-	Secured	1.1
12.50% Krazybee Services Private Limited 2025	INE07HK07734	17	12.50%	40,00,00,000	12-Jul-24	12-Dec-25	CRISIL A-	Secured	1.1
10.20% Krazybee Services Private Limited 2025	INE07HK07742	17	10.20%	70,00,00,000	24-Jul-24	19-Dec-25	CRISIL A-	Secured	1.1
11.00% Krazybee Services Private Limited 2026	INE07HK07767	18	11.00%	1,20,00,00,000	31-Jul-24	30-Jan-26	CRISIL A-	Secured	1.1
12.50% Krazybee Services Private Limited 2025	INE07HK07718	14	12.50%	50,00,00,000	26-Aug-24	19-Oct-25	Care A-	Secured	1.1
12.10% Krazybee Services Private Limited 2026	INE07HK07775	24	12.10%	70,00,00,000	21-Oct-24	20-Oct-26	CRISIL A-	Secured	1.1
10.30% Krazybee Services Private Limited 2026	INE07HK07783	18	10.30%	1,50,00,00,000	12-Dec-24	12-Jun-26	CRISIL A-	Secured	1.1
10.30% Krazybee Services Private Limited 2026	INE07HK07783	18	10.30%	30,00,00,000	20-Dec-24	12-Jun-26	CRISIL A-	Secured	1.1
10.95% Krazybee Services Private Limited 2026	INE07HK07791	18	10.95%	3,20,00,00,000	23-Jan-25	23-Jul-26	Care A-	Secured	1.1
10.95% Krazybee Services Private Limited 2026	INE07HK07791	17	10.95%	1,15,00,00,000	05-Feb-25	23-Jul-26	Care A-	Secured	1.1
10.65% Krazybee Services Private Limited 2026	INE07HK07809	18	10.65%	2,00,00,00,000	06-May-25	06-Nov-26	CARE A-	Secured	1.10
10.65% Krazybee Services Private Limited 2026	INE07HK07809	17	10.65%	70,00,00,000	19-Jun-25	06-Nov-26	CARE A-	Secured	1.10

iv. Details of commercial paper issuances as at the end of the last quarter in the following format

The details of outstanding commercial paper in the following format as on the latest quarter end on June 30, 2025:

Series Of NCS	ISIN	Tenor / Period of Maturity	Coupon	Amount	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / Unsecured	Other Details Viz. Details of Issuing And Paying Agent, Details Of Credit Rating Agencies
NA	INE07HK14276	198 Days	10.75%	12,00,00,000	12-Feb-25	29-Aug-25	CARE A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14284	178 Days	11.85%	10,00,00,000	17-Feb-25	14-Aug-25	CARE A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14292	181 Days	11.00%	25,00,00,000	09-Apr-25	07-Oct-25	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited

NA	INE07HK14300	189 Days	11.00%	25,00,00,000	09-Apr-25	15-Oct-25	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14318	365 Days	10.00%	38,50,00,000	30-Apr-25	30-Apr-26	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14326	181 Days	11.00%	25,00,00,000	28-May-25	25-Nov-25	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14342	272 Days	10.85%	50,00,00,000	30-May-25	26-Feb-26	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14334	178 Days	11.51%	50,00,00,000	30-May-25	24-Nov-25	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14359	364 Days	11.25%	39,00,00,000	05-Jun-25	04-Jun-26	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14359	350 Days	11.25%	11,00,00,000	19-Jun-25	04-Jun-26	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited
NA	INE07HK14367	178 Days	11.45%	14,00,00,000	24-Jun-25	19-Dec-25	Care A1	Unsecured	IPA – Yes Bank Limited Credit Rating Agency – CARE Ratings Limited

v. List of Top 10 ten holders of non-convertible securities in terms of value (on a cumulative basis):

Sr. No.	Name of Holders	Category of holder	Face value of holding	Holding as a % of total outstanding non-convertible securities of the issuer
1.	OFB Tech Private Limited	Private Limited Company	1,00,000	5.07%
2.	GMO-Z.Com Payment Gateway India Credit Fund	Alternate Investment Fund	1,00,000	3.85%
3.	Kairus Shavak Dadachanji	Individual	1,00,000	2.28%
4.	Shahi Exports Private Limited	Private Limited Company	1,00,000	1.11%
5.	Kemwell Biopharma Private Limited	Private Limited Company	1,00,000	1.10%
6.	MAS Financial Services Limited	Limited Company	1,00,000	1.01%
7.	Neo Markets Services Private Limited	Private Limited Company	1,00,000	1.01%
8.	AK Capital Finance Limited	Limited Company	1,00,000	0.96%
9.	Ambit Finvest Private Limited	Private Limited Company	1,00,000	0.87%

10.	Rudira Aqua Limited	Limited Company	1,00,000	0.80%

vi. List of Top 10 holders of Commercial Paper in terms of value (in cumulative basis)

Sr. No	Name of Debenture Holders	Category of holder	Face value of holding	Holding as a % of total commercial paper outstanding of the issuer
1	Finova Capital Private Limited	Private Limited Company	5,00,000	42.17%
1	InCred Financial Services Limited	Limited Company	5,00,000	17.10%
2	Raymond Limited	Limited Company	5,00,000	16.06%
3	The Kangra Central Co-op Bank Limited	Corperation Bank	5,00,000	12.39%
4	Incred Prime Finance Private Limited	Private Limited Company	5,00,000	8.54%
5.	Northern Arc Money Market Alpha Trust	Alternate Investment Fund	5,00,000	6.49%
6.	Enviro Infra Engineers Limited	Limited Company	5,00,000	3.40%
7.	Powerica Limited	Limited Company	5,00,000	1.70%
8.	Eki Energy Services Limited	Limited Company	5,00,000	0.68%

vii. The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

i. **in whole or part,**
ii. **at a premium or discount, or**
iii. **in pursuance of an option or not:**

Not applicable

XIV. ADDITIONAL DISCLOSURES BY NBFC AS REQUIRED UNDER CHAPTER IV OF LISTED NCDS MASTER CIRCULAR

As set out Annexure XII (*Specific Disclosures Required from NBFC*) of this Key Information Document.

XV. Defaults in borrowing

The details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year:

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Please refer to Section 6 (*Issuer Information*) of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25.

XVI. Material event/ development affecting investment decision

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper or resulting in material liabilities.

Not Applicable.

XVII. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company.

Not Applicable.

XVIII. Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.;

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

XIX. Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares.

Not Applicable

XX. Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer.

Not Applicable

XXI. Details of pending proceedings initiated against the issuer for economic offences, if any.

Not Applicable

XXII. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided.

Transaction	Related Party	31-03-2025 (in lakhs)	31-03-2024 (in lakhs)	31-03-2023 (in lakhs)
Amount owed by related parties	Finnovation tech solutions Private Limited.	-	-	2,666.40
Amount owed by related parties	Finnovation tech solutions Private Limited.	1446.20	1,217.67	-

Sale of Services	Finnovation tech solutions Private Limited.	266.23	103.05	8665.99
Interest Income	Anish Gupta	0.08	0.13	-
Purchase of services	Finnovation tech solutions Private Limited	38960.38	33984.02	20227.72
Securities premium	Finnov Private Limited	-	2262.10	-
Amount owed to related parties	Finnovation Tech Solutions Private Limited	7898.80	7,363.75	374.60
Amount owed to related parties	Finnov Private Limited	-	0.02	0.02
Amount owed to related parties	Directors	-	-	0.09
Amount owed to related parties	Finnovation Tech Solutions Private Limited	185.50	405.40	136.04
Borrowings from related party	Finnov Private Limited	-	-	-
Outsanding Personal Loan (including accrued interest)	Anish Gupta	-	0.75	-
Outstanding Non-Convertible Debentures (including accrued interest)	Krishnaswamy Bhanumath	-	80.27	-
	Vani Jain	30.12	20.08	-
	Nutan Soudagar	80.33	-	70.00
	Madhusudan Ekambaram	301.23	-	-
	Anil Veda	20.08	20.07	10.00
	Sreenidhi Sattanathan	-	50.20	-
	Vibha Veda	20.08	20.07	20.00
	Vivek Veda	261.07	100.39	20.00
	Marappa Krishnaswamy	-	20.07	-
	Marappa Krishnaswamy HUF	100.41	-	-
	Krishnaswamy Karthikeyan HUF	200.82	-	-
	AV Consultancy Services	20.08	-	-
Finance Cost	Finnov Private Limited		-	536.73
	Sreenidhi Sattanathan	1.36	5.41	-
	Krishnaswamy Bhanumathi	3.90	6.94	-
	Madhusudan Ekambaram	23.01	40.73	8.98

	Nutan Soudagar	9.47	8.42	8.04
	Anil Veda	2.29	2.23	1.08
	Vani Jain	2.85	2.16	5.99
	Vibha Veda	2.51	2.50	2.17
	Vivek Veda	29.98	11.16	2.17
	Marappa Krishnaswamy	0.97	1.73	-
	Sattanathan Viswanathan	-	2.41	-
	Marappa Krishnaswamy HUF	7.67	-	-
	Krishnaswamy Karthikeyan HUF	15.34	-	-
	AV Consultancy Services	0.90	-	-
Issue of non-convertible debentures	Madhusudan Ekambaram	300.00	400.00	-
	Nutan Soudagar	80.00	-	70.00
	Anil Veda	20.00	20.00	10.00
	Vani Jain	30.00	20.00	-
	Vibha Veda	20.00	20.00	20.00
	Vivek Veda	260.00	100.00	20.00
	Krishnaswamy Bhanumathi	-	80.00	-
	Marappa Krishnaswamy	-	20.00	-
	Sreenidhi Sattanathan	-	50.00	-
	Marappa Krishnaswamy HUF	100.00	-	-
	Krishnaswamy Karthikeyan HUF	200.00	-	-
	AV Consultancy Services	20.00	-	-
Redemption of non-convertible debentures	Madhusudan Ekambaram	-	400.00	90.00
	Nutan Soudagar	-	70.00	70.00
	Anil Veda	20.00	10.00	-
	Vani Jain	20.00	-	60.00
	Vivek Veda	100.00	20.00	20.00
	Vibha Veda	20.00	20.00	20.00
	Sattanathan Viswanathan	-	20.00	-
	Krishnaswamy Bhanumathi	80.00	-	-
	Marappa Krishnaswamy	20.00	-	-
	Sreenidhi Sattanathan	50.00	-	-

XXIII. The issue document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the company and has given his written consent to the issue of the issue document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration and a statement to that effect shall be included in the issue document.

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

XXIV. In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:

As set out Annexure XII (*Specific Disclosures Required from NBFC*) of this Key Information Document.

XXV. In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents:

(i) A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs.

(ii) Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs.

(iii) Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.

As set out Annexure XII (*Specific Disclosures Required from NBFC*) of this Key Information Document.

XXVI. Declaration in case of public issue with regards to the following:

a. procedure of allotment of debt securities and non-convertible redeemable preference shares and unblocking of funds in case of refund;

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

b. a statement by the Board of Directors about the separate bank account where all monies received out of the issue are to be transferred, and disclosure of details of all monies including utilised and unutilised monies out of the previous issue in the prescribed manner;

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

c. the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized, the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested; and

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

d. the interim use of funds, if any.

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

XXVII. Consent of directors, auditors, bankers to issue, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.

Directors	Please refer **Annexure IV** in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of working committee of the board of directors of the Issuer.

Auditors	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, other than audited financials as set out in **Annexure I** no auditor's report is being obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.
Bankers to issue	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers have been appointed in respect of such issue of Debentures
Solicitors/ Advocates/ Legal Advisors	Not applicable
Registrar	The consent letter from the Registrar is provided in **Annexure VIII** of this Key Information Document.
Lenders of the Issuer	The Issuer believes that no specific consent from the lenders of the Issuer is required.
Experts	Consent of the experts as mentioned above has been obtained to the extent applicable.
Lead Managers	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no lead managers have been appointed in respect of such issue of Debentures

XXVIII. The names of the debenture trustees(s), a statement to the effect that the debenture trustee has consented to its appointment along with a copy of the agreement executed by the debenture trustee with the issuer in accordance with regulation 13 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 made accessible through a web-link or a static quick response code displayed in the issue document.

SBICAP Trustee Company Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment under the Securities and Exchange Board Of India (Issue And Listing Of Non-Convertible Securities) Regulations, 2021, as amended up to date, and a copy of the consent letter is enclosed as Annexure III to this Key Information Document. The Company will enter into a Trusteeship Agreement/ Debenture Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture. The Debenture Trustee Agreement is enclosed as Annexure XIV to this Key Information Document.

The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter cilia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of the Key Information Document. All rights and remedies under the Debenture Trust Deed / Trusteeship Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture holder(s) shall discharge the Company to that extent to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

Company reserves the right to appoint any other SEBI registered Trustee.

XXIX. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Please refer to Section 6 (*Issuer Information*) of the General Information Document October 13, 2024 bearing reference no. 2/2024-25.

XXX. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.

a. The day count convention for dates on which the payments in relation to the debt securities /non-convertible redeemable preference shares which need to be made, should be disclosed.

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with the SEBI Circular on day count convention dated November 11, 2016, as may be amended from time to time.

b. Procedure and time schedule for allotment and issue of securities should be disclosed;

The issue schedule for the issue of the Debentures is as follows:

PARTICULARS	DATE
Issue Opening Date	August 11, 2025
Issue Closing Date	August 11, 2025
Pay In Date	August 12, 2025
Deemed Date of Allotment	August 12, 2025
Date of earliest closing of the issue, if any	NA

Please also refer Annexure IX (*Application Process*).

c. Cash flows emanating from the debt securities / non- convertible redeemable preference shares shall be mentioned in the offer document, by way of an illustration.

The cashflows emanating from the Debentures, by way of an illustration, are set out under Annexure X of this Key Information Document.

XXXI. Disclosures pertaining to wilful defaulter:

The disclosures pertaining to wilful defaulter is as provided in Section 9 (*Disclosure Pertaining to Wilful Default*) of this Key Information Document.

XXXII. Undertaking by the Issuer

Please refer to Section 3 (*Undertaking of the Issuer*) of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25.

XXXIII. Risk Factors

Please refer to Section 4 (*Risk Factors*) of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25.

XXXIV. Other Details

a) DRR creation - relevant regulations and applicability

Please refer to Section 6 (*Issuer Information*) of the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25.

b) Issue/ instrument specific regulations

i. The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.

a) the Companies Act, 2013;
b) the Companies Act, 1956 (to the extent applicable and in force);
c) the Securities Contracts (Regulation) Act, 1956;
d) the Companies (Share Capital and Debentures) Rules, 2014;
e) the Companies (Prospectus and Allotment of Securities) Rules, 2014;
f) the Securities and Exchange Board of India Act, 1992;
g) the Depositories Act, 1996;
h) the NCS Listing Regulations, as amended from time to time;
i) the SEBI LODR Regulations, as amended from time to time;
j) the Master Circular for Debenture Trustees, as amended from time to time;
k) the Listed NCDs Master Circular, as amended from time to time;
l) the SEBI Merchant Banker Regulations, as amended from time to time (if applicable);
m) the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time; and
n) all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi-judicial authority).

c) Default in Payment;

Please refer to the sub-section named "Default Interest Rate" under Section 8 (Summary Terms) of this Key Information Document.

d) Delay in Listing:

The Debentures are proposed to be listed on Bombay Exchange of India Ltd. (BSE'), being the Designated Stock Exchange. The details of BSE Limited are as below:

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Phone: +91 22 2272 1233/4
Fax: +91 22 2272 1919

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", the Issuer confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) Business Days from the date of closure of the issue for the Debentures, the Company will pay to the Debenture Holders, penal interest of 1%

(one percent) per annum over the Coupon Rate for the period of delay from the deemed date of allotment of for the Debentures until the listing of the Debentures is completed.

e) Delay in allotment of securities:

(i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("Allotment Period"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("Repayment Period").

(iii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum from the expiry of the Allotment Period.

f) Issue details:

As detailed in Section 7 *(Application Process)* of this Key Information Document.

g) Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any.

The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities), Rules, 2014 is provided as ANNEXURE XI: PAS 4. Please refer ANNEXURE XI: PAS 4 for all disclosures required under the Companies (Prospectus and Allotment of Securities), Rules, 2014 are set out therein.

h) Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;

Not applicable

i) The issue document shall include the following other matters and reports, namely:

a. If the proceeds, or any part of the proceeds, of the issue of the debt securities/nonconvertible redeemable preference shares are or is to be applied directly or indirectly:

i. in the purchase of any business; or

ii. in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon –

1. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and
2. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.

Not applicable

b. In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

i. the names, addresses, descriptions and occupations of the vendors;

ii. the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

iii. the nature of the title or interest in such property proposed to be acquired by the company; and

iv. the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the offer document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (8) (g) of paragraph XXXI of this Section to this Key Information Document. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee.

Not applicable

c. If:

i. the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and

ii. by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –

1. **the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and**
2. **the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

Not applicable

d. The said report shall:

i. indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

ii. where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

Not applicable

e. The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default shall be disclosed.

Please refer to Annexure IV: Specific Disclosure required from NBFC of the General Information Document Dated **October 13**, 2024 bearing reference no. **2/2024-25**.

f. The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed.

Not applicable

g. The matters relating to:

i. Material contracts:

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Board Resolution dated June 25, 2025 and Finance Committee Resolution dated July 30, 2025, authorizing the issue of Debentures offered under the terms of this Key Information Document.

3.	Shareholders' Resolution dated June 27, 2025 authorizing the issue of non-convertible debentures by the Company.
4.	Copies of Annual Reports of the Company for the last three financial years.
5.	Credit rating letter from the Rating Agency dated July 11, 2025.
6.	Letter from Debenture Trustee dated August 06, 2025 giving its consent to act as Debenture Trustee. ("**Consent Letter**").
7.	Letter for Register and Transfer Agent dated August 07, 2025.
8.	Certified true copy of the certificate of incorporation of the Company.
9.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL
10.	Debenture Trustee Agreement executed between the Issuer and the Debenture Trustee dated August 06, 2025.
11.	Debenture Trust Deed executed between the Issuer and the Debenture Trustee dated on or around the date of this Key Information Document.
12.	Deed of Hypothecation executed between the Issuer and the Debenture Trustee dated on or around the date of this Key Information Document.

ii. Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Company between on 10.00 am to 4.00 pm on Business Days.

h. Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.

Transaction	Related Party	31-03-2025 (in lakhs)	31-03-2024 (in lakhs)	31-03-2023 (in lakhs)
Amount owed by related parties	Finnovation tech solutions Private Limited.	-	-	2,666.40
Amount owed by related parties	Finnovation tech solutions Private Limited.	1446.20	1,217.67	-
Sale of Services	Finnovation tech solutions Private Limited.	266.23	103.05	8665.99
Interest Income	Anish Gupta	0.08	0.13	-
Purchase of services	Finnovation tech solutions Private Limited	38960.38	33984.02	20227.72
Securities premium	Finnov Private Limited	-	2262.10	-
Amount owed to related parties	Finnovation Tech Solutions Private Limited	7898.80	7,363.75	374.60
Amount owed to related parties	Finnov Private Limited	-	0.02	0.02

Amount owed to related parties	Directors	-	-	0.09
Amount owed to related parties	Finnovation Tech Solutions Private Limited	185.50	405.40	136.04
Borrowings from related party	Finnov Private Limited	-	-	-
Outsanding Personal Loan (including accrued interest)	Anish Gupta	-	0.75	-
Outstanding Non-Convertible Debentures (including accrued interest)	Krishnaswamy Bhanumath	-	80.27	-
	Vani Jain	30.12	20.08	-
	Nutan Soudagar	80.33	-	70.00
	Madhusudan Ekambaram	301.23	-	-
	Anil Veda	20.08	20.07	10.00
	Sreenidhi Sattanathan	-	50.20	-
	Vibha Veda	20.08	20.07	20.00
	Vivek Veda	261.07	100.39	20.00
	Marappa Krishnaswamy	-	20.07	-
	Marappa Krishnaswamy HUF	100.41	-	-
	Krishnaswamy Karthikeyan HUF	200.82	-	-
	AV Consultancy Services	20.08	-	-
Finance Cost	Finnov Private Limited		-	536.73
	Sreenidhi Sattanathan	1.36	5.41	-
	Krishnaswamy Bhanumathi	3.90	6.94	-
	Madhusudan Ekambaram	23.01	40.73	8.98
	Nutan Soudagar	9.47	8.42	8.04
	Anil Veda	2.29	2.23	1.08
	Vani Jain	2.85	2.16	5.99
	Vibha Veda	2.51	2.50	2.17
	Vivek Veda	29.98	11.16	2.17
	Marappa Krishnaswamy	0.97	1.73	-
	Sattanathan Viswanathan	-	2.41	-
	Marappa Krishnaswamy HUF	7.67	-	-
	Krishnaswamy Karthikeyan HUF	15.34	-	-
	AV Consultancy Services	0.90	-	-
	Madhusudan Ekambaram	300.00	400.00	-

Issue of non-convertible debentures	Nutan Soudagar	80.00	-	70.00
	Anil Veda	20.00	20.00	10.00
	Vani Jain	30.00	20.00	-
	Vibha Veda	20.00	20.00	20.00
	Vivek Veda	260.00	100.00	20.00
	Krishnaswamy Bhanumathi	-	80.00	-
	Marappa Krishnaswamy	-	20.00	-
	Sreenidhi Sattanathan	-	50.00	-
	Marappa Krishnaswamy HUF	100.00	-	-
	Krishnaswamy Karthikeyan HUF	200.00	-	-
	AV Consultancy Services	20.00	-	-
Redemption of non-convertible debentures	Madhusudan Ekambaram	-	400.00	90.00
	Nutan Soudagar	-	70.00	70.00
	Anil Veda	20.00	10.00	-
	Vani Jain	20.00	-	60.00
	Vivek Veda	100.00	20.00	20.00
	Vibha Veda	20.00	20.00	20.00
	Sattanathan Viswanathan	-	20.00	-
	Krishnaswamy Bhanumathi	80.00	-	-
	Marappa Krishnaswamy	20.00	-	-
	Sreenidhi Sattanathan	50.00	-	-

Please refer Page No. 14 of the Audit Report of the Financial year ended March 31, 2025, Page no. 9 of Financial year ended March 31, 2024 and March 31, 2023

i. The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.

Not applicable

j. The details of: any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law; prosecutions filed, if any (whether pending or not); and fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Please refer to Section 6 (*Issuer Information*) of the General Information Document Dated **October 13**, 2024 bearing reference no. **2/2024-25**.

k. The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.

Not applicable

XXXV. Listing and Monitoring Requirements

i. MONITORING

The Company will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the Master Circular for Debenture Trustee, the Company undertakes and agrees to provide all relevant documents/ information, as applicable, to enable the Debenture Trustee to submit the following reports/ certifications to BSE in accordance with the Master Circular for Debenture Trustee:

ii. RECOVERY EXPENSE FUND

(a) The Company hereby undertakes and confirms that it shall, within the time period prescribed under the Master Circular for Debenture Trustee, establish, maintain and utilize the Recovery Expense Fund in such manner/ mode as is prescribed under the Master Circular for Debenture Trustee, to enable the Debenture Trustee to take prompt action in relation to the enforcement/legal proceedings under the Transaction Documents.

(b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

(c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.

(d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement/legal proceedings and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under the Master Circular for Debenture Trustee. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement/legal proceedings under the Transaction Documents.

(e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

iii. REQUIREMENTS UNDER THE LODR REGULATIONS

The Company agrees, declares and covenants with the Debenture Trustee that it will comply with all relevant requirements prescribed under the LODR Regulations applicable to it (including without limitation, Chapter IV of the LODR Regulations (to the extent applicable) and Chapter V of the LODR Regulations (to the extent applicable)).

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

iv. DUE DILIGENCE

(f) The Company acknowledges, understands, and confirms that:

(i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Act, the LODR Regulations, the Debt Listing Regulations, the Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;

(ii) for the purposes of carrying out the due diligence as required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee, either through itself or its agents, advisors, consultants, shall have the power to examine the books of account of the Company and to have the Company's Hypothecated Assets inspected by its officers and/or external auditors, valuers, consultants, lawyers, technical experts, management consultants appointed by the Debenture Trustee; and

(iii) the Debenture Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property (as set out in this Key Information Document) to the extent necessary for discharging its obligations. The Company shall provide full and unimpeded access to the records, registers and books of accounts in relation to the Hypothecated Assets and facilitate in the inspection and due diligence process. Any fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Debenture Trustee, the above shall be reimbursed forthwith by the Company upon request.

(g) The Company shall submit documents/ information as the Debenture Trustee may require to conduct continuous and periodical due diligence and monitoring of the Transaction Security or the assets on which security interest/ charge is created, which shall *inter alia*, include:

(i) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 (forty-five) days of the respective quarter, whichever is earlier;

(ii) details with respect to defaults, if any, with regard to payment of interest or redemption of Debentures;

(iii) details with respect to the implementation of the conditions regarding creation of the Transaction Security for the Debentures, debenture redemption reserve if applicable and Recovery Expense Fund;

(iv) details with respect to the Hypothecated Assets of the Company and of the guarantors (to the extent applicable) to ensure that they are sufficient to discharge the interest and principal amount at all times and that such Hypothecated Assets are free from any other encumbrances except those which are specifically agreed to by the Debenture Holders;

(v) reports on the utilization of funds raised by the issue of Debentures;

(vi) details with respect to r redemption of the Debentures;

(vii) (to the extent applicable) details with respect to dispatch of the debenture certificates and interest warrants, credit of the debentures in the demat account of the Debenture Holders and payment of amounts upon redemption of Debentures to the Debenture Holders due to them within the stipulated time period in accordance with the applicable Law;

(viii) (to the extent applicable) reports from the lead bank regarding the progress of the project relating to the proceeds of the Issue;

(ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;

(x) (to the extent applicable) certificate from the statutory auditors of the Company (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and

(xi) such other documents or information as may be required by the Debenture Trustee in accordance with the applicable Law.

(h) Without prejudice to any other provision of this Key Information Document and the other Transaction Documents, the Company shall:

(i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

(ii) to the extent applicable, submit a certificate from the statutory auditor on a quarterly basis, regarding the maintenance of security cover in accordance with the terms of the Disclosure Documents and the other Transaction Documents including compliance with the covenants of the Disclosure Documents and the other Transaction Documents within timelines as specified under SEBI Listed Debentures Circulars and Regulations, or such other circulars issued by SEBI from time to time;

(iii) comply with all requirements under the Master Circular for Debenture Trustee, and provide all documents/information as may be required in accordance with the Master Circular for Debenture Trustee.

v. **OTHERS**

(i) The Company shall, at all times until the secured obligations have been duly discharged, maintain a bank account no. 059481300001586, IFSC YESB0000594 with Yes Bank Limited (**"Account Bank**") from which it proposes to pay the redemption amount. The Company agrees and acknowledges that they shall also inform the Debenture Trustee within 1 (one) working day of any change in the Account Bank details.

(j) The Company further acknowledges, agrees, that the Debenture Trustee is authorised to seek redemption payment related details and information from the Account Bank in terms of the extant SEBI regulations. Further, in case of change of Account bank, the Debenture Trustee shall accept such change only upon submission of the duly acknowledged and

accepted pre-authorisation letter and duly accepted consent letter from the successor /new account bank.

(k) The Company covenants with the Debenture Trustee that it shall comply with all its obligations under this Key Information Document and pay and repay all the monies payable by the Company (including any applicable default interest, fees and costs and expenses) to the Debenture Trustee and the Debenture Holder(s) pursuant to the terms of this Key Information Document.

(l) The Company shall ensure due compliance and adherence to the Master Circular for Debenture Trustee in letter and spirit.

(m) To the extent applicable and required in terms of the Master Circular for Debenture Trustee, the Debenture Trustee shall execute an "inter creditor agreement" in the manner prescribed under the Master Circular for Debenture Trustee.

(n) To the extent required/ applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/ clauses etc.).

(o) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

(p) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the Master Circular for Debenture Trustee in respect of the Debentures and the transactions contemplated in the Transaction Documents.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 7 APPLICATION PROCESS

The Debentures being offered by the Issuer by way of this Key Information Document are subject to the provisions of the Companies Act, the Memorandum and Articles of Association of the Issuer, the terms of this Key Information Document, Application Form, applicable Law/regulations and other terms and conditions as may be incorporated in the transaction documents as specified in the Key Information Document.

The investors, who specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in the General Information Document Dated October 13, 2024 bearing reference no. 2/2024-25/ Key Information Document. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

All such Investors / transferees are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of / purchasing the Debentures and with respect to any subsequent transfer of the Debentures and shall be bound by the terms and conditions of the Debentures as set out in this Key Information Document. It is clarified that applications are not to be made by a 'person resident outside India' as defined under the Foreign Exchange Management Act, 1999 (including foreign portfolio investors, non-resident Indians, overseas corporate bodies, etc.)

I. Who can invest /apply?

The investors, who specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in the General Information Document dated October 13, 2024 bearing reference no. 2/2024-25/ Key Information Document. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

All such Investors / transferees are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of / purchasing the Debentures and with respect to any subsequent transfer of the Debentures and shall be bound by the terms and conditions of the Debentures as set out in this Key Information Document. It is clarified that applications are not to be made by a 'person resident outside India' as defined under the Foreign Exchange Management Act, 1999 (including foreign portfolio investors, non-resident Indians, overseas corporate bodies, etc.)

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in Section 7 in the prescribed format in BLOCK LETTERS in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the relevant Application Form. No application can be made for a fraction of a Debenture. The series of Debentures applied for must be clearly indicated in the Application Form. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.
An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed "Account Payee Only". Cheque(s) or demand (s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located. If permitted, the applicant may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Issuer as per details mentioned in the Application Form.

II. Application Procedure through EBP Bid Process as per EBP Guidelines:

a. In order to be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP Guidelines or applicable Law. The Company is entitled at any time to require an Eligible Investor to provide any know your

customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable Law.
All Eligible Investors are required to register themselves as a one-time exercise (if not already registered) with the BSE EBP Platform for participating in electronic book building mechanism.
Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE.
Eligible Investors will also have to complete the mandatory know your customer verification process. Eligible Investors should refer to the EBP Guidelines in this respect.
The details of the Issue shall be entered on the BSE EBP Platform by the Company at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

b. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.
Some of the key guidelines in terms of the current EBP Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

A. Modification of Bid: Eligible Investors may note that modification of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, revision of bid is only allowed for upward revision of the bid amount placed or to improve the coupon or yield by the Eligible Investor.
B. Cancellation of Bid: Eligible Investors may note that cancellation of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, no cancellation of bids is permitted.
C. Multiple Bids: Bidders are permitted to place multiple bids on the BSE EBP Platform in line with the BSE EBP Guidelines and the EBP Guidelines.
D. Manner of bidding: The Issue bidding shall be price based on the BSE EBP platform in line with the BSE EBP Guidelines and the EBP Guidelines.
E. Manner of allotment: The allotment will be done on uniform yield basis in line with the BSE EBP Guidelines and the EBP Guidelines.
F. Manner of settlement: Settlement of the Issue will be done through online transfer and the account details are given in the section on Payment Mechanism of this Key Information Document.
G. Settlement cycle: The process of pay-in of funds by investors and pay-out to Company will be done on T+1 trading day, where T is the Issue Closing Date.
H. Offer or Issue of executed offer letters cum application forms to successful Eligible Investors. The offer letters cum application forms along with the Application Form will be issued to the successful Eligible Investors, who are required to complete and submit the Application form to the Company in order to accept the offer of Debentures.

No person other than the successful Eligible Investors to whom the offer letters cum application forms has been issued by the Company may apply for the issue through the offer letters cum application forms received from a person other than those specifically addressed will be invalid. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out hereinbelow:

Details of size of issue including green shoe option, if any and a range within	**Total Issue size:** Up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable,

which green shoe may be retained (if applicable)	redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only). **Green Shoe Option**: up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only).
Anchor Portion Details	No
Interest rate parameter	Fixed Coupon
Bid opening and closing date	Bid opening date: August 11, 2025 Bid closing date: August 11, 2025
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore Only), and 1 (One) Debenture thereafter
Manner of bidding in the Issue/ Bid Type	Closed
Manner of allotment in the Issue	Uniform Yield Allotment
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement Cycle & Deemed Date of Allotment	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on August 12, 2025.

III. Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	HDFC BANK Limited
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment

into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name:	KRAZYBEE SERVICES PRIVATE LIMITED
Bank Account No.	059481300000416
IFSC CODE:	YESB0000594
Bank Name	Yes Bank Limited
Branch Address:	Ground Floor, Lancor Westminister, 108, Dr. Radha Krishnan Salai, Mylapore, Chennai-600004

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other applicable Law.

Basis of Allocation or Allotment: Allocation shall be made as approved by the Company in accordance with applicable NCS Listing Regulations, Operations Guidelines, and applicable Law. Post completion of bidding process, the Company will upload the provisional allocation on the BSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Company will upload the final allocation file on the BSE EBP Platform.

Payment Mechanism: Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Company. Successful Eligible Investors should do the funds pay-in to the account

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any successful bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Company shall not be liable to issue the Debentures to such successful bidders.

Settlement Process: Upon final allocation by the Issuer, the Company or the Registrar and Transfer Agent on behalf of the Company shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor. The Company shall give the instruction to the Registrar and Transfer Agent for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to effect the transfer of Debentures in the demat account(s) of the successful Eligible Investors post-allocation disclosures by the EBP. Upon final allocation by the Issuer, the Company shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the EBP Guidelines.

The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public. Deemed Date of Allotment Interest on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investor(s) from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to modify allotment date or Deemed Date of Allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed, the Deemed Date of Allotment may also be changed by the Company at its sole and absolute discretion.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Withdrawal of Issue: The Company may, at its discretion, withdraw the issue process on the conditions set out under the EBP Guidelines. Provided that the Company shall accept or withdraw the issue on the BSE EBP Platform within 1(one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid. If the Company has withdrawn the Issue, and the cutoff yield of the Issue is higher that the estimated cutoff yield disclosed to the BSE EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Company, prior to opening of issue on the BSE EBP Platform. The disclosure of estimated cut off yield by BSE EBP Platform to the Eligible Investors, pursuant to closure of the issue, shall be at the discretion of the Company.

Right to Accept or Reject Applications: The Company reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected applicant will be intimated along with the refund warrant, if applicable. No interest on application money will be paid on rejected applications. The application form that is not complete in all respects is liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

A. Number of Debentures applied for is less than the minimum application size;
B. Application exceeding the issue size;
C. Bank account details not given;
D. Details for issue of Debentures in electronic or dematerialised form not given; PAN or GIR and IT Circle or Ward or District not given;
E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allotment:
Notwithstanding anything stated elsewhere, the Company reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first cum first serve basis. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Company by the Deemed date of allotment.

Deemed date of allotment for the issue is August 12, 2025, by which date Investors would be intimated of allotment.

IV. Table of Details of Issuances in the previous financial year:

Sr. No.	Issue Size (Inclusive of Green Shoe Option)	Base Issue + Green Shoe Option	Green Shoe Option exercised	Date of Issue
1.	Issue Size: 49,50,00,000 Allotment Size: 32,95,00,000	Base Issue: 20,00,00,000 Green Shoe Option: 12,95,00,000	12,95,00,000	19.04.2024
2.	Issue & Allotment Size: 100,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	50,00,00,000	26.04.2024
3.	Issue Size: 100,00,00,000 Allotment Size: 55,00,00,000	Base Issue: 100,00,00,000 Green Shoe Option: Nil	-	27.05.2024
4.	Issue Size: 100,00,00,000 Allotment Size: 80,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	30,00,00,000	12.06.2024

5.	Issue & Allotment Size: 40,00,00,000	Base Issue: 20,00,00,000 Green Shoe Option: 20,00,00,000	20,00,00,000	12.07.2024
6.	Issue Size: 100,00,00,000 Allotment Size: 50,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	-	19.06.2024
7.	Issue & Allotment Size: 50,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: Nil	-	05.07.2024
8.	Issue Size: 100,00,00,000 Allotment Size: 70,00,00,000	Base Issue: 30,00,00,000 Green Shoe Option: 70,00,00,000	40,00,00,000	24.07.2024
9.	Issue Size: 70,00,00,000 Allotment Size: 22,25,00,000	Base Issue: 15,00,00,000 Green Shoe Option: 55,00,00,000	7,25,00,000	01.07.2024
10.	Issue Size: 130,00,00,000 Allotment Size: 120,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 80,00,00,000	70,00,00,000	31.07.2024
11.	Issue Size: 60,00,00,000 Allotment Size: 50,00,00,000	Base Issue: 25,00,00,000 Green Shoe Option: 35,00,00,000	25,00,00,000	26.08.2024
12.	Issue Size: 80,00,00,000 Allotment Size: 70,00,00,000	Base Issue: 70,00,00,000 Green Shoe Option: 10,00,00,000	-	21.10.2024
13.	Issue & Allotment Size: 150,00,00,000	Base Issue: 150,00,00,000 Green Shoe Option: Nil	-	12.12.2024
14.	Issue & Allotment Size: 30,00,00,000	Base Issue: 30,00,00,000 Green Shoe Option: Nil	-	20.12.2024
15.	Issue & Allotment Size: 320,00,00,000	Base Issue: 160,00,00,000 Green Shoe Option: 160,00,00,000	160,00,00,000	23.01.2025
16.	Issue Size: 250,00,00,000 Allotment Size: 115,00,00,000	Base Issue: 100,00,00,000 Green Shoe Option: 15,00,00,000	15,00,00,000	05.02.2025

V. Documents to be provided by Investors / applicants

Investors need to submit the following documents, along with the Application Form, as applicable

a. Memorandum and Articles of Association along with Certificate of Incorporation/Documents Governing Constitution
b. Board Resolution / letter authorizing the investment and containing operating instructions
c. Certified true copy of the Power of Attorney, if applicable
d. PAN card
e. Form 15AA for investors seeking exemption from Tax Deduction at Source (TDS) — both on Interest on Application Money as well as annual interest payments
f. Specimen signature of the authorized signatories, duly certified by an appropriate authority
g. SEBI Registration Certificate, as applicable
h. Application form (including RTGS details)

VI. Applications to be accompanied with bank account details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of interest and all other amounts payable to the Debenture Holder(s) through electronic transfer of funds or RTGS.

VII. Applications under Power of Attorney

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted failing which the applications are liable to be rejected.

VIII. Interest on Application Money

Interest on Application Money will be paid at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications.

Such interest shall be paid for the period commencing from the date of credit by way of funds transfer / Real time gross settlement up to one day prior to the date of allotment.
No interest on application money would be payable in cases of invalid applications.

IX. Letters of Allotment

The Debentures will be credited in dematerialised form within 2 (two) Business Days from the Deemed Date of Allotment.

X. Record Date

The record date means, date occurring 15 (fifteen) calendar days prior to any Due Date.

XI. Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

XII. Payment on Redemption

Payment on redemption will be made by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer in the name of the relevant Debenture Holder(s) whose names appear on the List of beneficial owners given by the Depository to the Company as on the Record Date. The Debentures shall be taken as discharged on complete payment of the redemption amount by the Company on relevant maturity date(s) to the respective registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holder(s) of such series. On such payment being made, the Company will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted. The Company's liability to the Debenture Holder(s) towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such

redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

XIII. Mode of Payment

All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.

XIV. Effect of Holidays

In the event that any date on which any Coupon payment is required to be made by the Issuer is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment. In the event that the Redemption Date(s) in respect of the Debentures is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for redemption of Debentures.

XV. Payment of Coupon

Coupon for each of the Coupon periods shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the Coupon Rate. If the Coupon period from start date to end date includes February 29, then interest shall be paid on the basis of (end date-start date)/366.

XVI. Tax Deduction at Source

Income tax will be deducted as applicable as per the provisions of Income-tax Act, 1961. Where any deduction of Income Tax is made at source, the Company shall send to the Debenture holder a Certificate of Tax Deduction at Source.

XVII. PAN/GIR Number

Applicant should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

XVIII. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

XIX. Basic terms of the present offer

Refer Section 8 *(Summary of Terms of this* Key Information Document for issue specific details.

XX. Minimum Subscription

INR. 1,00,00,000/- (Indian Rupees One Crore only) and in multiples of INR 1,00,000/- (Indian Rupees One Lakh only) thereafter.

XXI. Deemed Date of Allotment

All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is as set out in this Key Information Document.

All benefits related to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The

Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without any notice to the Debenture holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion, subject to provisions contained in Transaction Documents.

XXII. Market lot will be one Debenture

Contributions being made by the promoters or directors either as part of the Issue or separately in furtherance of such objects- None

XXIII. Security

The Debentures are proposed to be secured by the assets and security details as given in Issue Detail.

XXIV. Debentures in Dematerialized Form

The Company is issuing the Debentures only in dematerialized form and hence no Debentures are being issued in physical form in terms of the Key Information Document. The Company has entered in to Depository Arrangements with NSDL for dematerialization of the Securities.

Applicants have to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. Debentures of successful Debenture Holders having Depository Account shall be credited to their Depository Account.

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer to those Debenture Holder(s) whose names appear on the list of Beneficiaries provided by the Depositories to the Issuer. The names would be as per the Depositories' records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant record date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the Depositories to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will dispatch the cheque for interest / Coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debenture Holder for redemption and interest/ Coupon payments.

XXV. Joint-Holders

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint holders with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company, subject to other provisions contained in the Articles of Association of the Company.

XXVI. Mode of Transfer

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debentures and nomination in this respect.

The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depositories of the transferor or transferee and any other applicable

Law and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The transferor should give delivery instructions containing details of the transferee's depository account to his Depository. Investors may note that subject to applicable Law, the Debentures of the Issuer would be issued and traded in dematerialised form only.

XXVII. Succession

In the event of demise of the sole holder of the Debentures, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof and / or indemnity.

XXVIII.Governing law

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals at Chennai shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable Law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the Debenture Holders and the Debenture Trust Deed.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 8 SUMMARY OF TERMS

The following term sheet summarizes the principal items with respect to the financing facility to be provided to Krazybee Services Private Limited ("**Borrower**" or "**Company**") by the Investor.

For the avoidance of the doubt, except as specifically stated, this term sheet does not attempt to describe all terms and conditions of the transaction contemplated herein. The term sheet is intended to outline certain basic terms around which transaction could be structured. All proposed terms and conditions are subject to execution of mutually satisfactory transaction documents, satisfactory legal, technical & financial diligences, meeting of stipulations as contained herein etc.

Particulars	Terms and Conditions
Security Name	10.65% Krazybee Services Private Limited 2027
Borrower/Issuer	Krazybee Services Private Limited
Type of Instrument	Senior, Secured, Listed, Taxable, Rated, Transferable, Redeemable, Non-Convertible Debentures
Nature of the Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Eligible Investors	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"): o) Individuals except Politically Exposed Person p) Hindu Undivided Family q) Trust Limited Liability Partnerships r) Partnership Firm(s) s) Portfolio Managers registered with SEBI t) Association of Persons u) Companies and Bodies Corporate including Public Sector Undertakings. v) Commercial Banks w) Regional Rural Banks x) Financial Institutions y) Insurance Companies z) Mutual Funds aa) FPIs bb) NBFCs Any other investor eligible to invest in these Debentures.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are to be listed on the WDM of the BSE within a maximum period of 3 (three) trading days from the date of closure of the Issue for the Debentures. In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).
Rating of Instrument	CARE Ratings Limited
Issue Size	Issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each

	aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**") comprising of: a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) ("**Green Shoe Option**").
Minimum Subscription	INR 1,00,00,000/- (Indian Rupees One Crore only)
Option to retain oversubscription	a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only).
Objects of the Issue/ Purpose for which there is requirement of funds	The Issue proceeds will be utilized for originating personal/business loans, provided however that the Issuer shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks until the utilization of the funds raised for the intended Purpose.
In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable
Details of the utilization of the Proceeds	The funds raised by the Issue shall be utilized by the Company solely towards the Purpose. The Company shall not use the proceeds of the Issue towards: i. any capital market instrument such as equity and equity linked instruments or any other capital market related activities; ii. any real estate activity; iii. any speculative purposes; iv. in contravention of any guidelines, rules or regulations of the RBI applicable to non- banking financial companies; and/or v. any purpose, that is not eligible for the providing of financing by banks to non- banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. RBI/2024-25/24 DOR.CRE.REC.No.17 /21.04.172/2024-25 dated April 24, 2024 on "Bank Finance to Non-Banking Financial Companies (NBFCs)". PROVIDED HOWEVER, the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks until the utilization of the funds raised for the intended Purpose.
Coupon Rate	Fixed interest of 10.65% (ten point six five percent) per annum
Step Up/ Step Down Coupon Rate	In the event, credit rating of the Debentures is downgraded from the current rating of "CARE A (Stable)" ("**Rating**") at any point of time during the

	tenor of the Debentures, the Coupon Rate shall increase by 0.25% (zero decimal two five percent) for each notch downgrade of 1 (one) notch from the rating of the Debentures and/or Issuer ("**Step Up Rate**"). Such increased rate of interest shall be applicable from the date of such downgrade ("**Step Up**"). Following the Step Up until the rating of the Debentures is restored to the Rating, if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero decimal two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the Rating) and such decreased rate of interest shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of interest in accordance with this provision cannot, in any case, be lower than the Coupon Rate.
Coupon / Dividend Payment Frequency	Monthly
Coupon / Dividend Payment Dates	Please refer to ANNEXURE X: ILLUSTRATION OF BOND CASH FLOWS of this Key Information Document.
Cumulative / non-cumulative, in case of dividend	Not applicable
Coupon Type	Fixed Coupon
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	Not applicable
Day Count Basis (Actual/Actual)	Actual/Actual
Interest on Application Money	At Interest Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Debentures for the period starting from and including the date of realization of application money in Issuer's Designated Bank Account up to one day prior to the Deemed Date of Allotment Where Pay-in Date and the Deemed date of Allotment are the same, no interest on Application money is to be paid.
Default Interest / Coupon Rate	**Payment Default including Event of Default** If, at any time, there shall be a payment default or any other Event of Default, the Company agrees to pay an additional interest rate of 2% per annum (two point zero zero percent) above the applicable Interest Rate on the Outstanding Principal Amount from the date of the occurrence of the payment default or Event of Default until such payment default or Event of Default is cured or the final redemption amount is paid (whichever is earlier). **Delay in security creation** In the event the Issuer's fails to execute Hypothecation Agreement and perfect security within the timelines, the Issuer shall pay additional interest of 2.00% (two point zero zero percent) over and above the Interest Rate. **Breach of financial covenants** Debenture Holder reserves the right to levy a penalty of a sum equivalent to 1.00% (One point zero zero percent) of the amount outstanding under the Debentures on the Issuer in the event of breach of any of the Financial Covenants, if such breach is not cured within 30 (thirty) days. The penalty

	shall be paid within 30 (Thirty) calendar days from the date of such breach and as per the relevant provisions contained in Transaction Documents. **Delay in execution of Debenture Trust Deed** If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed. **Delay in listing** In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed.
Tenor	24 (twenty four) months from the Deemed Date of Allotment. In the case of an Early Redemption, Tenor will be number of days between the Deemed Date of Allotment and /or mandatory redemption date
Redemption Date	August 12, 2027
Redemption Amount	Debentures shall be redeemed at par
Redemption Premium / Discount/ Early Redemption penalty	Not applicable.
Issue Price	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture.
Discount at which security is issued and the effective yield as a result of such discount.	Not applicable
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Not applicable
Put Date	Not applicable
Put Price	Not applicable
Call Date	Not applicable
Call Price	Not applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not applicable
Call Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not applicable
Face Value	INR 1,00,000/- per debenture instrument
Minimum Application and in multiples of Debt securities thereafter	INR 1,00,00,000/- (Indian Rupees One Crore only) and in multiples of INR 1,00,000/- (Indian Rupees One Lakh only) thereafter
Issue Timing **1. Issue Opening Date** **2. Issue Closing Date** **3. Date of earliest closing of the issue, if any**	 1. August 11, 2025 2. August 11, 2025 3. August 11, 2025 4. August 12, 2025

4. Pay-in Date **5. Deemed Date of Allotment**	5. August 12, 2025
Settlement mode of the Instrument	Dematerialised form
Depository	NSDL and CDSL
Disclosure of Interest/ Dividend / redemption dates	Please refer to ANNEXURE X: ILLUSTRATION OF BOND CASH FLOWS of this Key Information Document.
Record Date	Means, date occurring 15 (fifteen) calendar days prior to any Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Side Letter: NIL Accelerated payment: Any early redemption or prepayment by Issuer is subject to applicable Law and subject to approval of the Majority Debenture Holders, please refer to 'Optional Early Redemption' and 'Mandatory Accelerated Early Redemption' set out below in this Section 8. **Covenants of the Issue**: Affirmative Covenants: Please refer to Section 10.1 (*Affirmative Covenants*) of this Key Information Document; Negative Covenants: Please refer to Section 10.2 (*Negative Covenants*) of this Key Information Document; Financial Covenants: Please refer to Section 10.3 (*Financial Covenants*) of this Key Information Document; Reporting Covenants: Please refer to Section 10.4 (*Reporting Covenants*) of this Key Information Document;
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Key Information Document	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("**Hypothecated Assets**") created pursuant to the Hypothecation Agreement. The Issuer undertakes: • The total charge over the Hypothecated Assets shall constitute 1.10x (one decimal one zero times) or 110% (one hundred and ten percent) of the aggregate amount of principal, Coupon/ dues outstanding and payable to the Debenture Holders to be created as per terms of the Transaction Documents. The above-mentioned Security Cover shall be maintained at all times during the tenure of the Debentures and until all such dues/claims/ outstanding is paid to the Debenture Holders to the satisfaction of the Debenture Trustee. • To create, register and perfect the security over the Hypothecated Assets by filing CHG-9 within the time period applicable as contemplated above no later than 30 (Thirty) calendar days after the Deemed Date of Allotment and create a charge by executing a duly stamped Hypothecation Agreement prior to the Deemed Date of Allotment; The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets. • to pay a penal interest of 2.0% (Two Percent) p.a. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets beyond 30 (thirty) calendar days from the date of execution of the Hypothecation Agreement; • to provide on a quarterly basis, of specific loan receivables/ book debts to the Debenture Trustee over which the charge is created and

	subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("**Quarterly Hypothecated Asset Report**") • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10x (One decimal one zero times) or 110% (One hundred and ten percent) the aggregate amount of the aggregate amount of principal, Coupon/ dues outstanding and payable to the Debenture Holders. • to replace Hypothecated Assets that have been overdue for more than 90 (Ninety) calendar days with current receivables (i.e., 0 DPD). • The Hypothecated Assets which do not meet the eligibility criteria shall be replaced within 30 days.
Transaction Documents	Including but not limited to the following documents: 1. Debenture Trust Deed 2. General Information Dated October 13, 2024 bearing reference no. 2/2024-25/Key Information Document/PAS-4 3. Debenture Trustee Appointment Agreement; 4. Resolutions 5. Deed of Hypothecation; 6. Special Power of Attorney; 7. Such other documents required by the Debenture Trustee.
Conditions Precedent to Disbursement	(a) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee; (b) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed; (c) Execution of the Transaction Documents in a form and manner satisfactory to the Debenture Trustee shall have taken place; (d) The Company shall have provided to the Debenture Trustee a certificate from a director/ company secretary of the Company certifying that: (i) the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories; (ii) the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures;

	(iii) the borrowing of moneys pursuant to the issuance of the Debentures and creation of Security over the Hypothecated Assets will not cause any limit binding on the Company to be exceeded; (iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deed of Hypothecation; (v) no Material Adverse Effect has occurred in the Company, and/ or the business of the Company; (vi) absence of any Event of Default, any force majeure event and any Material Adverse Effect; (vii) all representations and warranties contained in this Key Information Document are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; (viii) no investor or shareholder consent/ approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/ instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents; and (ix) the Company shall maintain a security cover of 110.0% of the outstanding principal amount and accrued interest throughout the Tenor the Debentures. (e) Copy of the e-Form MGT-14 filed with the ROC with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures; (f) a copy of the rating letter and/ or the rating rationale issued by the Rating Agency in relation to the Debentures; (g) a copy of the consent from the Registrar to act as the Registrar and Transfer Agent for the issue of Debentures; (h) The Company shall have received consent from the Debenture Trustee to act as the Debenture Trustee for the issue of Debentures; (i) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company; (j) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company; (k) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;

	(l) The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures; (m) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year. (n) The Company shall have submitted to the Debenture Trustee, evidence that the fees, costs and expenses due from the Issuer pursuant to the Transaction Documents prior to execution have been paid to the satisfaction of the Debenture Trustee; and (o) such other information, documents, certification by Issuer's authorized representatives, opinions and instruments as the Debenture Holders may reasonably request.
Conditions Subsequent to Disbursement	Company shall fulfil each of the following conditions within the stipulated timelines: i. Certified true copy of the board resolution for the allotment of the relevant Debentures, within 2 (two) Business Days of the Deemed Date of Allotment of Debentures; ii. the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under the SEBI Listing Timelines Requirements; iii. the Issuer shall ensure that the Debentures are credited into the demat account(s) of the Debenture Holders within 2 (Two) Business Days from the Deemed Date of Allotment or such time as set out under Listed NCDs Master Circular as amended from time to time; iv. The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder; v. The Issuer shall have submitted a copy of filed Form CHG-9 (as per the Act) with the relevant Registrar of Companies by the Issuer within 30 (thirty) days of execution of Hypothecation Agreement, together with the certificate of registration of charge obtained in relation to the same; vi. Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under each Hypothecation Agreement and for

	enforcement of such Security within the timeline stipulated under applicable Law; vii. Copy of Form PAS-5 being maintained by the Issuer in accordance with the Act, where the Issuer has recorded the names of the subscribers to the relevant Debentures within 7 (Seven) Business Days of the Deemed Date of Allotment of Debentures; viii. The Issuer shall provide an end-use certificate from a statutory auditor certifying that funds have been utilized in accordance with Transaction Documents (along with the description of such utilization), within 60 (Sixty) days of the Deemed Date of Allotment; ix. As applicable to the Issuer in accordance with the applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with provisions of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017; and x. The Issuer shall ensure compliance of such other condition and provide such other information and documents and execute such documents as are customary for a financing similar to the issuance of the Debentures or as Subscriber may reasonably request or as maybe required under the applicable Law (including without limitation, the Act and any other guidelines/ circulars issued by the SEBI and/ or RBI).
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 10.6 (*Events of Default*) of this Key Information Document;
Creation of recovery expense fund	Details and purpose of the recovery expense fund The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the Master Circular for Debenture Trustee, in accordance with and within the timelines prescribed in the Master Circular for Debenture Trustee. The Company shall create a Recovery Expense Fund which shall be equal to 0.01% (Zero decimal Zero One percent) of the Issue Size subject to maximum of INR 25 lakhs (Indian Rupees Twenty-Five lakhs) per issuer in the form of cash or cash equivalent(s) (including bank guarantees) maintained with the designated stock exchange. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. The procedure involving creation and maintenance of the recovery expense fund shall be supervised and monitored by the Debenture Trustee. The recovery expense fund may be utilized by Debenture Trustee, in the Event of Default by the Company, for taking appropriate legal action to enforce the Security/ legal proceedings in relation to the Debentures.

	The Debenture Trustee shall follow the procedure set out in the SEBI Recovery Expense Fund Circular for utilisation of the recovery expense fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the recovery expense fund towards enforcement of Security. On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the Master Circular for Debenture Trustee for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Refer to Section 10 (*Key Terms of the Issue*) of this Disclosure Document
Provisions related to Cross Default Clause	Please refer to Section 10.6 (*Role and Responsibilities of Debenture Trustee*) of this Key Information Document;
Role and Responsibilities of Debenture Trustee	Refer to Section 10.5 (*Key Terms of the Issue*) of this Disclosure Document
Risk factors pertaining to the issue	Refer to Section 4 (*Risk Factors)* of the Key Information Document
Governing Law and Jurisdiction	The Transaction Documents shall be governed by and will be construed in accordance with the Indian laws and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Chennai.
Delay in Listing	In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).
Optional Early Redemption	As per applicable Law, the Issuer will not have the option to prepay the debentures within 12 (twelve) months from the Deemed Date of Allotment ("**Lock-in Period**"). However, pursuant to the expiry of the Lock-in Period, the Issuer may, on any date other than the Final Redemption Date, exercise the early redemption of the Debentures by providing 15 (fifteen) days prior notice to the Debenture Trustee and upon receipt of consent of Majority Debenture Holders.
Mandatory / Accelerated Early Redemption Event	means when the rating of Debentures is downgraded by two notches or more;
Mandatory / Accelerated Early Redemption	On occurrence of Mandatory / Accelerated Early Redemption Event, Debenture Trustee immediately upon receiving instructions from the Debenture Holders, shall provide a notice to the Issuer for making early redemption of the Debentures ("**Mandatory / Accelerated Early Redemption Notice**"). Issuer shall make payment of all the amounts outstanding under the Debentures in full together with accrued interest, and all other amounts accrued thereto without any premature redemption penalty within 15 (Fifteen) calendar days of the Mandatory / Accelerated Early Redemption Notice. Issuer must comply with such other conditions as may be prescribed by the Debenture Trustee/ Debenture Holder. Issuer shall comply with such conditions as maybe required under regulatory framework from time to time.
Eligibility Criteria	i. The hypothecated Loans must have been originated while complying with all the extant 'know your customer' norms specified by the RBI; ii. The Loans constituting the Hypothecated Assets shall be unencumbered and no security interest of any kind shall exist over them except in accordance with the Transaction Documents;

	iii. All applicable "know your customer" requirements prescribed by the RBI have been complied with; iv. The receivables are existing at the time of selection and have not been terminated or pre- paid or not under any moratorium; v. Each Loan shall be "standard" and receivables with overdue for more than 90 days will be replaced with current receivables; vi. all Loans hypothecated under the Hypothecation Agreement comply with RBI norms and guidelines; vii. Loans originated from the issue proceeds should be originated by the Issuer and not loans purchased from a third party; viii. No Loan forming part of Security Cover should be restructured or rescheduled; and ix. No Loan shall be belonging to Off-Balance Sheet Portfolio.
Cure Period	Cure Period for Affirmative Covenants means 30 (Thirty) days from the date of such breach. Cure Period for Financial Covenants means 30 (Thirty) days from the date of such breach. Cure Period for Reporting Covenants means 30 (Thirty) days from the date of such breach.
Buyback	Issuer can buy back Debentures with the approval of the Majority Debenture Holders subject to applicable Law and as per the Transaction documents.

Notes:

a. *If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.*

b. *The list of documents which have been executed in connection with the issue and subscription of debt securities shall be annexed.*

c. *The issuer shall provide granular disclosures in their issue document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

The Issue proceeds will be utilized only for general corporate purposes of the Company or for utilization in ordinary course of business, provided however that the Company shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks until the utilization of the funds raised for the intended Purpose.

d. *While the debt securities are secured to the tune of 110% of the principal and interest amount or as per the terms of offer document/ General Information Document Dated* October 13, 2024 bearing reference no. 2/2024-25*/ this Key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.*

e. *Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.*

f. *Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed / Key Information Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in NCS Listing Regulations from*

debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

g. The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 9 DISCLOSURE PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

a) Name of the bank declaring the entity as a willful defaulter:
Not applicable

b) The year in which the entity is declared as a willful defaulter:
Not applicable

c) Outstanding amount when the entity is declared as a willful defaulter:
Not applicable

d) Name of the entity declared as a willful defaulter:
Not applicable

e) Steps taken, if any, for the removal from the list of willful defaulters:
Not applicable

f) Other disclosures, as deemed fit by the issuer to enable Investors to take informed decisions:
Not applicable

g) Any other disclosure as specified by the Board:
Not applicable

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 10 KEY TERMS OF THE ISSUE

10.1 AFFIRMATIVE COVENANTS

(a) **Utilization of the issue proceeds**

The Company shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in this Key Information Document;

(b) **Amendment of Articles of Association**

Issuer has amended and incorporated provisions in their Articles of Association, authorizing the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 by September 30, 2023 as specified SEBI Listed Debentures Circulars and Regulations;

(c) **Notice of winding up or other legal process**

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process filed or initiated against the Company which will have a Material Adverse Effect;

(d) **Loss or damage by uncovered risks**

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(e) **Costs and expenses**

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

(f) **Payment of Rents, etc.**

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this Key Information Document;

(g) **Preserve corporate status; authorisations**

Company shall

(i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(iii) promptly obtain all consents and authorisations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(h) **Pay stamp duty**

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable Laws at the time and place of execution and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;

(i) **Furnish information to trustee**

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/ copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

(j) **Grievance**

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

(k) **Specific Information to be provided to the Debenture Trustee**

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

(i) notice of any Event of Default, each as listed in Section 10.6 (*Events of Default*) of this Key Information Document;
(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the Listing Regulations;

(iii) details of any material litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to the Debenture Trustee which could have Material Adverse Effect;

(iv) any and all information required to be provided to the stock exchange under the Listing Regulations; and

(v) the declaration or distribution of dividend.

(l) **Comply with Investor Education and Protection Fund requirements**

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it;

(m) **Further assurances**

Company shall

(i) execute and/ or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard; and

(iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Key Information Document or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Key Information Document.

(iv) comply with:

(A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI NCS Listing Regulation and the provisions of the listing agreement entered into by the Company with the BSE in relation to the Debentures;

(B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(C) the provisions of the Act in relation to the issue of the Debentures;

(D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures;

(E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/ or the Debenture Holders; and

(F) all Laws, rules, regulations and guidelines as applicable in respect of foreign investors (if any).

(n) **Security**

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Hypothecated Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The charge created on the security shall be free from any encumbrances, and the Company shall provide an undertaking to the Debenture Trustee as per terms of issue before filing the application for listing of the Debentures. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Quarterly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/ or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times from the First Security Cover Determination Date until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

(iv) shall, on the First Security Cover Determination Date and every Quarterly Hypothecated Asset Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(v) the security interest created on the Hypothecated Assets shall be a continuing security until the Final Redemption Date until all Payment Obligations are fulfilled to the satisfaction of the Debenture Trustee as described in the Hypothecation Agreement and other Transaction Documents;

(vi) the Hypothecated Assets shall satisfy the eligibility criteria set out in **"***Eligibility Criteria*" of Section 8; and

(vii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders.

(viii) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this Key Information Document.

(o) **Filings**

If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015;

(p) **Amounts to be reimbursed to the Debenture Trustee**

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

(q) **Delay in Security Creation**

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:

(i) refund the Application Money as set out in Clause 2.5 of this Key Information Document, to the Debenture Holders; or
(ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(r) **Books of Account**

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint;

(s) **Material Adverse Effect**

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

(t) **Corporate Governance**

(i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
(ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1 (one) independent director;
(iii) the Company shall at all times comply with the Digital Lending Guidelines dated September 2, 2022 issued by the RBI; and
(iv) the Company shall at all times comply with the NBFC Master Directions.

(v) **General**

(i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
(ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
(iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;
(iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non- Banking Financial Companies' as prescribed by the RBI from time to time;
(v) the Company shall promptly inform the Debenture Trustee of any change in its name, any change in the composition of its board of directors, except independent directors; and
(vi) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(w) **Access**

Company shall permit the Debenture Trustee (and the Debenture holders) and/ or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:
(i) check the management of the funds made available through subscription to the Debentures;
(ii) inspect and take copies and extracts from the books, accounts and records of the Company;
(iii) the Company shall obtain, comply with and maintain all necessary licenses/ authorisations;
(iv) visit and inspect the premises of the Company; and
(v) meet and discuss matters with senior management employees of the Company.

(x) **Conditions Subsequent**

Company shall comply with the conditions stipulated in **"***Conditions Subsequent*" of Section 8 (Summary of Terms);

(y) **Financial Covenants**

Company shall comply with the financial covenants stipulated in Section 10.3 (*Financial Covenants*) of this Key Information Document;

(z) **Issue Terms and Conditions**

At all times during the term of these presents comply with each of the Issue Terms and Conditions;

(aa) **Internal Controls**

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes; and

(bb) **Information to Debenture Trustee**

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as may be required by SEBI from time to time.

10.2 NEGATIVE COVENANTS

Without the prior written consent of the Debenture Trustee (approval of Majority Debenture Holders) the Company shall not take any action/ permit any action to be taken in relation to the items set out herein.

The Debenture Trustee may approve any application for consent/waiver in respect of any of the negative covenants set out under this Section 10.2, on consent of the Majority Debenture Holders provide their consent, within a period of 7 (seven) calendar days from the date of receipt of such request/notification from the Debenture Trustee. Where the aforementioned approval or rejection has not been provided within the aforementioned time period of 7 (seven) calendar days from the date of receipt of such request/notification from the Debenture Trustee, consent for such action shall be deemed approved and the Company may proceed with the action for which the consent/waiver has been requested. However, on an Event of Default, breach of terms of Transaction Documents/Covenants, deemed consent as stated above shall not be applicable and the consent of the Debenture Holders/ Debenture Trustee shall be obtained as per the applicable SEBI Listed Debentures Circulars and Regulations and any amendments from time to time and in terms of process set out Section 6 (Provisions of the Meeting of Debenture Holders) and this Key Information Document.

(a) **Change of business;**

Change the general nature of its business (save and except other than in ordinary course of business) from that which is permitted by the RBI. The issuer shall not undertake any new major business outside financial services or any diversification of its business outside financial services, without approval of Majority Debenture Holders.

(b) **Change in constitutional documents**

Change or make any material alteration to its Constitutional Documents where such amendment in the opinion of the Debenture Trustee would result in a Material Adverse Effect, except in the following events (wherein the prior written permission of the Debenture Trustee will not be required):

i. any increase in authorised share capital of the Issuer and/or any reclassification of the share capital of the Issuer; and
ii. any change as a result of (i) any amendment in the shareholders' agreement entered with any shareholder/investor, (ii) the change in name or change of registered office address of the Issuer, (iii) primary equity infusion into the Issuer or (iv) introduction of any new products in the ordinary course of business.

(c) **Change in shareholding**

(i) The Company will not purchase or redeem any of its issued shares or reduce its share capital without the Debenture Trustees' prior written consent;

(ii) Mr. Madhusudan Ekambaram and Mr. Krishnaswamy Karthikeyan (collectively "**Key Shareholders**") shall not sell, transfer or encumber the shares (cumulatively below 8% on a fully diluted basis) of the Issuer held by them respectively without the prior written consent of the Debenture Trustee. The shareholding of Key Shareholders shall not go below 8% on a fully diluted basis;

(iii) Mr. Madhusudan Ekambaram, Mr. Krishnaswamy Karthikeyan and Mr. Vivek Veda shall not exit from the board during the Tenor of the Debentures without prior written consent from the Debenture Trustee;

(iv) Key Shareholders shall not grant in favour of any other Person, (a) any direct interest in or any option in relation to their shareholding in the Issuer; or (b) the right to exercise any call / put option in relation to their shareholding in the Issuer;

(v) Key Shareholders shall not pledge, charge or create any security interest and/or lien or encumbrance of any nature directly over their shareholding in the Issuer in favour of any other person, without the prior written consent of the Debenture Trustee.

(d) **Dividend**

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

(i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
(ii) no Event of Default has occurred and is then continuing, or is reasonably likely to occur as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
(iii) the Company is in compliance with the financial covenants set forth in Section 10.3 (*Financial Covenants*) of this Key Information Document; and
(iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(e) **Merger, consolidation, etc.**

Undertake or permit any mergers and Acquisitions other than the proposed scheme of arrangement filed with Finnovation Tech Solutions Private Limited, restructuring, amalgamation without approval of Majority Debenture Holders over and above 10% of the Net worth of the Issuer in a financial year.

Save and except as stated above, the Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its Payment Obligations in relation to the Debentures.

(f) **Associates, Subsidiaries, and Joint Ventures**

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures which are likely to have Material Adverse Effect.

(g) **Acquisition**

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost is likely to have Material Adverse Effect, whether paid by cash or otherwise.

(h) **Joint Venture**

Without the prior written consent of the Majority Debenture Holders:
i. acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

ii. transfer any Hypothecated Assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(i) **Loans and Guarantees**

The Company shall not directly or indirectly lend to any of its Founders, or any Related Parties other than in the ordinary course of business and at arm's length basis.

(j) **Arm's length basis; No profit-sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

(i) enter into any transaction or or continue business relations with its shareholders, employees, holding company(ies), and/ or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis or other than in ordinary course of business;
(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person other than in the ordinary course of business; or
(iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person in entirety.

(k) **Immunity**

Claim any immunity or limitation of liability against any Payment Obligations arising towards the Debenture Holders.

(l) **Liabilities**

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(m) **Buy-back**

Issuer shall not, without the prior written consent of the Debenture Trustee, redeem, purchase, buyback, defease, retire, return or repay any of its equity share capital or resolve to do so.

(n) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its financial creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(o) **Anti-money laundering**

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(p) **Related Party Transactions**

The Issuer shall not without the prior written intimation to the Debenture Trustee (i) enter into any related party transaction(s) whereby the overall outstanding amount owed to the Issuer under all such related party

transactions exceeds 15.00% (Fifteen Point Zero Zero percent) of its net worth, or (ii) provide any guarantee for any indebtedness of a related party. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder). This clause shall however not be applicable to transactions with Finnovation Tech Solutions Private Limited which are in the ordinary course of business or non-convertible debentures subscribed to by related parties.

(q) **Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

10.3 FINANCIAL COVENANTS

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

(a) Minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items shall not be less than 20.00% (Twenty Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher;

(b) Cumulative Asset Liability mismatch** should always be positive in all the buckets upto 1 year;

(c) NNPA to not exceed 4%;

(d) Maximum permissible ratio of Total Debt to Tangible Networth shall be 3.50x (Three Point Five Zero times) on a standalone basis.

** - Not more than 50% of the CC / OD / Working capital borrowings that are captured in the less than 1 year bucket will be assumed to be renewed for the purpose of this cumulative ALM mismatch covenant.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

Tangible Networth means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

All financial covenants would be tested on a quarterly basis i.e. as on 31st March, 30th June, 30th September and 31st December every year, starting from September 30, 2025, on consolidated and standalone balance sheet till the redemption of the Debentures. Without prejudice to its other rights under the Transaction Documents, Debenture Holders reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding on the Issuer in the event of breach of any of the Financial Covenants, if such breach is not cured within 30 (thirty) days. Such penalty amount shall be paid within 30 (thirty) calendar days from the date of such breach.

10.4 REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) **Quarterly Reports**

(i) As soon as available and in any event within 50 (Fifty) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(A) Unaudited Financial Statements with notes to accounts;

(B) the shareholding structure and composition of the board of directors in the Company;

(C) a compliance certificate confirming compliance with the financial covenants set forth in Section 10.4 (*Reporting Covenants*) of this Key Information Document signed by a Director or the Chief Financial Officer or authorised signatory of the Company in the form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;

(D) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(I) Updated list of the names and addresses of the Debenture Holders.
(II) Details of the Interest due, but unpaid and reasons thereof.
(III) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
(IV) A statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due
(V) Information on:
  (a) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment;
  (b) All data required for covenant testing including restructured POS, borrowing profile sheet, CRAR;
  (c) Latest ALM details;
  (d) List of Lenders and Loan/ NCD profile;
  (e) Portfolio cuts including number of loans & PAR data in the agreed format;
  (f) such other information, as may be required by the Debenture Trustee; and
  (g) Any other financial / operational data as may reasonably be required by the Debenture Holder/s.

(ii) On each Quarterly Reporting Date provide a list of Hypothecated Assets and ensure that Security Cover is maintained and be tested on a Quarterly basis for each quarter.

(b) **Annual Reports**

As soon as available and in any event within 180 (One Hundred and Eighty) calendar days from the end of each financial year,

i. Provide audited financial statements.

ii. Contingent liabilities, if any.

(c) **Event Based Reports**

(i) The Company shall provide/ cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 30 (thirty) Business Days from the occurrence of such event:

(A) any change in the shareholding structure of the Company,;
(B) any change in the board composition of the Company as a result of fresh equity infusion;
(C) Any dispute, litigation, investigation or other proceeding which has a Material Adverse Effect and also affects the actual repayment capability of the Issuer.
(D) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
(E) Any fraud amounting to more than 2% of Gross Loan Portfolio;
(F) the Company alters its Constitutional Documents except for those where consent is not required under the Transaction Documents;
(G) the Company obtains or has actual knowledge thereof, notice of the occurrence of any event or circumstance that result in a Material Adverse Effect;
(H) Any change in the Articles except for those consent is not required as set out in the Transaction Documents; provided that such amendment(s) are not prejudicial to the interest of the Debenture Holder of this Issue;
(I) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company; and
(J) Application of insolvency petition under bankruptcy code/ NCLT by the Issuer.

(d) **Disclosures under SEBI Listed Debentures Circulars and Regulations**

The Company shall disclose all such information to the Debenture Trustee under applicable Laws and shall file with the BSE all such information as required under SEBI Listed Debentures Circulars and Regulations.

10.5 RESPONSIBILITIES OF THE TRUSTEE

In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in this Key Information Document or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:

(a) the Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise;

(b) the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;

(c) the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance with a Majority Resolution;

(d) subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of any fraud, gross negligence, willful misconduct or breach of trust shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non-exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture Holders under any provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;

(e) with a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;

(f) the Debenture Trustee shall not be responsible for the monies paid by Applicants for the Debentures;

(g) without prejudice to the rights to indemnity by Law given to the Debenture Trustee, the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted and the Debenture Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Debenture Trustee as herein provided or otherwise howsoever arising out of or in connection with these presents or the issue of the Debentures;

(h) the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;

(i) subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust, shall not be liable for any default,

omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders and the Debenture Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same by or on behalf of the Debenture Holders or some of them in order to provide for any costs, charges and expenses which the Debenture Trustee may incur or may have to pay in connection with the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request;

(j) notwithstanding any contained to the contrary in this Key Information Document, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;

(k) the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to this Key Information Document within 2 (two) Business Days of receiving the same from the Company;

(l) The Debenture Trustee shall take all reasonable steps to realise the monies due to the Trust; and

(m) The Debenture Trustee shall have the right to rely on notices, communications, advertisement, website information of Issuer and any other related party with respect to issue etc.

PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.

10.6 EVENTS OF DEFAULT

The Debenture Trustee/Debenture Holders shall declare an Event of Default as stated in this Section 10.6 on expiry of the cure period as stated in the Transaction Documents. Other than Cure Period for Financial Covenants, Cure Period for Affirmative Covenants and Cure Period for Reporting Covenants, the Company shall be provided a cure period of 14 (fourteen) days to remedy any breach/default as stated in this Section 10.6. It is hereby clarified that no cure period shall be provided for Payment Default (other than for administrative and technical error as stated below) (Sub clause (a)). The Company shall be required to mandatorily redeem Debenture and pay all Outstanding Amounts to the Debenture Holders within a period of 14 (fourteen) days from the date of the expiry of cure period as stated in the Transaction Document and Event of Default is declared.

(a) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to this Key Information Document and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 2 (Two) Business Days of its Due Date.

(b) **Insolvency / Inability to Pay Debts / Distress**

(i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant financial creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the Financial Indebtedness of the Company.

(c) **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Debenture Trustee.

(d) **Security in Jeopardy**

(i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy due to breach of security covenant as set out in the Transaction Document and the Hypothecated Assets are not replaced with new assets within 30 (thirty) calendar days;

(ii) If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction within the agreed timelines as per the Hypothecation Agreement;

(iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall be required for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

(iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(e) **Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/ Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(f) **Material Adverse Change**

There shall have occurred a Material Adverse Effect which affects actual repayment capability of the Issuer.

(g) **Liquidation or Dissolution of the Company/ Appointment of Receiver or Liquidator/ Litigation**

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
(B) a composition, compromise, assignment or arrangement with any financial creditor of the Company;
(C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company ;
(D) the Company, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
(E) Any financial creditors' initiates proceedings under Insolvency and Bankruptcy Code, 2016 against the Issuer;
(F) Any operational creditors' proceedings initiated against the Issuer with claim amount of Rupees Ten Crores or above;
(G) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 30 (Thirty) days;
(H) enforcement of any security over any Assets of the Company; or

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (J) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business and operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Majority Resolution of Debenture Holders.

(h) **Cross Default**

The Company (a) triggers an event of default on any other Financial Indebtedness; (b) payment acceleration in any other Financial Indebtedness whether as a result of an event of default or breach of any covenants, by whatever name called, under relevant financing documents.

(i) **Creditors' Process**

(i) Any material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority having an impact of more 20% of the Total Assets as on the date of signing the Transaction Documents.

The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the Payment Obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.

(ii) The Company has voluntarily or involuntarily becomes subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.

(iii) The Company is adjudged insolvent or takes advantage of any Law for the relief of insolvent debtors.

(iv) Any expropriation, attachment, restraint, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof provided such Hypothecated Assets are not replaced with new assets within 30 (Thirty) calendar days.

(j) **Transaction Documents**

(i) this Key Information Document or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

(ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable,

(k) **Delisting**

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(l) **Unlawfulness**

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

It is or becomes unlawful for the Company to perform its material obligations under the Transaction Documents and/or material obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(m) **Repudiation**

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(n) **Cessation**

The Company ceases its complete business it is currently engaged in which has the actual effect in repayment obligations of the Company.

(o) **Non-compliance with judicial order**

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(p) **Merger**

The Company has taken or suffered to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation without the prior written consent of the Majority Debenture Holders other than as permitted under this Deed. The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(aa) ***Wilful default***

Any Founders or Key Managerial Personnel or Directors of the Company being declared wilful defaulter.

(bb) ***Breach of Covenants***

(i) Any breach of financial covenants stipulated in Section 10.3 (*Financial Covenants*) of this Key Information Document and the same is not cured within the Cure Period for Financial Covenants.
(ii) Any breach of reporting covenants stipulated in Section 10.4 (*Reporting Covenants*) of this Key Information Document and the same is not cured within the Cure Period for Reporting Covenants.
(iii) Any breach of negative covenants mentioned in Section 10.2 (*Negative Covenants*) of this Key Information Document,
(iv) Any breach of affirmative covenants mentioned in Section 10.1 (*Affirmative Covenants*) of this Key Information Document and the same is not cured within the Cure Period for Affirmative Covenants.
(v) A breach by the Company of any of its obligations and covenants provided in terms of this Key Information Document or other Transaction Documents other than cure period as provided in the Transaction Documents.
(vi) Breach or violation of any covenant as maybe contained in any other agreement/s (including loan/ facility agreement) executed between the Issuer and Debenture Trustee.
(vii) Any other event which is mentioned/ considered as an 'Event of Default' under any other Transaction Documents.

10.7 PROVISIONS FOR MEETING OF DEBENTURE HOLDERS

The following provisions shall apply to the meetings of the Debenture Holders:

(a) The Debenture Trustee or the Company may, at any time, and the Debenture Trustee shall (a) at the happening of an event, which constitutes, (i) a material breach of the Deed including breach of covenants, (ii) an Event of Default, or (iii) in its opinion affects the interest of the Debenture Holders, or (b) at the request in writing of the Debenture Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, convene a meeting of the Debenture- holders. Any such meeting shall be held at such place (including virtual/online meeting) in the city where the registered office of the Company is situated or at such other place as the Debenture Trustee shall determine.

(b) **Meeting of Debenture Holders**

(i) A meeting of the Debenture Holders may be called by giving not less than twenty-one days' notice in writing.

(ii) A meeting of the Debenture Holders may be called after giving shorter notice than that specified in sub-paragraph (a) above, if consent is accorded thereto by Majority Debenture Holders.

(c) **Notice of Meeting of Debenture Holders**

(i) Every notice of a meeting of the Debenture Holders shall specify the place and day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

(ii) Notice of every meeting of the Debenture Holders shall be given to:

(A) every Debenture Holder;
(B) the persons entitled to a Debenture in consequence of death or insolvency of a Debenture Holder, by sending it through post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and
(C) the Debenture Trustee when the meeting is convened by the Company and to the Company when the meeting is convened by the Debenture Trustee.

(d) The accidental omission to give notice to, or the non-receipt of notice by, any Debenture Holder or other person to whom it should be given shall not invalidate the proceedings at the meeting.

(e) There shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every director and the manager, if any, of the Company. PROVIDED THAT where any item of business as aforesaid to be transacted at a meeting of the Debenture Holders relates to, or affects, any other company, the extent of shareholding interest in that company of every director, and the manager, if any, of the first mentioned company shall also be set out in the statement if the extent of such shareholding interest is not less than twenty per cent of the paid up share capital of that other company.

(f) Where any item of business relates to the approval of any document by the meeting, said document should be attached to the notice of meeting.

(g) **Quorum**

(i) The quorum of the meeting of the Debenture Holders shall as prescribed under Section 103 of the Companies Act, 2013.

(ii) The Debenture Holders, personally/virtually present shall be the quorum for the meeting of the Debenture Holders and the provisions of following sub-paragraph (ii) shall apply with respect thereto.

(iii) If, within half an hour from the time appointed for holding a meeting of the Debenture Holders, a quorum is not present, the meeting, if called upon the requisition of the Debenture Holders shall stand dissolved but in any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the Debenture Trustee may determine and if at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the Debenture Holders present shall be the quorum.

(h) **Chairman of the Meeting of Debenture Holders**

(i) The nominee of the Debenture Trustee shall be the chairman of the meeting and in his absence the Debenture Holders personally present at the meeting shall elect one of themselves to be the chairman thereof on a show of hands.

(ii) If a poll is demanded on the election of the chairman, it shall be taken forthwith in accordance with the provisions of the Act, the chairman elected on a show of hands exercising (for the time being) all the powers of the chairman under these provisions.

(iii) If some other person is elected chairman as a result of the poll, he shall be chairman for the rest of the meeting.

(i) The Debenture Trustee and the directors of the Company and their respective solicitors may attend any meeting but shall not be entitled as such to vote thereat.

(j) At any meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the chairman that on a show of hands the resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

(k) Before or on the declaration of the result on voting on any resolution on a show of hands, a poll may be ordered to be taken by the chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by Debenture Holders representing not less than one-tenth in value of the Outstanding Principal Amounts of the Debentures, present in person or by proxy.

(l) **Poll**

(i) A poll demanded on a question of adjournment shall be taken forthwith.

(ii) A poll demanded on any other question (not being a question relating to the election of a chairman) shall be taken at such time not being later than forty-eight hours from the time when the demand was made, as the chairman may direct.

(m) At every such meeting each Debenture Holder shall, on a show of hands be entitled to 1 (one) vote only, but a poll be entitled to one vote in respect of every Debenture of which he is a holder in respect of which he is entitled to vote.

(n) **Voting; proxies; etc.**

(i) Any Debenture Holder entitled to attend and vote at the meeting shall be entitled to appoint another person (whether a Debenture Holder or not) as his proxy to attend and vote instead of himself.

(ii) In every notice calling the meeting there shall appear with reasonable prominence a statement that a Debenture Holder entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of himself, and that a proxy need not be a Debenture Holder.

(iii) The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notary certified copy of the power of attorney shall be deposited at the registered office of the Company not less than forty- eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll and in default, the instrument of proxy shall not be treated as valid.

(iv) The instrument appointing a proxy shall:

(A) be in writing; and

(B) be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

(o) The instrument appointing a proxy shall be substantially in the format set out in Form MGT-11 in the Companies (Management and Administration) Rules, 2014, and shall not be questioned on the ground that it fails to comply with any special requirements specified for such instruments.

(p) Every Debenture Holder entitled to vote at a meeting of the Debenture Holders of the Company on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

(q) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Debenture in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

(r) On a poll taken at any meeting of the Debenture Holders, a Debenture Holder entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he has.

(s) **Scrutiny of Poll**

(i) When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.

(ii) The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.

(iii) Of the two scrutineers appointed under this paragraph, one shall always be a Debenture Holder (not being an officer or employee of the Company) present at the meeting, provided such a Debenture Holder is available and willing to be appointed.

(t) **Result of Poll**

(i) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

(ii) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

(u) **Joint Holders**

In the case of joint Debenture Holders, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the other joint holder or holders.

(v) **Adjournment**

The Chairman of a meeting of the Debenture Holders may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(w) **Chairman's vote**

In the case of equality of votes, whether on a show of hands, or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Debenture Holder.

(x) **Demand of a poll**

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

(y) **Transacting of Business**

The Chairman of any meeting shall be the sole judge of the validity of every note tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

(z) **Powers of Debenture Holders and Exercise Thereof**

A meeting of the Debenture Holders shall, inter alia, have the following powers exercisable in the manner hereinafter specified in paragraphs (aa) to (dd) of this **Clause 6** (*Provisions for meeting of Debenture Holders*):

(iii) Power to sanction re-conveyance and release, substitution or exchange of all or any part of the Hypothecated Assets from all or any part of the principal moneys and interest owing upon the Debentures.

(iv) Power to sanction any compromise or arrangement proposed to be made between the Company and the Debenture Holders.

(v) Power to sanction any modification, alteration or abrogation of any of the rights of the Debenture Holders against the Company or the Hypothecated Assets whether such right shall arise under the Deed or Debentures or otherwise.

(vi) Power to assent to any scheme for reconstruction or amalgamation of or by the Company whether by sale or transfer of Hypothecated Assets under any power in the Company's Constitutional Documents or otherwise under the Act or provisions of any Law.

(vii) Power to assent to any modification of the provisions contained in the Deed and to authorise the Debenture Trustee to concur in and execute any supplemental deed embodying any such modification.

(viii) Power to remove the existing Debenture Trustee and to appoint new trustee.

(ix) Power to give any direction, sanction, request or approval which under any provision of the Deed is required to be given by a Majority Resolution or Special Resolution or a unanimous resolution.

(aa) **Resolution of Debenture Holders**

(i) The powers set out in this Section 6 shall be exercisable by a Majority Resolution or a Special Resolution or a unanimous resolution passed at a meeting of the Debenture Holders duly convened and held in accordance with provisions herein contained.

(ii) A resolution, passed at a general meeting of the Debenture Holders duly convened and held in accordance with these presents shall be binding upon all the Debenture Holders, whether present or not at such meeting.

(iii) and each of the Debenture Holders shall be bound to give effect thereto accordingly.

(iv) The passing of any such resolutions shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution.

(bb) **Exercise of Powers without meeting**

Notwithstanding anything herein contained, any rights, powers and authorities under the Deed by a letter or letters signed by or on behalf of the Majority Debenture Holders or the Special Majority Debenture Holders or all Debenture Holders, as the case may be, without convening a meeting of such Debenture Holders as if such letter or letters constituted a Majority Resolution or a Special Resolution or a unanimous resolution, as the case may be, passed at a meeting duly convened and held as aforesaid and shall have effect accordingly.

(cc) **Written Consent of Debenture Holders**

(i) For any written consent of the Debenture Holders, the Debenture Trustee (or as applicable, the Company or a Debenture Holder) shall provide a notice in writing to the last available address of each Debenture Holder at least 7 (seven) Business Days prior to the date on which any decision is required to be made or consent is required to be provided.

(ii) The record date of such notice shall be the date falling 3 (three) Business Days prior to the date of dispatch of such notice.

(iii) If the notice specifies any notice period, then any consents received after such notice period will not be accepted.

(iv) Notwithstanding (a) to (c) above, the Debenture Holders can ratify any shorter notice depending on the reasons given/prevailing circumstances on a case to case basis.

(v) The Debenture Holders can submit their consent only in written form to the Debenture Trustee.

(dd) **Minutes**

(i) Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered into books from time to time provided for the purpose by the Debenture Trustee at the expense of the Company.

(ii) Any such minutes as aforesaid, if purported to be signed by the chairman of the meeting at which such resolutions were passed or proceeding held or by the chairman of the adjourned meeting shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat or proceedings taken, to have been duly passed and taken.

This Key Information Document shall be treated as a Transaction Document and should be read with other Transaction Documents.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SECTION 11 DECLARATION

The Issuer undertakes and confirms that this Key Information Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Key Information Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Key Information Document or in any other material issued by or at the instance of the issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the persons authorised by the Company, confirms and attests that:

a. The Issuer undertakes that this Key Information Document contain full disclosures in accordance with NCS Listing Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992.

b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;

c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;

d. the contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors; and

e. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

> Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under General Information Disclosure. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

We, Mr. Vivek Veda and Pallavi Lingaraju, are authorized by the Finance Committee vide Resolution No. 7 dated July 30, 2025 to sign this Key Information Document and declare that all the requirements of the Companies Act, 2013 and the rules made there under in respect of the subject matter of this Key Information Document and matters incidental thereto have been complied with. Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association.

The Issuer declares that nothing in the issue document is contrary to the provisions of Companies Act, 2013 (18 of 2013), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

It is further declared and verified that all the required attachments have been completed, correctly and legibly attached to this form.

For Krazybee Services Private Limited

Name: Vivek Veda
Title: Chief Financial Officer and Director
Date: August 07, 2025
Place: Bengaluru

Name: Pallavi Lingaraju
Company Secretary & Compliance Officer

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS

(Financial Statement along with Auditors Report attached separately)

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE II: CREDIT RATING LETTER, RATING RATIONAL AND PRESS RELEASE FROM RATING AGENCY

(Attached Separately)

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

SBI Trustee

Ref No. 2864/STCL/DT/2025-26- CL- 7303 **Date: August 06, 2025.**

To,
KRAZYBEE SERVICES PRIVATE LIMITED
3rd Floor No 128/9, Maruthi Sapphire HAL,
Old Airport Road, Murugeshpalya,
Bengaluru, Karnataka – 560017.

Dear Sir,

Sub: CONSENT TO ACT AS DEBENTURE TRUSTEE FOR PRIVATE PLACEMENT THE RE-ISSUANCE AND ALLOTMENT OF UPTO 47,500 (FOURTY SEVEN THOUSAND AND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) AGGREGATING TO INR 475,00,00,000/- (INDIAN RUPEES FOUR HUNDRED AND SEVENTY FIVE CRORES ONLY) BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER").

We refer to your email dated July 30, 2025 appointing SBICAP Trustee Issuer Limited as Debenture Trustee for issuance of Bonds from FY 2025 to FY 2026. **In this connection, we hereby give our consent to act as Debenture / Bond Trustee for FY- 2025-26 and confirm our acceptance to the assignment.**

We are aggregable for inclusion of our name as Trustee in the Private Placement Memorandum / Information Memorandum/GID & KID to be issued by the Company on private placement basis to the certain identified person in terms of the Companies Act, 2013, as required subject to following conditions:

1. The Issuer has entered into a written Debenture Trustee Agreement (DTA) dated August 06, 2025, for the said issue before the opening of the issue /subscription list for issue debentures. The Debenture Trust Deed shall be executed by the Issuer within a period of 3 days from the date of closure of issue. Further, the Issuer shall also list the debentures on the Stock Exchange within a period of 3 working days from the date of closure of debenture issue.
2. The Company should create and perfect security as per the Private Placement Memorandum / Information Memorandum/ GID & KID.
3. The Company agrees and undertakes that it shall comply with the provisions of the SEBI regulations /Companies Act, 2013 read with the rules and regulations framed thereunder and the applicable provisions of the rules and regulations framed under the Reserve Bank of India Act, till the final redemption of the NCD being issued by the Company.
4. The Company agrees and undertakes to pay to the debenture trustee so long as they hold the office of debenture trustee, remuneration as stated in the fee letter bearing reference no. 0196/2025-2026/CL – 7303 dated July 31, 2025.

SBICAP Trustee Company Ltd.
Registered & Corporate Office : 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai, Pin - 400 020.
+91 22 4302 5566 / +91 22 4302 5555 corporate@sbicaptrustee.com CIN : U65991MH2005PLC158386
UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411
www.sbicaptrustee.com
A Group Company of SBI

SBI Trustee

5. Any payment in respect of debentures required to be made by the debenture trustee to debenture holder (who is FII Entity) at the time / post enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer only. The Company / Investor / Debenture Holders shall obtain all such approvals from RBI, if required, to ensure prompt and timely payments to the said debenture holders. Such remittance shall not exceed the total investment (and interest provided herein) made by the debenture holder (who is FPI).
6. The Company confirms that all necessary disclosures shall be made in the Private Placement Memorandum / Information Memorandum/ GID & KID including but not limited to statutory and other regulatory disclosures.
7. The Debenture Trustee & Company confirms to comply with regulation 13A of SEBI (DT) Regulations, 1993 and all amendments thereto and other applicable provisions and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for redemption in all respects, have been complied with.
8. The Debenture Trustee undertakes and confirms that it has not lent or is proposing to lend money to the Issuer / Company.
9. Investor should carefully read and note the contents of the Private Placement Memorandum / Information Memorandum. Each prospective investor should make its own independent assessment of the merits of the investment in NCDs and the Issuer Company. Prospective Investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the NCDs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt market and are able to bear the economic risk of investing in such instruments.
10. The Trustee, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid / invested by the investors for the debentures being issued by the Issuer Company.

Looking forward to a fruitful association with you and assuring you of our best professional services at all times.

With warm regards,

Yours faithfully,
For SBICAP Trustee Company Limited

Authorized Signatory

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE IV: BOARD RESOLUTION

KBNBFC Krazybee Services Private Limited

CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF KRAZYBEE SERVICES PRIVATE LIMITED HELD ON WEDNESDAY, 25TH JUNE 2025 AT 1ST FLOOR, NO. 128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE – 560017, THROUGH VIDEO CONFERENCE/OTHER AUDIO-VISUAL MEANS FACILITY

1. **APPROVING THE OVERALL BORROWING LIMITS OF THE COMPANY UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013.**

"RESOLVED THAT pursuant to the provisions of 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), the Foreign Exchange Management Act, 1999, as amended, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, or Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchange (the "Stock Exchange") where the securities of the Company may be listed, and subject to the approval of the Shareholders of the Company, consent of the Board of Directors be and is hereby accorded, to borrow from time to time, including through issuance of secured or unsecured, convertible and/or non-convertible debentures (including any sub-debts), bonds (including Foreign Currency Convertible Bonds or FCCBs), commercial papers, refinancing from banks, term loans, working capital demand loans, cash credit, secured or unsecured intercorporate deposits/loans, or any other form of debt or money market instruments, as may be deemed appropriate, from banks/NHB/financial institutions/ lending institutions, or other persons, on such terms and conditions as the Board may determine, with a view to augment the business of the Company, up to an amount not exceeding ***INR 8500,00,00,000/- (Indian Rupees Eight Thousand Five Hundred Crores Only)***, notwithstanding that the money to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose and securities premium;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) and charge creations aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby authorized severally to take all such steps and actions for the purposes of making relevant filings and registration, if any required, including e-filing(s) to be made with the Registrar of Companies, Bengaluru and any other authority in relation to the aforesaid resolution.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required.

2. **APPROVAL FOR CREATION OF CHARGES ON ASSETS OF THE COMPANY UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013**

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, and other applicable rules, regulations, directions, circulars, issued by the MCA, RBI or SEBI, as may be amended, from time to time, and Articles of Association of the Company, subject to approval of the Shareholders of the Company, consent of the Board of Directors of the Company be and is hereby accorded for creation of hypothecation / charge / security in any form or manner, in addition to the existing charges, and hypothecation already created by the Company, on the properties of the Company whether tangible, intangible or otherwise, both present and future, and/or the whole or any part of the undertaking(s) of the Company wherever situated, present and future, whether presently belonging to the Company or not, including any enhancement therein, in favour of any person including, but not limited to, banks/NHB/financial institutions/ lending institutions, or other persons for the purpose of securing the borrowings made by the Company and outstanding at any point of time, including for securing the borrowings made through issuance of secured non-convertible debentures (including any sub-debts), bonds (including Foreign Currency Convertible Bonds or FCCBs), commercial papers, refinancing from banks, availing of term loans, working capital demand loans, cash credit, secured or unsecured intercorporate deposits/loans, or any other form of debt or money market instruments in respect of the said

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loans/borrowings/debentures, and subject to the limits under section 180(1)(c), on such specific terms and conditions and covenants in respect of enforcement of securities as maybe stipulated in that behalf and agreed to between the Company and the Lender(s) / Agent(s) / Trustee(s) or any other person(s) for an amount not exceeding ***INR 9500,00,00,000/- (Indian Rupees Nine Thousand Five Hundred Crores Only)*** at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors or the Company Secretary or the Finance Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) and charge creations aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

//Certified true Copy//
For **Krazybee Services Private Limited**

PALLAVI LINGARAJU

Pallavi Lingaraju
Company Secretary
M. No. 56733
Address: 1203 Prerana Nilaya Park Road,
23rd Cross D Group L Nagarbhavi Bangalore 560091

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Finance Committee Resolution

KBNBFC Krazybee Services Private Limited

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE FINANCE COMMITTEE MEETING OF KRAZYBEE SERVICES PRIVATE LIMITED HELD ON WEDNESDAY, JULY 30, 2025 AT 11:30 AM AT 1ST FLOOR, NO. 128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE – 560017, WHERE THE REQUIRED QUORUM WAS PRESENT.

TO OFFER RATED, SENIOR, SECURED, LISTED, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT FOR AN AGGREGATE AMOUNT OF RS. 475,00,00,000/- (RUPEES FOUR HUNDRED SEVENTY FIVE CRORES ONLY)

"**RESOLVED THAT** pursuant to the approval of the Board of Directors vide its resolution dated 25th June 2025 and Shareholders resolution dated 27th June 2025 and pursuant to provisions of the Memorandum of Association and Articles of Association of the Company, Section 42, 71, 179(3)(c), and other applicable provisions of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("NCS Regulations"), and the SEBI Circular bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "Operational Circular for issue and listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debts Securities and Commercial Paper" ("Operational Circular"), or any other regulatory authority, each as amended, modified and/or supplemented from time to time, listing agreement entered into by the Company with BSE Limited ("BSE") and in accordance with any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by competent authorities ("Applicable Law"), the approval of the Committee be and is hereby accorded to:

a.) offer and issue upto 47,500 (Forty-Seven Thousand Five Hundred) Secured, Listed, Rated, Redeemable, Non-Convertible Debentures (NCDs) denominated in Indian Rupees, each having a face value of Rs. 1,00,000/- (Indian Rupees One Lakh only) aggregating up to Rs. 475,00,00,000/- (Rupees Four Hundred Seventy Five Crores only) *including Green Shoe option* issued at par/ premium / discount (the "Debentures") issued on a fully paid basis and on a private placement basis. The details of the issuance are as mentioned hereunder:

COUPON	TENOR	AMOUNT
10.65% per annum	24 Months	Rs. 475,00,00,000 *including Green Shoe Option of 200,00,00,000*

The subscription amount is subject to deduction of taxes at source, if applicable, in accordance with applicable law, with or without gross up, ("the Issue") to the identified investors for the purposes of Section 42 of the Act (being, financial institutions, bodies corporate and individuals) ("Debenture Holders") on such terms as may be agreed with the Debenture Holders for raising debt for onward lending purpose;

b) secure the amounts to be raised pursuant to the issuance of the Debentures ("Secured Obligations") (at such ranking/priority and up to such limits and security cover as may be agreed with the Debenture Holders) by one or more the following; (i) hypothecation of certain identified book debts of the Company from time to time and which will be replaced from time to time in order to maintain the security cover ratio of 1.1 (one point one) times until all Debentures are repaid in full. ("Transaction Security")

RESOLVED FURTHER THAT Mr. Madhusudan Ekambaram, Mr. Karthikeyan Krishnaswamy and Mr. Vivek Veda, Directors of the Company, Ms. Pallavi Lingaraju, Company Secretary of the Company and Mr. Kartik G Deshpande, Authorized Signatory be and are hereby severally authorized to do all such acts, deeds and things as they deem necessary or desirable in connection with the offer, issue and allotment of the Debentures, including, without limitation the following:

a) seeking, if required, any approval, consent or waiver from any/all concerned government and regulatory authorities, and/or any other approvals, consent or waivers from any other persons that be required in connection with the issue and offer of the Debentures;

b) executing the term sheet in relation to the Debentures;

c) negotiating, approving and deciding the terms of the issue of Debentures and all other related matters;

d) seeking the listing of any of the Debentures on the BSE, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;

e) approving the General Information document, Key Information document and the private placement offer cum application letter (including amending, varying or modifying the same, as may be considered desirable or expedient) (collectively, the "Disclosure Documents"), in accordance with all Applicable Laws;

f) finalising the terms and conditions of the appointment of an arranger, the Debenture Trustee, a registrar and transfer agent, a credit rating agency, valuation agency, a depository and such other intermediaries as may be required including their successors and their agents;

g) obtaining such credit rating(s) and within such timeline(s) as may be required by the Debenture Holders;

h) finalising the terms of the issue and offer of the Debentures;

i) entering into arrangements with the depository(ies) in connection with issue of Debentures in dematerialised form;

j) creating and perfecting the Transaction Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue and offer of the Debentures;

k) finalizing the deemed date of allotment of the Debentures;

l) to negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices, forms or letters as may be required in connection with the issue and offer of the Debentures and deal with regulatory authorities in connection with the issue and offer of the Debentures including but not limited to the RBI, SEBI (if so required), the jurisdictional registrar of companies, the BSE, the Ministry of Corporate Affairs ("MCA"), or any depository, and such other authorities as may be required;

m) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

n) creation of recovery expense fund in accordance with SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated 22nd October 2020 read with guidance note issued by the BSE in this regard;

o) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novation thereto (now or in the future):

   i. the Disclosure Documents for the issue and offer of the Debentures;
   ii. the term sheet in connection with the Debentures, agreements to be entered into with the Debenture Trustee, any undertakings, due diligence certificates, corporate actions, letters of allotment and such other documents;
   iii. the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, monthly asset certificates, and any other documents required for the creation of security interest (together with the Disclosure documents, referred to as the "Transaction Documents");
   iv. any other documents required for the purposes of the issue and offer of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
   v. any other documents designated as a Transaction Document by the Debenture Trustee and/or the Debenture Holders;

p) to do all such acts as may be necessary for the issue and offer of the Debentures in accordance with the terms set out in the Transaction Documents; and

q) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, forms, deeds, affidavits, declarations and certificates in relation to the issue and offer of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable with regard to the issue and offer of the Debentures.

r) The Transaction documents including the Discloser document have been perused by the Committee and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors

RESOLVED FURTHER THAT any of the Directors or the company secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, things and execute or ratify all such documents whatsoever as maybe required in connection with the issue and offer of the Debentures and providing of security interest on the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited (CDSL), listing of Debentures on wholesale debt market segment of the BSE, appointment of trustees, credit rating agency, valuation agency and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT any of the Authorised Persons of the Company be and are hereby severally authorized to do all such acts, deeds and things as are necessary for registering any of the documents being executed by the Company, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance of Debentures and creation, perfection and registration of charges with the relevant registrar of companies, CERSAI, MCA, or any depository, the SEBI, or any other governmental authority.

RESOLVED FURTHER THAT the Disclosure Documents placed before the Committee for issuance of Debentures to the Debenture Holders be and are hereby approved and the same be issued to the Debenture Holders under the signature of any one of the Directors or Company Secretary of the Company.

RESOLVED FURTHER THAT Mr. Madhusudan Ekambaram, Mr. Karthikeyan Krishnaswamy and Mr. Vivek Veda, Directors of the Company, Ms. Pallavi Lingaraju, Company Secretary of the Company be and are hereby authorised severally to take necessary actions for listing of the Debentures with the BSE.

RESOLVED FURTHER THAT approval of the Finance Committee to do all such acts, deeds and things as may be necessary for allotment of Debentures."

//Certified to be true//

For Krazybee Services Private Limited

PALLAVI LINGARAJU
Digitally signed by PALLAVI LINGARAJU
Date: 2025.08.04 18:08:21 +05'30'

Pallavi Lingaraju
Company Secretary
M. No. A56733
Address: 1203 Prerana Nilaya Park Road,
23rd Cross D Group L Nagarbhavi, Bangalore - 560091

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE V: SHAREHOLDERS RESOLUTION

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KBNBFC Krazybee Services Private Limited

CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED AT THE 02ND (FY 2025-26) EXTRA-ORDINARY GENERAL MEETING OF MEMBERS OF KRAZYBEE SERVICES PRIVATE LIMITED HELD ON FRIDAY, 27TH JUNE, 2025 AT 1ST FLOOR, NO. 128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE – 560017, THROUGH VIDEO CONFERENCE/OTHER AUDIO-VISUAL MEANS FACILITY

1. **APPROVE THE OVERALL BORROWING LIMITS OF THE COMPANY**

The below resolution is passed as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "Act"), the Foreign Exchange Management Act, 1999, as amended, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, or Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchange (the "Stock Exchange") where the securities of the Company may be listed, the consent of the shareholders of the Company be and is hereby accorded, to borrow from time to time, including through issuance of secured or unsecured, convertible and/or non-convertible debentures (including any sub-debts), bonds (including Foreign Currency Convertible Bonds or FCCBs), commercial papers, refinancing from banks, term loans, working capital demand loans, cash credit, secured or unsecured intercorporate deposits/loans, or any other form of debt or money market instruments, as may be deemed appropriate, from banks/NHB/financial institutions/ lending institutions, or other persons, on such terms and conditions as the Board may determine, with a view to augment the business of the Company, up to an amount not exceeding ***INR 8500,00,00,000/- (Indian Rupees Eight Thousand Five Hundred Crores Only)***, notwithstanding that the money to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose and securities premium;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) and charge creations aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby authorized severally to take all such steps and actions for the purposes of making relevant filings and registration, if any required, including e-filing(s) to be made with the Registrar of Companies, Bengaluru and any other authority in relation to the aforesaid resolution.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and are hereby severally authorized to issue certified true copies of the foregoing resolution, as and when required.

2. **APPROVE FOR CREATION OF CHARGES ON ASSETS OF THE COMPANY UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013**

The below resolution is passed as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, and other applicable rules, regulations, directions, circulars, issued by the MCA, RBI or SEBI, as may be amended, from time to time, and Articles of Association of the Company, consent of the Shareholders of the Company be and is hereby accorded for creation of hypothecation / charge / security in any form or manner, in addition to the existing charges, and hypothecation already created by the Company, on the properties of the Company whether tangible, intangible or otherwise, both present and future, and/or the whole or any part of the undertaking(s) of the Company wherever situated, present and future, whether presently belonging to the Company or not, including any enhancement therein, in favour of any person including, but not limited to, banks/NHB/financial institutions/ lending institutions, or other persons for the purpose of securing the borrowings made by the Company and outstanding at any point of time, including for securing the borrowings made through

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KBNBFC **Krazybee Services Private Limited**

issuance of secured non-convertible debentures (including any sub-debts), bonds (including Foreign Currency Convertible Bonds or FCCBs), commercial papers, refinancing from banks, availing of term loans, working capital demand loans, cash credit, secured or unsecured intercorporate deposits/loans, or any other form of debt or money market instruments in respect of the said loans/borrowings/debentures, subject to limits under Section 180(1)(c) on such specific terms and conditions and covenants in respect of enforcement of securities as maybe stipulated in that behalf and agreed to between the Company and the Lender(s) / Agent(s) / Trustee(s) or any other person(s) for an amount not exceeding ***INR 9500,00,00,000/- (Indian Rupees Nine Thousand Five Hundred Crores Only)*** at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Directors or the Company Secretary or the Finance Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) and charge creations aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

*//**Certified true Copy**//*
For **Krazybee Services Private Limited**
PALLAVI LINGARAJU
Digitally signed by PALLAVI LINGARAJU
Date: 2025.08.07 14:51:37 +05'30'

Pallavi Lingaraju
Company Secretary
M. No. 56733
Address: 1203 Prerana Nilaya Park Road,
23rd Cross D Group L Nagarbhavi Bangalore 560091

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE VI: DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

SBI Trustee

Ref No. 2903/STCL/DT/2025-26- CL- 7303 **Date: August 07, 2025.**

To,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001.

Dear Sir / Madam,

Sub: THE ISSUANCE OF UPTO 47,500 (FORTY – SEVEN THOUSAND AND FIVE HUNDRED ONLY) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) AGGREGATING TO INR 475,00,00,000/- (INDIAN RUPEES FOUR HUNDRED AND SEVENTY FIVE CRORES ONLY) BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER").

We, SBICAP Trustee Company Limited ("STCL") the debenture trustee to the above- mentioned forthcoming issue state as follows:

1] We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2] On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.

SBICAP Trustee Company Ltd.
Registered & Corporate Office : 4th Floor, Mistry Bhavan, 122, Dinshaw Vachha Road, Churchgate, Mumbai, Pin - 400 020.
☎+91 22 4302 5555 / +91 22 4302 5555 ✉corporate@sbicaptrustee.com CIN : U65991MH2005PLC158386
UDYAM REGISTRATION NUMBER (SMALL ENTERPRISE Under MSME Act, 2006) - UDYAM-MH-19-0111411
www.sbicaptrustee.com
A Group Company of SBI

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SBI Trustee

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document/ placement memorandum and all disclosures made in the offer document/ placement memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.) offer document/ placement memorandum.

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

For SBICAP Trustee Company Ltd

Authorized Signatory
Place: Mumbai

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ANNEXURE VII: IN PRINCIPLE APPROVAL RECEIVED FROM STOCK EXCHANGE

DCS/COMP/RM/IP-PPDI/144/24-25

October 15, 2024

KRAZYBEE SERVICES PRIVATE LIMITED
3rd Floor, No.128/9, Maruthi Sapphire
HAL Airport Road, Murgesh Palya
Bangalore - 560017

Dear Sir/Madam

Re: Private Placement of Listed, Rated, Taxable, Senior, Redeemable, Non-Convertible Debentures (either Secured/Unsecured/Subordinated/Unsubordinated) in one or more Tranches/Series ("Debenture(S)" or "NCDs") of Face Value of Rs.1,00,000 each and by way of issuance of Key Information document and issue of Commercial Papers under Gid Number: 02/2024-25, Dated October 13, 2024

We acknowledge receipt of your application on the online portal on October 13, 2024 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

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8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular *https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18* ***and ensure compliance of the same.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Prasad Bhide
Senior Manager

Anurag Jain
Manager

BSE - PUBLIC

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ANNEXURE VIII: CONSENT OF THE REGISTRAR AND TRANSFER AGENT

NSDL Database Management Limited

August 7, 2025

To,
Krazybee Services Private Limited
3rd Floor, No.128/9
Maruthi Sapphire, HAL Airport Road
Murgesh Palya
BANGALORE-560017
KARNATAKA

Dear Sir,

This has reference to your email dated August 7, 2025 regarding consent letter for debenture issue. We are happy to act as Registrar & Transfer Agent for 47500 (Forty Seven Thousand Five Hundred) Listed, Rated, Secured, Redeemable Non-Convertible Debentures, having a face value of INR 1,00,000 aggregating to INR 475,00,00,000 (Indian Rupees Four Hundred Seventy Five Crores Only).

We hereby give our consent to include our name in the Disclosure Document Listed, Rated, Secured, Redeemable Non-Convertible Debentures, having a face value of INR 1,00,000 aggregating to INR 475,00,00,000 (Indian Rupees Four Hundred Seventy Five Crores Only).

Our SEBI registration is INR000004181.

Yours faithfully

For NSDL Database Management Ltd.

SUNIL DHONDIRAM KAMBLE
Digitally signed by SUNIL DHONDIRAM KAMBLE
Date: 2025.08.07 11:53:07 +05'30'

Sunil Kamble
Asst. Vice President

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE IX: APPLICATION FORM

Krazybee Services Private Limited
A Private Limited Company/public limited company incorporated under the Companies Act, 2013
Date of Incorporation: March 16, 2016
Registered Office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murugeshpalya, Bengaluru - 560017
Telephone No.: 080-41275009
Website: www.kbnbfc.in

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE UP TO 47,500 (FORTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 475,00,00,000/- (INDIAN RUPEES FOUR HUNDRED SEVENTY FIVE CRORE ONLY) ("DEBENTURES" OR "NCDS") COMPRISING OF: (A) A BASE ISSUE OF UP TO 27,500 (TWENTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 275,00,00,000/- (INDIAN RUPEES TWO HUNDRED SEVENTY FIVE CRORE ONLY); AND (B) A GREEN SHOE OPTION OF UP TO 20,000 (TWENTY THOUSAND) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 200,00,00,000/- (INDIAN RUPEES TWO HUNDRED CRORE ONLY) ("GREEN SHOE OPTION"), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER") HAVING INTEREST RATE OF 10.65% (TEN POINT SIX FIVE PERCENT) PER ANNUM GROSS OF APPLICABLE TAX PAYABLE MONTHLY FROM THE DATE OF ISSUE.

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____-only
Amount INR_____/-In words Indian Rupees :_____Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on_____

Funds transferred to _____
Dated _____

Total Amount Enclosed
(In Figures) INR_/- (In words) _Only

APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

APPLICANT'S ADDRESS

ADDRESS																		
STREET																		
CITY																		
PIN							**PHONE**							**FAX**											

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY _____
We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in Section 4 of the General Information Document dated October 13, 2024 bearing reference no. 2/2024-25, issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:
We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL/CDSL**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Key Information Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried

out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's
Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Received from _____

Address_____
_____
Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Guidelines:

Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED	INDIAN CLEARING CORPORATION LIMITED
Account Number	ICCLEB	ICCLEB
IFSC Code	HDFC0000060	ICIC0000106
Mode	RTGS/NEFT	RTGS/NEFT

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than
a) for adjustment against allotment of securities; or
b) for the repayment of monies where the company is unable to allot securities.

4. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.

5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE X: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Cash Flow

The cash flows emanating from the non-convertible securities according to the day count convention (Actual/ Actual) shall be mentioned in the Key Information document, by way of an illustration.

For the purpose of standardization, if the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In order to ensure consistency, a uniform methodology shall be followed for calculation of interest/ dividend payments in the case of leap year. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

A sample illustration is given below:

Name of the issuer	Krazybee Services Private Limited
Face Value (per security)	INR 1,00,000/- (Indian Rupee One Lakh Only) each
Issue Price	INR 1,00,000/- (Indian Rupees One Lakh Only) per Debenture.
Tranche Issue date/ Date of allotment	August 12, 2025
Date of redemption	August 12, 2027
Tenure and coupon rate	18 (eighteen) months 2 (two) days from the Deemed date of Allotment with coupon rate of 10.65% (ten point six five percent) per annum payable Monthly
Frequency of the interest/ dividend payment (with specified dates)	Please refer to **Appendix 1** below
Day Count Convention	Actual/Actual

Appendix 1

S.no	Record Date	Due Date	Interest per debenture	Principal Per Debenture	Cash Flows	No. of days
1.	28-08-2025	12-09-2025	904.52	-	904.52	31
2.	27-09-2025	12-10-2025	875.34	-	875.34	30
3.	28-10-2025	12-11-2025	904.52	-	904.52	31
4.	27-11-2025	12-12-2025	875.34	-	875.34	30
5.	28-12-2025	12-01-2026	904.52	-	904.52	31
6.	28-01-2026	12-02-2026	904.52	-	904.52	31
7.	25-02-2026	12-03-2026	816.99	-	816.99	28
8.	28-03-2026	12-04-2026	904.52	-	904.52	31
9.	27-04-2026	12-05-2026	875.34	-	875.34	30
10.	28-05-2026	12-06-2026	904.52	-	904.52	31
11.	27-06-2026	12-07-2026	875.34	-	875.34	30
12.	28-07-2026	12-08-2026	904.52	-	904.52	31
13.	28-08-2026	12-09-2026	904.52	-	904.52	31
14.	27-09-2026	12-10-2026	875.34	-	875.34	30
15.	28-10-2026	12-11-2026	904.52	-	904.52	31
16.	27-11-2026	12-12-2026	875.34	-	875.34	30

17.	28-12-2026	12-01-2027	904.52	-	904.52	31
18.	28-01-2027	12-02-2027	904.52	-	904.52	31
19.	25-02-2027	12-03-2027	817	-	817	28
20.	28-03-2027	12-04-2027	905	-	905	31
21.	27-04-2027	12-05-2027	875	25,000.00	25,875	30
22.	28-05-2027	12-06-2027	678	25,000.00	25,678	31
23.	27-06-2027	12-07-2027	438	25,000.00	25,438	30
24.	28-07-2027	12-08-2027	226	25,000.00	25,226	31

Note

The Issuer requested to note that the above cash flow is only illustrative in nature. The deemed date of allotment, Coupon rate, redemption date and frequency of the interest payment shall vary in nature and aforesaid dates may be modified upon receipt of consent/ permission from existing lender, in case of early redemption of any principal repayment the above cash flow may be changed accordingly.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE XI: PAS 4

Private Placement Offer cum Application Letter
Serial Number:
Addressed to:

FORM NO PAS-4
PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER
("PPOAL")

ISSUE UP TO 47,500 (FORTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 475,00,00,000/- (INDIAN RUPEES FOUR HUNDRED SEVENTY FIVE CRORE ONLY) ("DEBENTURES" OR "NCDS") COMPRISING OF: (A) A BASE ISSUE OF UP TO 27,500 (TWENTY SEVEN THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 275,00,00,000/- (INDIAN RUPEES TWO HUNDRED SEVENTY FIVE CRORE ONLY); AND (B) A GREEN SHOE OPTION OF UP TO 20,000 (TWENTY THOUSAND) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 200,00,00,000/- (INDIAN RUPEES TWO HUNDRED CRORE ONLY) ("GREEN SHOE OPTION"), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY KRAZYBEE SERVICES PRIVATE LIMITED (THE "COMPANY" OR "ISSUER") HAVING INTEREST RATE OF 10.65% (TEN POINT SIX FIVE PERCENT) PER ANNUM GROSS OF APPLICABLE TAX PAYABLE MONTHLY FROM THE DATE OF ISSUE.

(Pursuant to Section 42 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014
This Form PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014)

KRAZYBEE SERVICES PRIVATE LIMITED
PART A

(a) General Information:

1. Name, address, website and other contact details of the Company, indicating both registered office and the ccorporate office:

Issuer / Company:	Krazybee Services Private Limited
Registered Office:	3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murugeshpalya, Bengaluru, Karnataka 560017
Website:	https://www.kbnbfc.in/
Contact Person:	Mr. Vivek Veda
Email:	vivek@krazybee.com
Corporate office:	Innov8 Coworking Property No 69, Regal Building, Connaught Place Delhi-110001.
Branch office:	KRD GEE GEE Crystal, 4th floor, B Wing No. 91 & 92 Radhakrishnan Salai, Mylapore, Chennai-600004

2. Date of Incorporation of the Company: March 16, 2016

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

3. Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

Krazybee Services Private Limited (the Company) is a Non-Deposit Taking, Non-Banking Finance Company, which is regulated by the Reserve Bank of India (RBI). The company was co-founded by Mr. Madhusudhan Ekambaram and Mr. Karthikeyan Krishnaswamy in March 2016 and received an NBFC license from the RBI in May 2017.

KrazyBee offers unsecured personal loans of up to INR 4,00,000 to young professionals with a tenor of up to 24 months. Company's mission is financial inclusion of masses and enabling consumer credit for 400 Mn+ Indian consumers via technology, especially for those who are new to credit and do not have credit history, which is consistent with Government of India's ('GoI') priority.

KrazyBee operates in the fintech lending space and its entire loan origination is via the mobile application platform under the brand name - "KreditBee". The company has till date catered to ~ 7 million young professionals (compared to an addressable target market of 180 million), disbursed 18,000 Crore+ value of loans.

The founders and the management each have 14-18 years of experience in the areas of technology, operations, project management, sales, finance, risk management, data science, digital marketing and quantitative analysis.

4. Brief particulars of the management of the Company:

Management Details		
Name	**Designation**	**Experience**
Madhusudan Ekambaram	Director	Madhusudan has over 16 years of experience across Product Portfolio Management, Business Innovation, Sales and Business Development. Madhusudan also co-founded FACE (Fintech Association of Consumer Empowerment), a not for profit organization, with the intent to work with all stakeholders including the consumers, regulators, policymakers to proactively evolve consumer-centric practices in the Indian Fin-Tech digital lending space. Madhusudan has completed his BE in Information Technology from NIT Suratkal.
Karthikeyan Krishnaswamy	Director	Karthikeyan has over 13 years of experience in Technology and Products. He has good experience across server/ consumer domains and commonly used languages (JAVA, C, PHP etc) and has conceptualized & commercialized many micro-innovations and software solutions targeted for India and South Pacific market. He started his career at Innovo Solutions and worked there for 5 years. This was followed by an 8 years stint at Huawei where he was the System Architect. This was followed by a one-year stint as CTO at NTT Solutions. At KrazyBee, he led the entire technical implementation which includes website development, B2C app roll out and Campus Manager app roll out. Karthikeyan has completed Masters in Computer Science from National University of Singapore (NUS).
Vivek Veda	Director	Vivek has over 15 years of experience dealing in multiple domains in Finance. He is a Chartered Accountant by qualification and has done his B.Com from Delhi University. He started his career as a Consultant at S. S. Kothari Mehta &

Management Details		
Name	**Designation**	**Experience**
		Co, where he worked for 4 years (including internship years) and was involved in valuation for M&A, merger, demerger, private equity placement etc. This was followed by a 4 years stint at HSBC Global Banking & Markets (Assistant Manager), 3 years at Edelweiss Capital (Mid cap analyst), 1 year at Espirito Santo Investment Bank (Consumer analyst) and 2 years as Emerging Markets Consumer Research Analyst at Societe Generale.

5. Name, address, director identification number (DIN) and occupations of the directors:

Sl. No.	Name of the Directors	Address	DIN	Occupation
1	Madhusudan Ekambaram	No.296, Behind Jublee College, Jinkethimmana Halli, Ramamurthy Nagar, Bengaluru 560036 KA IN	07442577	Director
2	Karthikeyan Krishnaswamy	K-701, SNN Raj Lake View Apts, 29th Main Road NS Palya Main Road, BTM Layout, Bengaluru 560076 KA IN	07449376	Director
3	Vivek Veda	Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore 560103 KA IN	07560229	Director
4	Adesh Gupta Kumar	701, Tagore Avenue, Tagore Road, Santacruz (West), Mumbai - 400 054.	00020403	Independent Director
5	Abhishek Singhvi	B-803, Joy Valencia, Off J V L R, Jogeshwari East, Mumbai -400060	07972535	Independent Director
6	Shashikala Ramachandra	Aura C- 201, Ozone Urbana Township, Kannamangala, Bangalore Rural, Karnataka - 562110	08087460	Independent Director

6. Management perception of Risk Factors:

(i) **Repayment is subject to the Credit Risk of the Issuer.**

Potential investors should be aware that receipt of the principal amount (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

(ii) **The Secondary Market for Debentures may be Illiquid.**

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debentures until redemption to realize any value.

(iii) **Tax Considerations and Legal Considerations**

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

(iv) **Accounting Considerations**
Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

(v) **There may be delay or failure in recovering the expected value of assets charged as security**
In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Investors recovery in relation to the Debentures will be subject to realisable value of assets charged as security and any failure or delay to recover the expected value of the assets charged as security in connection with the NCDs could expose the investors to a potential loss.

(vi) **Material changes in rules and regulations to which the issuer is subject could impair the issuer's ability to meet payment or other obligations.**
The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

(vii) **Legality of purchase**
Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

(viii) **Political and economic risk in India**
The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

(ix) **Risks related to the business of the issuer**

a) Majority of the Issuer's loans are unsecured and the clients of these loans are of the high-risk category and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.

The loans provided by the Issuer are unsecured and if the Issuer is unable to control the level of non-performing loans ("**NPAs**") in the future, or if the loan loss reserves are insufficient to cover future loan losses, the financial condition of the Issuer and results of operations may be materially and adversely affected.

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of the impaired loans in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control, such as over-extended member credit that we are unaware of. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.
The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which

will adversely affect the Issuer's financial condition and results of operations. The Issuer's members largely belong to low-income segment and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer's monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

b) The Issuer's is exposed to operational risks, including employee negligence, petty theft, burglary, embezzlement and fraud by employees, agents, customers or third parties, which could harm our Company's results of operations and financial position.

The issuer is exposed to many types of operational risks. Operational risks can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. The issuer attempts to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures, undertaking regular contingency planning and providing employees with continuous training. Any failure to mitigate such risks may adversely affect our Company's business and results of operations.
The Issuer's dependence upon automated systems to record and process transactions may increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.
The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

c) Loans due within one-year account for almost all of the Issuer's interest income, and a significant reduction in short term loans may result in a corresponding decrease in its interest income.

All of the loans the Issuer issues are due within approximately one year of disbursement. Any potential instability of the Issuer's interest income could materially and adversely affect the Issuer's results of operations and financial position.
The loans given by the issuer are at fixed interest rate, and the tenor of the underlying asset is from 62 days to One year which has provided stability to the portfolio and interest income and has also smoothened operating expense.

d) The Issuer is exposed to certain political, regulatory and concentration of risks

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigate to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

e) Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the vehicle finance, banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including

its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

f) The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

g) The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position

The Issuer maintains insurance coverage that it believes commensurate with its operations such as Directors' and officers' liability insurance other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.
In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds it's available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

h) Competition from banks and financial institutions, as well as state-sponsored social programs, may adversely affect our profitability and position in the Indian lending industry

The Issuer faces most significant competition from other NBFCs and banks in India. Many of the institutions with which Issuer competes have greater assets and better access to, and lower cost of, funding than the issuer. In certain areas, they may also have better name recognition and larger member bases than Issuer. Issuer anticipates that it may encounter greater competition as they continue expanding the operations in India, which may result in an adverse effect on the business, results of operations and financial condition.

7. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

a) Statutory Dues: Nil
b) Debenture and interest thereon: Nil
c) Deposits and interest thereon: Nil
d) Loans from banks and financial institutions and interest thereon: Nil

8. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Name:	Pallavi Lingaraju
Designation:	Company Secretary
Address:	3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murugeshpalya, Bengaluru, Karnataka 560017
Phone No.:	+91 9972857010
Email:	pallavis@krazybee.com

9. Any default in annual filing of the Company under the Companies Act, 2013 or rules made thereunder: No**.**

(a) Particulars of the Offer:

a) Financial position of the Company for the last 3 financial year	Refer the Financial Statements attached as **Annexure** 1
b) Date of passing of Board/ Committee Resolution	Board of Directors – June 25, 2025 Finance Committee – July 30, 2025
c) Date of passing of resolution in general meeting, authorizing the offer of securities	Jun e27, 2025
d) Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**") comprising of: a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) ("**Green Shoe Option**").
e) Details of Debenture Trustee	SBICAP Trustee Company Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment.
f) Price at which the security is being offered, including premium if any, along with justification of the price	INR 1,00,000/- (Indian Rupees One Lakh Only)
g) Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the Registered valuer	Not applicable
h) Relevant date with reference to which the price has been arrived at	Not applicable

i) The class or classes of persons to whom the allotment is proposed to be made	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"): a) Resident Individuals b) Hindu Undivided Family c) Trust d) Limited Liability Partnerships e) Partnership Firm(s) f) Portfolio Managers registered with SEBI g) Association of Persons h) Companies and Bodies Corporate including Public Sector Undertakings. i) Commercial Banks j) Regional Rural Banks k) Financial Institutions l) Insurance Companies m) Mutual Funds n) Alternative investment funds o) Any other person eligible to invest in the Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
j) Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) (not required in case of issue of non-convertible debentures)	Not applicable as the Debentures are non-convertible debt instruments.
k) The proposed time within which the allotment shall be completed	Debentures shall be allotted to the investors and PAS-3 shall be filed within 2 (Two) calendar days from Deemed Date of Allotment or such time as set out under Listed NCDs Master Circular as amended from time to time.
l) The names of the proposed allottees and the percentage of post Private Placement issue capital that may be held by them (not required in case of issue of non- convertible debentures);	Not applicable as the Debentures are non-convertible debt instruments.
m) The change in control, if any, in the Company that would occur consequent to the Private Placement	Not applicable as the Debentures are non-convertible debt instruments.

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

<table>
<tr><td>n) The number of persons to whom allotment on preferential basis /private placement / rights issue has already been made during the year (Financial year), in terms of number of securities as well as price</td><td>Attached as “Annexure 2”</td></tr>
<tr><td>o) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</td><td>Not applicable as the Non-Convertible Debentures are issued for cash.</td></tr>
<tr><td>p) Amount, which the Company intends to raise by way of securities</td><td>Issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) (“Debentures”/“NCDs”) comprising of:
a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and
b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) (“Green Shoe Option”).</td></tr>
<tr><td>q) Terms of raising of securities:</td><td><table>
<tr><td>Duration, if applicable:</td><td>24 (twenty four) months from the Deemed Date of Allotment.</td></tr>
<tr><td>Rate of Interest or dividend:</td><td>Fixed interest of 10.65% (ten point six five percent) per annum payable monthly</td></tr>
<tr><td>Mode of Payment</td><td>Electronic Transfer</td></tr>
<tr><td>Mode of Repayment</td><td>Electronic Transfer</td></tr>
<tr><td>Redemption</td><td>Final Redemption Date being August 12, 2027</td></tr>
</table></td></tr>
<tr><td>r) Proposed time schedule for which the Issue/Private Placement Offer cum Application Letter is valid</td><td>Issue Open Date: August 11, 2025
Issue Closing Date: August 11, 2025</td></tr>
<tr><td>s) Purpose and objects of the Issue/Offer</td><td>The Issue proceeds will be utilized for originating personal/business loans, provided however that the Issuer shall be entitled to temporarily invest the funds raised by the Issue in liquid mutual funds and deposits held with scheduled commercial banks until the utilization of the funds raised for the intended Purpose.</td></tr>
<tr><td>t) Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects</td><td>Not Applicable</td></tr>
<tr><td>u) Principal terms of assets charged as security, if applicable</td><td>The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables (“Hypothecated Assets”) created pursuant to the Hypothecation Agreement. The Issuer undertakes:</td></tr>
</table>

	• The total charge over the Hypothecated Assets shall constitute 1.10x (one decimal one zero times) or 110% (one hundred and ten percent) of the aggregate amount of principal, Coupon/ dues outstanding and payable to the Debenture Holders to be created as per terms of the Transaction Documents. The above-mentioned Security Cover shall be maintained at all times during the tenure of the Debentures and until all such dues/claims/ outstanding is paid to the Debenture Holders to the satisfaction of the Debenture Trustee. • To create, register and perfect the security over the Hypothecated Assets by filing CHG-9 within the time period applicable as contemplated above no later than 30 (Thirty) calendar days after the Deemed Date of Allotment and create a charge by executing a duly stamped Hypothecation Agreement prior to the Deemed Date of Allotment; The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets. • to pay a penal interest of 2.0% (Two Percent) p.a. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets beyond 30 (thirty) calendar days from the date of execution of the Hypothecation Agreement; • to provide on a quarterly basis, of specific loan receivables/ book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("**Quarterly Hypothecated Asset Report**") • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10x (One decimal one zero times) or 110% (One hundred and ten percent) the aggregate amount of the aggregate amount of principal, Coupon/ dues outstanding and payable to the Debenture Holders. • to replace Hypothecated Assets that have been overdue for more than 90 (Ninety) calendar days with current receivables (i.e., 0 DPD).
v) The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the Company and its future operations	Not Applicable

w) The pre-issue and post issue shareholding pattern of the Company in the following pattern as on date:

Sr. No	Category	Pre-issue		Post-issue	
		(Equity+ CCPS)		(Equity + CCPS)	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding	-	-	-	-
1	Indian	-	-	-	-

	Individual	-	-	-	-
	Bodies corporate	-	-	-	-
	Sub-total	-	-	-	-
2	Foreign promoters	-	-	-	-
	Sub-total (A)	-	-	-	-
B	Non-promoters' holding	-	-	-	-
1	Institutional investors	-	-	-	-
2	Non-institution	-	-	-	-
	Private corporate bodies	7,13,28,678	31.27%	7,13,28,678	31.27%
	Individual	33,75,000	1.48%	33,75,000	1.48%
	Directors and relatives	2,20,54,800	9.67%	2,20,54,800	9.67%
	Indian public	-	-	-	-
	Others (including NRIs)	13,13,47,388	57.58%	13,13,47,388	57.58%
	Sub-total (B)	**22,81,05,866**	**100.00%**	**22,81,05,866**	**100.00%**
	Grand Total (A+B)	**22,81,05,866**	**100.00%**	**22,81,05,866**	**100.00%**

x) Bank Accounts details for subscription of money.	**Account Name:** Krazybee Services Private Limited **Bank Name:** Yes Bank Ltd **A/c. No**: 059481300001586 **IFSC Code:** YESB0000594 **Address**: Ground Floor, Lancor Westminister, 108, Dr. Radha Krishnan Salai, Mylapore, Chennai-600004

y) Mode of Payment for Subscription: Not applicable
( ) Cheque
( ) Demand Draft
( ) Other Banking Channels

Disclosure with regard to interest of directors, litigation, etc:

1. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Not Applicable
2. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Private Placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon	Not Applicable

conclusion of such litigation or legal action shall be disclosed	

3. Remuneration of directors (during the current year and last 3 (three) financial years):

Name of the Director	Remuneration (in Rs)
2024-25	
Vivek Veda	13.37 Crores
Madhusudan Ekambaram	54.23 Crores
Karthikeyan Krishnaswamy	12.14 Crores
2023-24	
Vivek Veda	25.90 Crores
Madhusudan Ekambaram	NIL
Karthikeyan Krishnaswamy	NIL
2022-23	
Vivek Veda	1.43 Crores
Madhusudan Ekambaram	NIL
Karthikeyan Krishnaswamy	NIL
2021-22	
Vivek Veda	81.70 Lakhs
Madhusudan Ekambaram	NIL
Karthikeyan Krishnaswamy	NIL

4. Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Private Placement offer cum application letter including with regard to loans made or, guarantees given or securities provided:

Transaction	**Related Party**	**31-03-2025 (in lakhs)**	**31-03-2024 (in lakhs)**	**31-03-2023 (in lakhs)**
Amount owed by related parties	Finnovation tech solutions Private Limited.	-	-	**2,666.40**
Amount owed by related parties	Finnovation tech solutions Private Limited.	1446.20	1,217.67	-
Sale of Services	Finnovation tech solutions Private Limited.	266.23	103.05	8665.99
Interest Income	Anish Gupta	0.08	0.13	-
Purchase of services	Finnovation tech solutions Private Limited	38960.38	33984.02	20227.72
Securities premium	Finnov Private Limited	-	2262.10	-
Amount owed to related parties	Finnovation Tech Solutions Private Limited	7898.80	7,363.75	374.60
Amount owed to related parties	Finnov Private Limited	-	0.02	0.02
Amount owed to related parties	Directors	-	-	0.09
Amount owed to related parties	Finnovation Tech Solutions Private Limited	185.50	405.40	136.04
Borrowings from related party	Finnov Private Limited	-	-	-
Outsanding Personal Loan (including accrued interest)	Anish Gupta	-	0.75	-

Outstanding Non-Convertible Debentures (including accrued interest)	Krishnaswamy Bhanumath	-	80.27	-
	Vani Jain	30.12	20.08	-
	Nutan Soudagar	80.33	-	70.00
	Madhusudan Ekambaram	301.23	-	-
	Anil Veda	20.08	20.07	10.00
	Sreenidhi Sattanathan	-	50.20	-
	Vibha Veda	20.08	20.07	20.00
	Vivek Veda	261.07	100.39	20.00
	Marappa Krishnaswamy	-	20.07	-
	Marappa Krishnaswamy HUF	100.41	-	-
	Krishnaswamy Karthikeyan HUF	200.82	-	-
	AV Consultancy Services	20.08	-	-
Finance Cost	Finnov Private Limited		-	536.73
	Sreenidhi Sattanathan	1.36	5.41	-
	Krishnaswamy Bhanumathi	3.90	6.94	-
	Madhusudan Ekambaram	23.01	40.73	8.98
	Nutan Soudagar	9.47	8.42	8.04
	Anil Veda	2.29	2.23	1.08
	Vani Jain	2.85	2.16	5.99
	Vibha Veda	2.51	2.50	2.17
	Vivek Veda	29.98	11.16	2.17
	Marappa Krishnaswamy	0.97	1.73	-
	Sattanathan Viswanathan	-	2.41	-
	Marappa Krishnaswamy HUF	7.67	-	-
	Krishnaswamy Karthikeyan HUF	15.34	-	-
	AV Consultancy Services	0.90	-	-
Issue of non-convertible debentures	Madhusudan Ekambaram	300.00	400.00	-
	Nutan Soudagar	80.00	-	70.00
	Anil Veda	20.00	20.00	10.00
	Vani Jain	30.00	20.00	-
	Vibha Veda	20.00	20.00	20.00
	Vivek Veda	260.00	100.00	20.00
	Krishnaswamy Bhanumathi	-	80.00	-
	Marappa Krishnaswamy	-	20.00	-
	Sreenidhi Sattanathan	-	50.00	-
	Marappa Krishnaswamy HUF	100.00	-	-
	Krishnaswamy Karthikeyan HUF	200.00	-	-
	AV Consultancy Services	20.00	-	-
Redemption of non-convertible debentures	Madhusudan Ekambaram	-	400.00	90.00
	Nutan Soudagar	-	70.00	70.00
	Anil Veda	20.00	10.00	-

	Vani Jain	20.00	-	60.00
	Vivek Veda	100.00	20.00	20.00
	Vibha Veda	20.00	20.00	20.00
	Sattanathan Viswanathan	-	20.00	-
	Krishnaswamy Bhanumathi	80.00	-	-
	Marappa Krishnaswamy	20.00	-	-
	Sreenidhi Sattanathan	50.00	-	-

5. Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of private placement basis offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	Not Applicable
6. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of issue of Private Placement offer cum application letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of the Private Placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	In exercise of its powers under Section 206 of the Companies Act, 2013, the Registrar of Companies, Karnataka on January 13, 2022, sought information on the statutory documents such as minutes, statutory registers, business operations and the shareholding of the Company including details of foreign investments received by the Company. The Company duly complied and submitted all the requisite documents.
7. Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	Not Applicable

6. Financial Position of the Company:

The capital structure of the Company in the following manner in a tabular form as on date:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	**Share Capital** **Authorised Share Capital**	**INR**
	Equity Shares of INR 10/- each	353,00,00,000
	Compulsory Convertible Preference Shares of INR 18,000/- each	1008,00,00,000
	TOTAL	13,61,00,00,000
	Issued, Subscribed and Fully Paid-up	

<table>
<tr><td></td><td>
<table>
<tr><td></td><td></td></tr>
<tr><td>Equity Shares of INR 10 each, fully paid-up</td><td>225,46,28,000</td></tr>
<tr><td>Compulsory Convertible Preference Shares of INR 18,000/- each</td><td>860,15,88,000</td></tr>
<tr><td>TOTAL</td><td>10,85,62,16,000</td></tr>
</table>
</td></tr>
<tr><td>Size of the Present Offer</td><td>Issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) (“Debentures”/“NCDs”) comprising of:
a. a base issue of up to 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only); and
b. a green shoe option of up to 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) (“Green Shoe Option”).</td></tr>
<tr><td>Paid-up Capital:
a) After the offer:

b) After the conversion of Convertible Instruments (if applicable)</td><td>No Change, since the offer pertains to issuance of Non-Convertible Debentures</td></tr>
<tr><td>Share Premium Account:
a) Before the offer:

b) After the offer:</td><td>No Change, since the offer pertains to issuance of Non-Convertible Debentures</td></tr>
<tr><td colspan="2">Details of the existing share capital of the Issuer in tabular form, indicating therein with regard to each allotment, the date of the allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.:
<table>
<tr><th>Date of Allotment</th><th>No. of Shares allotted</th><th>Face value of shares</th><th>Issue Price</th><th>Form of Consideration</th></tr>
<tr><td>March 16, 2016</td><td>10</td><td>10/-</td><td>10</td><td>Cash</td></tr>
<tr><td>March 16, 2016</td><td>9990</td><td>10/-</td><td>10</td><td>Cash</td></tr>
<tr><td>August 16, 2016</td><td>10408</td><td>10/-</td><td>3162</td><td>Cash</td></tr>
<tr><td>July 28, 2017</td><td>18822</td><td>10/-</td><td>3162</td><td>Cash</td></tr>
<tr><td>November 17, 2017</td><td>88312</td><td>10/-</td><td>3162</td><td>Cash</td></tr>
<tr><td>September 12, 2018</td><td>41468</td><td>10/-</td><td>3500</td><td>Cash</td></tr>
<tr><td>November 15, 2018</td><td>144440</td><td>10/-</td><td>3500</td><td>Cash</td></tr>
<tr><td>January 11, 2019</td><td>100665</td><td>10/-</td><td>3500</td><td>Cash</td></tr>
</table>
</td></tr>
</table>

March 1, 2019	203171	10/-	3500	Cash
March 28,2019	39240	10/-	3500	Cash
July 30, 2019	99807	10/-	3500	Cash
March 26, 2021	3,13,900	10/-	6700	Cash
September 02, 2021	53,619	10/-	6880	Conversion of ECB to equity shares
December 02, 2022	1,42,260	18,000/-	24,175.13	Cash
December 08, 2022	24,202	18,000/-	24,175.13	Cash
January 18, 2023	2,03,507	18,000/-	24,175.13	Cash
January 27, 2023	19,680	18,000/-	24,175.13	Cash
November 29, 2023	9361	10/-	24,175.13	Cash
April 16, 2025	22,43,35,486	10/-	-	Bonus issue

Shareholding pattern of the Issuer

Equity Shares:

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Newquest Asia Fund IV (Singapore) Pte. Limited.	Equity	5,36,26,800	23.79%	5,36,26,800
2	PI Opportunities Fund I	Equity	5,24,16,800	23.25%	5,24,16,800
3	Alpine Opportunity Fund IV L.P.	Equity	3,27,27,000	14.52%	3,27,27,000
4	Business Excellence Trust III - India Business Excellence Fund III	Equity	2,40,69,600	10.68%	2,40,69,600
5	Madhusudan Ekambaram	Equity	1,55,43,600	6.89%	1,55,43,600
6	Mirae Asset - Naver Asia Growth Investment Pte. Ltd.	Equity	1,07,98,000	4.79%	1,07,98,000
7	Alpine Opportunity Fund I L.P.	Equity	57,55,200	2.55%	57,55,200
8	Unitary Fund	Equity	55,95,000	2.48%	55,95,000
9	Krishnaswamy Karthikeyan	Equity	53,75,600	2.38%	53,75,600
10	India Business Excellence Fund IV	Equity	63,88,400	2.83%	63,88,400
11	Wiseanya Limited	Equity	38,93,800	1.73%	38,93,800
12	PI Opportunities Fund-II	Equity	28,27,000	1.25%	28,27,000
13	India Sme Investments -Fund I	Equity	14,01,200	0.62%	14,01,200
14	ICICI Bank Ltd	Equity	13,21,800	0.59%	13,21,800
15	Fincrest Management Advisors Pte. Ltd.	Equity	12,43,000	0.55%	12,43,000

16	Others	Equity	24,80,000	1.10%	24,80,000

Compulsorily Convertible Preference Shares **("CCPS")**

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of Preference shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	PI Opportunities Fund I	Series D CCPS	66,350	13.88%	66,350
2	PI Opportunities Fund II	Series D CCPS	15,709	3.29%	15,709
3	Indian Business Excellence Fund IV	Series D CCPS	64,149	13.42%	64,149
4	NewQuest Asia Fund IV (Singapore) Pte. Ltd.	Series D CCPS	29,939	6.27%	29,939
5	MUFG Bank, Ltd.	Series D CCPS	31,158	6.52%	31,158
6	Wiseanya Limited	Series D CCPS	2,49,581	52.23%	2,49,581
7	Mirea Asset Late Stage Opportunities Fund	Series D CCPS	20,980	4.39%	20,980
Total			**4,77,866**	**100.00%**	**4,77,866**

Details of allotments made by the Company in the last one year prior to the date of this Private Placement Offer cum Application Letter for consideration other than cash and details of the consideration in each case.	Nil
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of private placement Offer cum Application Letter	
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	The Company has declared Interim Dividend in the FY 23-24.
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Private Placement Offer cum Application Letter	**Annexure 1**
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement Offer cum Application Letter	**Annexure 1**

FY	PBT (in INR Cr)	PAT (in INR Cr)
FY 2025	296.81	221.22
FY 2024	268.39	200.36
FY 2023	87.50	65.10

Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	The Company has adopted Indian Accounting Standards (IND-AS) as per the applicable regulations and pursuant to Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015. Previous year figures have been restated to conform to IND-AS.

7. DECLARATION (To be provided by the Directors)

a. The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

b. The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government;

c. the monies received under the Offer shall be used only for the purposes and objects indicated in this Private Placement Offer cum Application Letter;

I am authorized by the Finance Committee of the Company *vide* resolution no. 7 dated July 30, 2025, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Private Placement Offer cum Application Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **Krazybee Services Private Limited**

Authorized Signatory
Name: Vivek Veda
Designation: Director
DIN: 07560229
Date: August 07, 2025
Place: Bengaluru

Enclosed
Copy of Shareholders Resolution
Copy of Finance Committee Resolution

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

PART – B
(To Be filled by the applicant)

Sl. No.	Particulars	Details
1	Name	
2	Father's Name	
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)	
4	Phone Number, if any	
5	Email ID, if any	
6	PAN Number	
7	Bank Account Details	
8	Number of Non-Convertible Debentures subscribed	
9	Total value of Non-Convertible Debentures subscribed	
10	"Tick whichever is applicable:- (a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.	☐
	(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.	☐

_____
Authorised Signatory

Initial of the officer of the Company designated to keep the record

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE 1

KRAZYBEE SERVICES PRIVATE LIMITED
Balance sheet
(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(i)	18,222.24	21,510.17
(b)	Bank balance other than (a) above	3(ii)	21,308.96	7,347.26
(c)	Trade receivables	4	1,443.36	416.27
(d)	Loans	5	564,920.66	456,693.19
(e)	Other financial assets	6	4,915.03	5,307.66
			610,810.25	491,274.55
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	7	10.34	994.20
(b)	Deferred tax assets (net)	8	9,283.53	6,962.89
(c)	Property, plant and equipment	9	469.02	318.08
(d)	Right of use asset	36(ia)	2,012.94	1,637.24
(e)	Intangible assets under development	10	-	51.07
(f)	Other intangible assets	11	66.04	9.85
(g)	Other non-financial assets	12	2,345.69	2,845.22
			14,187.56	12,818.55
	TOTAL ASSETS		624,997.81	504,093.10
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	987.59	1,401.67
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13,077.00	11,481.67
(b)	Debt securities	14	161,635.21	120,184.10
(c)	Borrowings (other than debt securities)	15	198,705.63	153,787.36
(d)	Other financial liabilities	16	9,745.57	7,720.12
			384,151.00	294,574.92
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	35.66	-
(b)	Provisions	18	723.97	776.43
(c)	Other non-financial liabilities	19	4,505.27	3,707.81
			5,264.90	4,484.24
(3)	**EQUITY**			
(a)	Equity share capital	20(b)	112.73	112.73
(b)	Instruments entirely equity in nature	20(b)	86,015.88	86,015.88
(c)	Other equity	21	149,453.30	118,905.33
			235,581.91	205,033.94
	TOTAL LIABILITIES AND EQUITY		624,997.81	504,093.10

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss
(All amounts are in Rs. Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
	Revenue from operations			
(i)	Interest income	22	158,966.07	122,583.41
(ii)	Fees and commission income	23	59,535.39	16,878.72
(iii)	Net gain on fair value changes	24	86.25	463.58
1	**Total revenue from operations**		218,587.71	139,925.71
2	Other income	25	95.75	107.01
3	**Total income (1+2)**		218,683.46	140,032.72
	Expenses			
(i)	Finance costs	26	37,520.32	23,510.14
(ii)	Fees and commission expense	27	17,144.72	11,107.50
(iii)	Impairment on financial instruments	28	76,213.35	43,188.23
(iv)	Employee benefits expenses	29	30,419.00	18,834.64
(v)	Depreciation and amortization expense	30	883.58	364.67
(vi)	Other expenses	31	26,821.61	16,188.87
4	**Total expenses**		189,002.58	113,194.05
5	**Profit before tax (3-4)**		29,680.88	26,838.67
	Tax expense:	32		
	(1) Current tax		9,895.23	11,229.53
	(2) Deferred tax credit		(2,314.04)	(4,544.64)
	(3) Tax in respect of earlier years		(21.98)	117.96
6	**Total tax expense**		7,559.21	6,802.85
7	**Profit for the year (5-6)**		22,121.67	20,035.82
8	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit or loss			
	Gain/(Loss) on remeasurement of defined benefit plans		(26.23)	(1.96)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		6.60	0.49
	Total other comprehensive loss for the year (net of tax)		(19.63)	(1.47)
9	**Total comprehensive income for the year (7+8)**		22,102.04	20,034.35
10	**Earnings per equity share**			
	Basic (Rs.)		1,962.33	1,787.12
	Diluted (Rs.)		1,297.11	1,264.32
	Summary of material accounting policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities:		
Profit before tax	**29,680.88**	**26,838.67**
Adjustments for:		
Interest income	(157,849.06)	(122,079.86)
Depreciation and amortization expense	883.58	364.67
Interest income from investments	(1,091.06)	(492.25)
Realised gain on sale of investments	(86.25)	(463.58)
Impairment on financial instruments	76,213.35	43,188.23
Share-based payment expense	8,101.39	6,062.97
Finance cost	37,213.19	23,403.66
Interest income on security deposits	(25.95)	(11.30)
Interest on lease liability	307.13	106.48
Cash inflow from interest on loans	159,367.82	117,519.12
Cash outflow towards finance cost	(38,018.97)	(23,001.61)
Cash generated from operations before working capital changes	**114,696.05**	**71,435.20**
Working capital changes:		
(Increase) in loans	(186,319.45)	(262,282.92)
Decrease / (Increase) in trade receivables	(1,027.09)	2,250.13
Decrease in other financial assets	374.71	654.05
Decrease / (Increase) in other non-financial assets	499.53	(1,043.80)
Increase in trade payables	1,525.79	10,803.71
Increase / (Decrease) in provisions	(78.69)	537.75
Increase in other financial liabilities	1,518.67	5,768.96
Increase in other non-financial liabilities	1,157.33	1,171.20
Cash (used in) operations	**(67,653.15)**	**(170,705.71)**
Income tax paid (net of refunds)	(8,853.75)	(10,990.31)
Net cash flows (used in) operating activities (A)	**(76,506.90)**	**(181,696.02)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(394.42)	(384.18)
Sale of property, plant and equipment and intangible assets	0.05	0.21
Purchase of investments in mutual funds	(114,000.00)	(347,900.00)
Proceeds from liquidation of investments in mutual funds	114,086.25	361,556.73
Net investments in fixed deposits	(13,986.30)	(2,486.00)
Interest received on investments	1,115.66	475.86
Net cash (used in) / generated from investing activities (B)	**(13,178.74)**	**11,262.61**
Cash flow from financing activities:		
Issue of CCPS (including securities premium & net of share issue expenses)	-	20,974.17
Proceeds from issue of equity share capital (including securities premium)	-	2,263.04
Debt securities issued	156,037.54	134,495.00
Debt securities repaid	(113,902.82)	(86,287.57)
Borrowings other than debt securities raised	290,834.95	210,504.11
Borrowings other than debt securities repaid	(256,050.24)	(130,961.50)
Movement in overdraft (Net)	10,255.73	16,460.11
Dividends paid (including related income tax)	-	(3,354.56)
Payment of lease liability	(777.45)	(343.35)
Net cash generated from financing activities (C)	**86,397.71**	**163,749.43**
Net (decrease) in cash and cash equivalents (A + B + C)	**(3,287.93)**	**(6,683.97)**
Cash and cash equivalents at the beginning of the period	21,510.17	28,194.14
Cash and cash equivalents at the end of the year*	**18,222.24**	**21,510.17**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances. Also refer to Note 45

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Balance sheet
(All amounts are in Rs. Lakhs, unless otherwise stated)

S. No.	Particulars	Note	As at March 31, 2024	As at March 31, 2025
	ASSETS			
(1)	Financial assets			
(a)	Cash and cash equivalents	3(i)	21,248.17	28,196.14
(b)	Bank balance other than (a) above	3(ii)	7,347.26	6,844.87
(c)	Trade receivables	4	494.37	2,668.40
(d)	Loans	5	456,683.19	215,838.61
(e)	Investments	6		13,102.16
(f)	Other financial assets	7	5,107.26	6,833.68
			491,274.59	284,293.87
(2)	Non-financial assets			
(a)	Current tax assets (net)	8	994.20	1,351.19
(b)	Deferred tax assets (net)	9	4,962.89	2,417.75
(c)	Property, plant and equipment	10	316.08	73.68
(d)	Right of use asset	37(b)	1,637.24	379.84
(e)	Intangible assets under development	11	54.07	-
(f)	Other intangible assets	12	9.85	4.78
(g)	Other non-financial assets	13	1,845.22	1,801.42
			13,819.55	5,968.85
	TOTAL ASSETS		505,093.10	290,722.72
	LIABILITIES AND EQUITY			
(1)	Financial liabilities			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	14	1,401.67	195.43
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		11,440.55	4,884.31
(b)	Debt securities	15	108,884.18	72,058.90
(c)	Borrowings (other than debt securities)	16	153,387.26	52,304.37
(d)	Other financial liabilities	17	7,320.12	662.90
			284,534.88	130,105.91
(2)	Non-financial liabilities			
(a)	Provisions	18	370.43	216.73
(b)	Other non-financial liabilities	19	3,742.91	1,350.47
			4,113.34	1,567.19
(3)	EQUITY			
(a)	Equity share capital	20(i)	112.21	111.79
(b)	Instruments entirely equity in nature	20(ii)	86,015.84	28,126.82
(c)	Other equity	21	118,909.15	30,815.16
			205,033.56	159,053.97
	TOTAL LIABILITIES AND EQUITY		505,093.10	290,722.72

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ARC & Associates
Chartered Accountants
Firm Registration No. 018134N

CA Rakesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2024
UDIN: 24097345BKMBXK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2014PTC086980

Madhusudan Ekambaram
Director
DIN: 07445527
Place: Bengaluru
Date: May 29, 2024

Vivek Vasa
Director
DIN: 07566529
Place: Bengaluru
Date: May 29, 2024

Pallavi Chigarlu
Company Secretary
Membership No: A56753
Place: Bengaluru
Date: May 29, 2024

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss
(All amounts are in Rs. Lakhs unless otherwise stated)

Sr. No.	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
	Revenue from operations			
(i)	Interest income	22	122,583.41	47,774.98
(ii)	Fees and commission income	23	16,878.72	17,079.38
(iii)	Net gain on fair value changes	24	463.58	451.68
(iv)	Other operating income	25	-	5,480.61
1	Total revenue from operations		139,925.71	71,786.65
2	Other income	26	107.01	67.11
3	Total income (1+2)		140,032.72	71,767.98
	Expenses			
(i)	Finance costs	27	23,510.14	16,454.64
(ii)	Fees and commission expense	28	11,107.50	14,651.80
(iii)	Impairment on financial instruments	29	43,180.23	24,651.21
(iv)	Employee benefits expenses	30	18,434.64	3,936.74
(v)	Depreciation and amortisation expense	31	264.67	165.19
(vi)	Other expenses	32	16,186.87	3,151.58
4	Total expenses		113,194.05	63,010.17
5	Profit before tax (3-4)		26,838.67	8,749.77
	Tax expense:	33		
	(1) Current tax		11,229.53	2,247.31
	(2) Deferred tax credit		(4,544.64)	(89.74)
	(3) Tax in respect of earlier years		157.95	82.35
6	Total tax expense		6,807.85	2,240.91
7	Profit for the year (5-6)		20,030.82	6,508.85
8	Other comprehensive income (OCI)			
	(i) Items that will not be reclassified to profit or loss		(1.96)	(18.77)
	Gain/(Loss) on remeasurement of defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.49	4.72
	Total other comprehensive loss for the year (net of tax)		(1.47)	(14.05)
9	Total comprehensive income for the year (7+8)		20,034.35	6,494.80
10	Earnings per equity share			
	Basic (Rs.)		1,787.12	579.33
	Diluted (Rs.)		1,325.24	532.55

Summary of material accounting policies 2
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ABC & Associates
Chartered Accountants
Firm Registration No: 012345N

Dinesh Singh
Partner
Membership No: 098765
Place: New Delhi
Date: May 29, 2024
UDIN: 24098765BKMN17K6499

For and on Behalf of the Board of Directors of
Krazybee Services Private Limited
CIN: U65100KA2016PTC086900

Madhusudan Ekambaram
Director
DIN: 07441527
Place: Bengaluru
Date: May 29, 2024

Vivek Vesa
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Nagaraju
Company Secretary
Membership No: A56713
Place: Bengaluru
Date: May 29, 2024

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)



(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Balance Sheet
(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2023	As at March 31, 2022
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(I)	28,179.96	7,616.12
(b)	Bank balance other than (a) above	3(II)	4,805.21	1,179.30
(c)	Trade receivables	4	2,666.40	9,540.55
(d)	Loans	5	2,31,831.62	1,11,496.77
(e)	Investments	6	13,193.16	6,197.98
(f)	Other financial assets	7	5,670.55	4,551.42
	Sub-Total - Financial Assets		2,86,346.90	1,40,582.14
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	8	1,351.38	654.45
(b)	Deferred tax assets (net)	9	2,417.75	2,323.29
(c)	Property, plant and equipment	10	73.68	60.35
(d)	Right of use asset		319.84	165.04
(e)	Intangible assets	11	4.78	2.75
(f)	Other non-financial assets	12	2,202.88	319.39
	Sub-Total - Non-Financial Assets		6,370.31	3,525.27
	Total assets		2,92,717.21	1,44,107.41
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Trade payables	13		
	(i) total outstanding dues of micro enterprises and small enterprises		195.42	40.70
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,884.21	680.06
(b)	Debt securities	14	66,114.94	26,799.76
(c)	Borrowings (other than debt securities)	15	63,244.33	53,570.33
(d)	Other financial liabilities	16	662.66	241.20
	Sub-Total - Financial Liabilities		1,32,101.56	81,332.05
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	-	800.89
(b)	Provisions	18	236.72	113.08
(c)	Other non-financial liabilities	19	1,324.96	1,210.45
	Sub-Total - Non-Financial Liabilities		1,561.68	2,124.42
(3)	**EQUITY**			
(a)	Equity share capital	20(a)	111.79	112.38
(b)	Instruments entirely equity in nature	20(b)	70,136.82	-
(c)	Other equity	21	88,805.36	60,538.56
	Sub-Total - Equity		1,59,053.97	60,650.94
	Total liabilities and equity		2,92,717.21	1,44,107.41

Summary of significant accounting policies 2
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011643N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

ASC & ASSOCIATES * NEW DELHI * Chartered Accountants

CA Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

UDIN: 23097345BGZDPK1405

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss
(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations			
(i)	Interest income	22	47,774.98	17,500.34
(ii)	Fees and commission income	23	23,474.21	15,909.40
(iii)	Net gain/(loss) on fair value changes	24	451.60	189.71
1	**Total revenue from operations**		71,700.79	33,659.45
2	**Other income**	25	207.11	27.92
3	**Total income (1+2)**		71,907.90	33,687.37
	Expenses			
(i)	Finance costs	26	16,425.09	7,532.88
(ii)	Fees and commission expense	27	14,373.25	1,679.41
(iii)	Impairment on financial instruments	28	24,853.22	16,183.78
(iv)	Employee benefits expenses	29	3,680.02	2,562.77
(v)	Depreciation and amortization expense	30	165.15	267.43
(vi)	Other expenses	31	3,661.40	1,322.57
4	**Total expenses**		63,158.13	29,548.84
5	**Profit before tax (3-4)**	32	8,749.77	4,138.53
	Tax expense:			
	(1) Current tax		2,247.31	2,056.35
	(2) Deferred tax (credit) / charge		(89.74)	(859.67)
	(3) Tax in respect of earlier years		83.35	62.51
6	**Total tax expense**		2,240.92	1,259.59
7	**Profit for the year (5-6)**		6,508.85	2,878.94
8	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss		(18.77)	22.55
	Gain/(Loss) on remeasurement of defined benefit plans		4.72	(5.68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Other comprehensive income		(14.05)	16.87
9	**Total comprehensive income for the year (7+8)**		6,494.80	2,895.81
10	**Earnings per equity share**			
	Basic (Rs.)		579.22	261.43
	Diluted (Rs.)		531.55	261.43

Summary of significant accounting policies 2
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011868N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

CA Dinesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449176
Place: Bengaluru
Date: May 29, 2023

Pallavi Singaraju
Company Secretary
Membership No: A56713
Place: Bengaluru
Date: May 29, 2023

UDIN: 23097345BGZDFK1405

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities:		
Profit before tax	8,749.77	4,138.53
Adjustments for:		
Interest income	(47,275.83)	(17,196.23)
Depreciation and amortization expense	165.15	267.43
Interest income from investments	(499.15)	(304.11)
Net gain on sale of investments	(451.60)	(206.96)
Impairment on financial instruments	24,853.22	16,183.78
Share based payment expense	241.49	316.30
Finance cost	15,352.56	7,131.10
Unrealized foreign exchange loss	-	359.11
Interest income on security deposits	(5.83)	(7.44)
Interest on lease liability	37.09	42.67
Cash inflow from interest on loans	50,001.92	17,137.14
Cash outflow towards finance cost	(14,405.93)	(6,331.27)
Cash generated from operations before working capital changes	36,762.86	21,530.05
Working capital changes:		
(Increase) in loans	(1,47,951.82)	(62,809.89)
(Increase) / Decrease in trade receivables	6,874.15	(9,540.55)
(Increase) / Decrease in other financial assets	(1,063.21)	3,929.92
(Increase) in other non-financial assets	(1,896.09)	(255.21)
Increase / (Decrease) in trade payables	1,358.87	(868.92)
Increase in provisions	104.87	57.55
Increase in other financial liabilities	274.51	12.90
Increase in other non-financial liabilities	152.16	131.08
Cash (used in) operations	(1,05,383.70)	(47,813.07)
Income tax paid (net of refunds)	(3,828.48)	(2,031.16)
Net cash flows (used in) operating activities (A)	(1,09,212.18)	(49,844.23)
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(40.66)	(2.99)
(Purchase) of mutual funds (net)	(6,543.58)	(2,479.77)
Net investments in fixed deposits	(3,625.91)	(807.58)
Interest received on investments	449.06	315.27
Net cash flow (used in) investing activities (B)	(9,761.09)	(2,975.07)
Cash flow from financing activities:		
Net proceeds from issue of CCPS	92,390.85	-
Buy back of equity shares (including related income tax)	(724.11)	-
Debt securities issued (net)	38,441.50	14,395.74
Borrowings other than debt securities raised (net)	9,601.06	21,548.43
Payment towards lease liabilities	(172.19)	(231.73)
Net cash flow generated from financing activities (C)	1,39,537.11	35,712.44
Net increase / (decrease) in cash and cash equivalents (A + B + C)	20,563.84	(17,106.86)
Cash and cash equivalents at the beginning of the year	7,616.12	24,722.98
Cash and cash equivalents at the end of the year*	28,179.96	7,616.12

**Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances.*

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

CA Denesh Sharma
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Balance Sheet
(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2022	As at March 31, 2021
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(I)	7,616.12	24,722.98
(b)	Bank balance other than (a) above	3(II)	1,179.30	371.72
(c)	Trade receivables	4	9,540.55	-
(d)	Loans	5	1,11,496.77	64,114.48
(e)	Investments	6	6,197.98	3,511.25
(f)	Other financial assets	7	4,785.72	8,485.06
	Sub-Total - Financial Assets		1,40,816.44	1,01,205.49
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	8	654.45	654.45
(b)	Deferred tax assets (net)	9	2,323.29	1,469.30
(c)	Property, plant and equipment	10	60.35	113.90
(d)	Right of use asset		165.04	86.95
(e)	Intangible assets	11	2.75	13.39
(f)	Other non-financial assets	12	85.09	54.78
	Sub-Total - Non-Financial Assets		3,290.97	2,392.77
	Total assets		1,44,107.41	1,03,598.26
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Trade payables	13		
	(I) total outstanding dues of micro enterprises and small enterprises		40.70	22.16
	(II) total outstanding dues of creditors other than micro enterprises and small enterprises		680.06	1,567.52
(b)	Debt securities	14	26,113.48	11,717.74
(c)	Borrowings (other than debt securities)	15	53,335.00	35,116.45
(d)	Other financial liabilities	16	1,162.81	251.40
	Sub-Total - Financial Liabilities		81,332.05	48,675.27
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	800.89	712.79
(b)	Provisions	18	113.08	78.08
(c)	Other non-financial liabilities	19	1,210.45	382.28
	Sub-Total - Non-Financial Liabilities		2,124.42	1,173.15
(3)	**EQUITY**			
(a)	Equity share capital	20	112.38	107.02
(b)	Other equity	21	60,538.56	53,642.82
	Sub-Total - Equity		60,650.94	53,749.84
	Total liabilities and equity		1,44,107.41	1,03,598.26

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

CA Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Profit and Loss
(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
	Revenue from operations			
(i)	Interest income	22	17,588.34	14,374.28
(ii)	Fees and commission income	23	15,069.40	8,075.36
(iii)	Net gain/(loss) on fair value changes	24	189.71	(110.89)
1	Total revenue from operations		33,659.45	22,338.75
2	Other income	25	27.92	38.40
3	Total income (1+2)		33,687.37	22,377.15
	Expenses			
(i)	Finance costs	26	7,512.80	6,104.06
(ii)	Fees and commission expense	27	1,079.41	1,105.92
(iii)	Impairment on financial instruments	28	16,183.75	9,665.61
(iv)	Employee benefits expenses	29	3,502.77	1,010.75
(v)	Depreciation and amortisation expense	30	367.43	231.83
(vi)	Other expenses	31	1,322.57	641.18
4	Total expenses		29,548.84	18,748.35
5	Profit before tax (3-4)	32	4,138.53	3,629.30
	Tax expense:			
	(1) Current tax		2,056.35	1,018.15
	(2) Deferred tax (credit) / charge		(856.67)	(201.09)
	(3) Tax in respect of earlier years		62.91	-
6	Total tax expense		1,299.59	827.06
7	Profit for the year (5-6)		2,838.94	2,802.14
8	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	Gain/(loss) on remeasurement of defined benefit plans		22.53	(14.02)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(5.66)	3.53
	Other comprehensive income		16.87	(10.49)
9	Total comprehensive income for the year (7+8)		2,855.81	2,791.65
10	Earnings per equity share	33		
	Basic and diluted (INR)		161.43	367.98
	(Nominal value per share - INR 10)			

Summary of significant accounting policies 1
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 01[illegible]

Partner
Membership No: 097140
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
Krazybee Services Private Limited
CIN: U65100KA2016PTC086990

MADHUSUDAN
DAMBARAN
Director
DIN: 07462577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN
KRISHNASWAMY
Director
DIN: 07469276
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A36723
Place: Bengaluru
Date: May 25, 2022

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)



KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash flow from operating activities		
Profit before tax	4,198.53	1,430.35
Adjustments for:		
Interest income	(7,796.11)	(11,897.98)
Depreciation and amortisation expense	347.41	211.85
Interest income from investments	(204.11)	(476.38)
Gain on sale of investments	(208.96)	(18.08)
Impairment on financial instruments	16,185.78	9,868.00
Share based payment expense	236.30	286.16
Finance cost	9,121.16	6,453.80
Net gain on fair value changes	-	(18.09)
Unrealised foreign exchange loss	186.11	92.78
Interest income on security deposits	(7.44)	(7.09)
Interest on lease liability	40.67	24.65
Cash inflow from interest on loans	(9,110.14)	(6,887.71)
Cash outflow towards finance cost	(6,335.27)	(4,575.70)
Cash generated from operations before working capital changes	25,980.85	18,328.43
Working capital changes		
Decrease / (Increase) in loans	(43,600.89)	(20,617.11)
Decrease / (Increase) in trade receivables	(9,540.55)	3,101.73
Decrease / (Increase) in other financial assets	2,695.42	(5,726.09)
Decrease / (Increase) in other non-financial assets	(83.91)	49.26
Increase / (decrease) in trade payables	(888.92)	564.64
Increase in provisions	52.55	13.88
Increase / (Decrease) in other financial liabilities	13.90	5.33
Increase / (Decrease) in other non-financial liabilities	231.88	(177.74)
Cash generated from / (used in) operations	(47,853.67)	16,755.93
Income tax paid (net of refunds)	(2,091.16)	(282.96)
Net cash flows generated from / (used in) operating activities (A)	(49,944.83)	16,472.97
Cash Flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(1.99)	(0.81)
Purchase of mutual funds	(2,499.77)	(3,499.81)
Redemption of investment in mutual fund		3,199.31
Redemption of investment in corporate bond		41.20
Fee proceeds from / (investment in) fixed deposits	807.38	115.00
Interest received on investments	203.27	194.47
Net cash flow used in investing activities (B)	(1,773.07)	(49.24)
Cash Flow from financing activities		
Issue of equity share capital (including securities premium)		24,662.70
Debt securities issued / (repaid) (net)	14,220.74	(13,485.46)
Borrowings other than debt securities raised / (repaid) (net)	37,248.42	(21,702.11)
Dividend repaid	-	(100.00)
Payment towards lease liabilities	(21.73)	(149.11)
Net cash flow from / (used in) financing activities (C)	51,711.44	(10,774.42)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(17,196.86)	15,833.81
Cash and cash equivalents at the beginning of the year	24,727.58	8,893.77
Cash and cash equivalents at the end of the year	7,474.72	24,727.58

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No. 018801N

Gaurav Gupta
Partner
Membership No. 512585
Place: New Delhi
Date: May 15, 2025

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65999KA2019PTC000000

ALAGHUDURAI
ERAMBARAM
Director
DIN: 07940777
Place: Bengaluru
Date: May 15, 2025

HARITHRETH
KRISHNAKUMAR
Director
DIN: 07940176
Place: Bengaluru
Date: May 15, 2025

PALLAVI CHHAWAJI
Company Secretary
Membership No: A50713
Place: Bengaluru
Date: May 15, 2025

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Annexure 2

Sr. No.	Type of Securities Allotted	Total number of subscriber	Total number of Securities allotted	Face Value of Each Security (in INR)	Aggregate Value of Security (in INR)	Preferential basis/ Private Placement/ Rights Issue
1	Secured, Listed, Rated, Redeemable Non-Convertible Debentures	11	20,000	1,00,000	200,00,00,000	Private Placement
2	Secured, Listed, Rated, Redeemable Non-Convertible Debentures	7	7000	1,00,000	70,00,00,000	Private Placement
3	Secured, Listed, Rated, Redeemable Non-Convertible Debentures	20	45000	1,00,000	450,00,00,000	Private Placement

Details of Issuances in the previous financial year:

Sr. No.	Issue Size (Inclusive of Green Shoe Option)	Base Issue + Green Shoe Option	Green Shoe Option exercised	Date of Issue
1.	Issue Size: 49,50,00,000 Allotment Size: 32,95,00,000	Base Issue: 20,00,00,000 Green Shoe Option: 12,95,00,000	12,95,00,000	19.04.2024
2.	Issue & Allotment Size: 100,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	50,00,00,000	26.04.2024
3.	Issue Size: 100,00,00,000 Allotment Size: 55,00,00,000	Base Issue: 100,00,00,000 Green Shoe Option: Nil	-	27.05.2024
4.	Issue Size: 100,00,00,000 Allotment Size: 80,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	30,00,00,000	12.06.2024
5.	Issue & Allotment Size: 40,00,00,000	Base Issue: 20,00,00,000 Green Shoe Option: 20,00,00,000	20,00,00,000	12.07.2024
6.	Issue Size: 100,00,00,000 Allotment Size: 50,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 50,00,00,000	-	19.06.2024
7.	Issue & Allotment Size: 50,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: Nil	-	05.07.2024
8.	Issue Size: 100,00,00,000 Allotment Size: 70,00,00,000	Base Issue: 30,00,00,000 Green Shoe Option: 70,00,00,000	40,00,00,000	24.07.2024
9.	Issue Size: 70,00,00,000 Allotment Size: 22,25,00,000	Base Issue: 15,00,00,000 Green Shoe Option: 55,00,00,000	7,25,00,000	01.07.2024
10.	Issue Size: 130,00,00,000 Allotment Size: 120,00,00,000	Base Issue: 50,00,00,000 Green Shoe Option: 80,00,00,000	70,00,00,000	31.07.2024
11.	Issue Size: 60,00,00,000 Allotment Size: 50,00,00,000	Base Issue: 25,00,00,000 Green Shoe Option: 35,00,00,000	25,00,00,000	26.08.2024
12.	Issue Size: 80,00,00,000 Allotment Size: 70,00,00,000	Base Issue: 70,00,00,000 Green Shoe Option: 10,00,00,000	-	21.10.2024
13.	Issue & Allotment Size: 150,00,00,000	Base Issue: 150,00,00,000 Green Shoe Option: Nil	-	12.12.2024
14.	Issue & Allotment Size: 30,00,00,000	Base Issue: 30,00,00,000 Green Shoe Option: Nil	-	20.12.2024

15.	Issue & Allotment Size: 320,00,00,000	Base Issue: 160,00,00,000 Green Shoe Option: 160,00,00,000	160,00,00,000	23.01.2025
16.	Issue Size: 250,00,00,000 Allotment Size: 115,00,00,000	Base Issue: 100,00,00,000 Green Shoe Option: 15,00,00,000	15,00,00,000	05.02.2025

Shareholders Resolution

(Please refer to Annexure V of the Key Information Memorandum)

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

Finance Committee Resolution

(Please refer to Annexure IV of the Key Information Memorandum)

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE XII: SPECIFIC DISCLOSURES REQUIRED FROM NBFC

(i) Lending Policy: Should contain overview of origination, risk management, monitoring and collections;

Origination / Sourcing	The Issuer has well established origination channels and a low cost customer acquisition strategy. More than 50% of the customers are acquired organically for which no costs are incurred. Diversified customer acquisition channels include traffic partners like Facebook and Google, channel partners such as Paisabazar and Bankbazar which generate qualified leads. A strong referral system has created a loyal ecosystem of borrowers. DSAs have also been introduced which are adding new customers gradually. Issuer has the lowest CAC as compared to its peers within the industry as a result of this comprehensive sourcing strategy
Initial Assessment / Verification	There are various scores that are used to aid the decision-making process during the life cycle of the customer. The key scores help in the initial assessment of the customer are as described below: **I.** **Bureau score:** Score obtained from one of the 4 bureaus (Cibil, Crif, Experian, Equifax). Based on the tradelines and enquiry information a custom score has been created for KreditBee's loan product.. **II.** **Income Estimator Score**: This score provides an estimate on the effective income of the customer based on various data sources like the Bureau, declared Income. **III.** **Connectivity Score**: Based on the connectivity parameter from various sources like KreditBee SMS and message delivery status, collections agent's calling disposition status, etc. a connectivity score is created to measure the riskiness of the profile. **IV.** **Device Score**: Based on the device information which includes location information and other device's system variables. **V.** **Origination score / A-Score card**: Custom score card based on first and second loan data of users across 400 variables using logistic regression. **VI.** **Collection score card**: Experience based custom score card based on repayment data of user. **VII.** **PAN name matching score**: A score that captures how much of name entered by user matched the one in PAN database in NSDL **VIII.** **OCR score**: An OCR score that captures how much of details entered by user is matching the data in the documents uploaded. **IX.** **Live photo score:** A score that indicates if the selfie taken is that of a live human being. **X.** **Photo match score**: A score that indicates, if the selfie of user matched the photo of the customer in the other documents uploaded.
Credit Appraisal System	The key factors considered before taking a loan decision are: 1. **Eligibility check to be a customer:** The customers identity is verified using social network, government ID, age, blacklist, address book network, GPS location network, device data including IMEI for impersonation and user is accepted or rejected. 2. **Profile check to get a credit line**: The customers profile is verified using data based on government ID, social network, age, profession, address book network, bureau score and derived data from bureau data users' ability to pay and willingness to pay is validated and user can take a loan or is rejected. 3. **Bank add check to disburse loan**: The customer's name in bank account is validated when the user adds his bank account for loan disbursement and this further plays a role in validating users' identity. 4. **Eligibility check for higher loan:** The customers are evaluated on specific data from bureau, blacklist, age, income, address book network for ability to take larger credit lines. This is in addition to Eligibility check to be a customer. 5. **Profile check for higher loan**: The customers are evaluated based on bank statement data and monthly salary slip data in addition to Profile check to get a credit line for ability to take larger credit lines.

<table>
<tr><td></td><td>
6. Employment validation for higher loans: The customer's employment information is also validated either through the bank statement data or Provident Fund by EPFO or tax paid information via the 26AS government form.
7. Loan disbursal check: The customers data from e-sign, and bank before disbursal of loan amount allows in validating users' identity.
8. Payment check: The customers data from repayment and phone data is used to understand the customers appetite for repayment of loan to extent further credit line or increase of credit line.
9. Reassessment Process for re-activating customers: For the applicants or customers who were rejected because of bad payment behaviour either in KreditBee or some other platform, a reassessment is done on re-application post 6 months to see if the applicant's situation has improved and he/she falls within the company's policy norms.
10. Reassessment Process for Credit Line changes: Once every 6 months, the bureau data is re-run to ensure that the customer's payment profile in other lending platforms is also taken into consideration for subsequent changes. This is used as a risk management as well as a credit line enhancement strategy
</td></tr>
<tr><td>Disbursement</td><td>once the customers' profile is approved on the Kreditbee App after passing through the risk and rule engines, they are eligible for a loan and assigned to KrazyBee NBFC. Funds are disbursed directly in the customers' bank account through KrazyBee's escrow account.</td></tr>
<tr><td>Collection</td><td>Customers are informed and reminded of the due date for repayment through the Kreditbee App. Customer pays via the App, through the payment gateway. The payment gateway settles the funds in the repayment Nodal account on a T+1 working day basis to KrazyBee. The company has a robust in-house collection team of 800+ personnel handling tele calling, CRM, customer education, etc. Physical collection capabilities have also been set up by onboarding 100+ agencies PAN India. Salient features of the collection strategy include :
a) Collection scorecard is used for prioritization to improve agent efficiency
b) Automated reminder system is used to create urgency for lower DPDs while it is used to identify reachable customer for higher DPDs
c) Efficient vernacular collection through agent coverage in all languages
d) Collection policy is formulated as per RBI guidelines and customer grievances are handled on priority to ensure no major escalations
e) Performance based incentives, HR processes and Knowledge management are key attributes for continuous improvement</td></tr>
<tr><td>Delinquency Management</td><td>The Company has an experienced and efficient recovery team on the payroll who ensure timely action for recovery of over dues. Separate collection strategies are deployed for high risk and low risk customers. This segregation is done on the basis of proprietary collection scorecards.
<table>
<tr><th>Buckets</th><th>Repeat/Low risk customers</th></tr>
<tr><td rowspan="2">1-30 DPD</td><td>1. Explaining and educating the customers about Bureau score and implications of not paying on time</td></tr>
<tr><td>2. Reaching out through SMS</td></tr>
<tr><td>31-60 DPD</td><td rowspan="4">1. Sending soft legal notices
2. Hard Legal notices
3. Agency collections
4. Agency collections
5. Field recovery initiation</td></tr>
<tr><td>61-90 DPD</td></tr>
<tr><td>91-120 DPD</td></tr>
<tr><td>120+DPD</td></tr>
</table>
<table>
<tr><th>Buckets</th><th>New/High risk customers</th></tr>
<tr><td>1-7 DPD</td><td>I. Reminders</td></tr>
</table>
</td></tr>
</table>

			II. Daily calling	
			III. Education	
		8-15 DPD	IV. Explaining and educating about Bureau	
			V. Reaching out through SMS	
		16-30 DPD	a) Extending offers and waivers to encourage better repayment	
		31-60 DPD	a) Soft Legal Notices	
			b) Negotiations	
		61-90 DPD	c) Hard Legal notices	
			d) Field recovery initiation	

(ii) Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;

No Loans / advances has been given to associates, entities/ person relating to board, senior management, promoters.

(iii) Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;

As of Mar-25

Product Name	AUM as per Financials (In Rs. Crore)	Ticket Size (In Rs.)	Tenure (Month)	RoI (%)
Unsecured	5805	6,000 – 1,00,00,000	6-60 months	12% - 28.5%
Secured	156	1,00,000 – 1,00,00,000	12-240 months	12% - 25%
Total	**5961**			

(iv) Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

List of Top 20 NPA Borrower as on Mar 31, 2025							
Sr. No.	Borrowers Name	A/c No/Cust. ID	Sanction Amount	Date of Default	Disbursed Amount	O/s Balance	Overdues (in Days)
1	IMAAM AHMEDKHAN	76796120	20,00,000	2024-12-04	20,00,000	19,71,662	117
2	ASIF HAJIHABIF KHAKHU	76786498	20,00,000	2024-11-04	20,00,000	19,69,631	147
3	SAYYAD SALMAN KHAN	76781520	20,00,000	2024-10-04	20,00,000	18,37,715	178
4	VINAY K C	76779002	20,00,000	2024-11-05	20,00,000	16,97,055	146

5	B N GOPINATH	76780715	15,00,000	2024-10-04	15,00,000	13,43,596	178
6	J PREETHIJAIN	76784517	12,00,000	2024-12-04	12,00,000	11,08,107	117
7	DHANUSH P	76776688	15,00,000	2024-12-05	15,00,000	11,07,466	116
8	S DHANASEKARAN DHANASEKARAN	76780111	10,00,000	2024-11-04	10,00,000	10,22,520	147
9	VIJAYKUMAR K	76791797	10,00,000	2024-12-04	10,00,000	9,62,235	117
10	AMSAVENI P	76787727	10,00,000	2024-12-04	10,00,000	9,59,361	117
11	N VENKATESAN	76786762	10,00,000	2024-12-04	10,00,000	9,27,624	117
12	SIRAMDASU NAGA DURGA NAVANEETH	76788343	10,00,000	2024-11-04	10,00,000	9,18,497	147
13	JAGANATHAN	76781828	10,00,000	2024-12-04	10,00,000	8,98,854	117
14	YASODA DEVI SIRANDASU	76787152	10,00,000	2024-11-04	10,00,000	8,83,526	147
15	GHANSHYAM AGARWAL	76782783	10,00,000	2024-12-04	10,00,000	8,80,628	117
16	MOHAMMED ZUBAIR ZAKIR HUSSAIN	76777865	10,00,000	2024-12-04	10,00,000	8,63,072	117
17	BABAJAN R	76778319	10,00,000	2024-11-05	10,00,000	8,51,009	146
18	MUNIRAJA ANJINAPPA	76808869	8,00,000	2024-12-04	8,00,000	8,24,691	117
19	B N VISHNU PRASAD	76786037	7,00,000	2024-10-04	7,00,000	6,85,297	178
20	K N PRAKASH	76792520	7,00,000	2024-12-04	7,00,000	6,79,263	117

(v) Details of loans, overdue and classified as non-performing in accordance with RBI stipulations;

Classification	**As on 31 Mar-25 (in crores)**
Standard	**5792**
NPA	**169**
Off Book	**-**
Total	**5961**

A. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

1. **A portfolio summary with regard to industries/ sectors to which borrowings have been granted by NBFCs;**
   Sectoral Loans given attached in table below

2. **NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;**

	FY22	**FY23**	**FY24**	**FY25**
GNPA	2.80%	2.29%	2.29%	2.83%
NNPA	0.77%	0.85%	0.66%	0.74%

3. Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs; and

Captured in table below related to secured and unsecured loans

4. **Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI from time to time:** During the FY 2024-25, Finnov Private Limited, Holding Company cum Promoter of the Company pursuant to liquidation and in-specie distribution of equity shares of the Company has transferred its equity holding beyond the threshold, as prescribed by RBI to its shareholders, thereby making shareholders of Finnov Private Limited direct shareholders of Krazybee Services Private Limited. The Company had obtained necessary approval from RBI for effecting such change in shareholding of Finnov Private Limited.

B. NBFCs shall provide disclosures on the basis of the following draft template:

1. Classification of loans/ advances given according to:

Sl. No.	**Type of loans**	**Rs Crore**
1	Secured	156
2	Unsecured	5805
	Total assets under management (AUM)*^	**5961**

*Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;

2. Denomination of loans outstanding by loan-to-value:

Sl. No.	**LTV (at the time of origination)**	**Percentage of AUM**
1	Upto 40%	1.02%
2	40-50%	0.57%
3	50-60%	0.54%
4	60-70%	0.28%
5	70-80%	0.18%
6	80-90%	0.01%
7	>90%	0.00%
	Total	2.6%

3. Sectoral exposure:

Sl. No.	**Segment-wise break-up of AUM**	**Percentage of AUM**
1.	**Retail**	

A	Mortgages (home loans and loans against property)	2.6%
B	Gold loans	NIL
C	Vehicle finance	NIL
D	MFI	NIL
E	MSME	11.6%
F	Capital market funding (loans against shares, margin funding)	NIL
G	Others	85.8%
2	**Wholesale**	
A	Infrastructure	NIL
B	Real estate (including builder loans)	NIL
C	Promoter funding	NIL
D	Any other sector (as applicable)	NIL
E	Others	NIL
	Total	100%

4. Denomination of loans outstanding by ticket size*:

Sl. No.	**Ticket size (at the time of origination)**	**Percentage of AUM**
1	Upto Rs. 2 lakh	73.7%
2	Rs. 2-5 lakh	20.2%
3	Rs. 5 - 10 lakh	2.7%
4	Rs. 10 - 25 lakh	2.0%
5	Rs. 25 - 50 lakh	0.8%
6	Rs. 50 lakh - 1 crore	0.6%
7	Rs. 1 - 5 crore	N.A.
8	Rs. 5 - 25 crore	N.A.
9	Rs. 25 - 100 crore	N.A.
10	>Rs. 100 crore	N.A.
	Total	**100.00**

* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

5. Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	Karnataka	13%
2	Tamil Nadu	13%
3	Maharashtra	12%
4	Telangana	10%
5	Andhra Pradesh	9%
	Total	56%

6. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA:

Movement of gross NPA*	Rs. Crore
Opening gross NPA	110.53
Net Additions during the year	58.42
Closing balance of gross NPA	**168.94**

*Please indicate the gross NPA recognition policy (Day's Past Due)
Gross NPA is recognized at 90DPD

7. Movement of provisions for NPA

Movement of provisions for NPA	Rs. Crore
Opening balance	79.28
Net Additions during the year	46.36
Closing balance	125.64

8. Segment-wise gross NPA:

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	
A	Mortgages (home loans and loans against property)	0.02%
B	Gold loans	Nil
C	Vehicle finance	Nil

D	MFI	Nil
E	MSME	3.89%
F	Capital market funding (loans against shares, margin funding)	Nil
G	Others	2.78%
2	**Wholesale**	
A	Infrastructure	Nil
B	Real estate (including builder loans)	Nil
C	Promoter funding	Nil
D	Any other sector (as applicable)	Nil
E	Others	Nil
	Total	2.83%

9. **Residual maturity profile of assets and liabilities (in line with the RBI format):**

Residual maturity profile of assets and liabilities:
Amount in crores

Category	**Up to 30/31 days**	**>1 month – 2 months**	**>2 months – 3 months**	**>3 months – 6 months**	**>6 months – 1 year**	**>1 years – 3 years**	**>3 years – 5 years**	**>5 years**	**Total**
Deposit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Advances	537.14	636.23	623.63	1,702.30	1,446.97	709.41	186.92	118.39	5,960.99
Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Borrowings	156.71	404.81	536.02	660.51	1,344.84	483.93	16.57	-	3,603.41
FCA*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FCL*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;

10. Disclosure of latest ALM statements to stock exchange:

ANNEXURE XIII

11. In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:

Not applicable

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE XIII: ALM STATEMENTS

Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:



(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)



(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)



(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

ANNEXURE XIV: DEBENTURE TRUSTEE AGREEMENT

(Enclosed herewith)

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KRAZYBEE SERVICES PRIVATE LIMITED
Report on the Audit of the IndAS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statement").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Ind AS financial Statements in accordance with the standards on auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these.

matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of loans and advances to customers Charge: Rs 76,213.35 Lakhs for the year ended March 31, 2025 Provision: Rs 31,175.95 Lakhs as at March 31, 2025	
Subjective estimate The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirements and the relevant Reserve Bank of India's (RBI) regulations/circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following: a. We examined policy of Board of Directors approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company. b. We had performed the walkthrough of the ECL process c. We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the classification of assets into stages d. We tested, on a sample basis, the input and historical data used for determining the Probability of Default (PD) and Loss Given

TAYAL AM & CO. FRN:016048N NEW DELHI Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
	Default (LGD) rates, model validation and agreed the data with the underlying books of account and records. We have also reviewed the system and processes relating to re-validation or re-assessment of various parameters and judgements involved in the same. e. We tested the arithmetical calculation of the workings of the ECL. f. We evaluated that the Company's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars. g. We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 109 on ECL including judgements used in estimation of ECL provision.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

   Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. 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 Ind AS 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 accounting principles generally

accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

8. 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

10. 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 Ind AS financial statements for the financial year ended March 31, 2025 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.

Report on Other Legal and Regulatory Requirements

11. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position subject to Note no. 45 of financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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;

b) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party



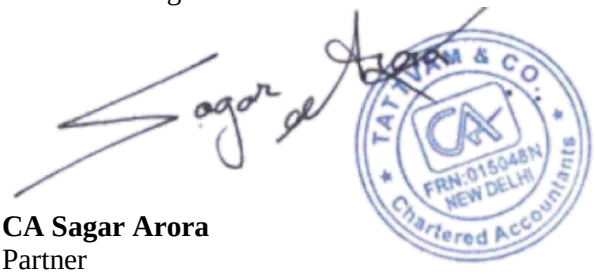
("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. Based on our examination, which included test checks, the Company transitioned to an ERP accounting software for maintaining its books of account, replacing the previously used software, effective from July 01, 2024. The ERP software has a feature of recording an audit trail (edit log) facility, which was enabled on March 12, 2025. For the period during which the audit trail feature was enabled and operational at the application and database levels, we did not come across any instance of the audit trail feature being tampered with. This should be read in conjunction with Note 46 (xviii) to the Ind AS Financial Statements.

12. 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 2" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure '1' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

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

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

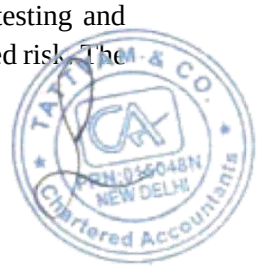
Management's Responsibility for Internal Financial Controls

2. 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

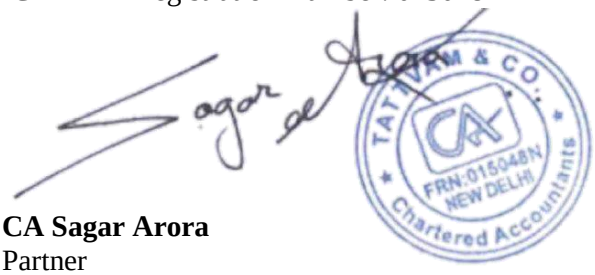
Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, 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.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure "2" referred to in paragraph 12 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.



(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no statutory dues referred in subclause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name and Nature of Statute/ laws	**GST Amount involved (Rs. Lakhs)**	**Amount paid under protest (Rs. Lakhs)**	**Period to which it relates**	**Forum where Dispute is pending**



Goods and Services Tax	7,565.32	500.00	FY 2018-19 to FY 2022-23	Hon'ble Karnataka High Court

*Refer to Note 45 of the financial statements for details of the contingent liability, including the estimated penalty and interest, related to the above dispute. An amount of Rs. 500 lakhs paid under protest is recorded as 'Other Advances' in the financial statements.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, 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 willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares or debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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 reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the

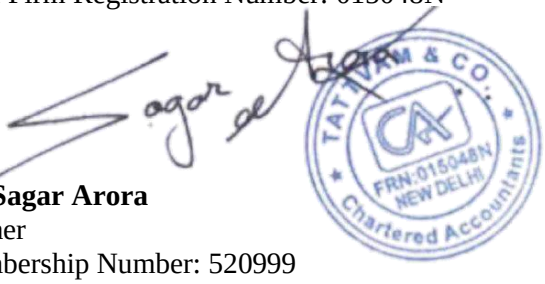
audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

KRAZYBEE SERVICES PRIVATE LIMITED

Balance sheet

(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(i)	18,222.24	21,510.17
(b)	Bank balance other than (a) above	3(ii)	21,308.96	7,347.26
(c)	Trade receivables	4	1,443.36	416.27
(d)	Loans	5	564,920.66	456,693.19
(e)	Other financial assets	6	4,915.03	5,307.66
			610,810.25	491,274.55
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	7	10.34	994.20
(b)	Deferred tax assets (net)	8	9,283.53	6,962.89
(c)	Property, plant and equipment	9	469.02	318.08
(d)	Right of use asset	36(ia)	2,012.94	1,637.24
(e)	Intangible assets under development	10	-	51.07
(f)	Other intangible assets	11	66.04	9.85
(g)	Other non-financial assets	12	2,345.69	2,845.22
			14,187.56	12,818.55
	TOTAL ASSETS		624,997.81	504,093.10
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	987.59	1,401.67
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13,077.00	11,481.67
(b)	Debt securities	14	161,635.21	120,184.10
(c)	Borrowings (other than debt securities)	15	198,705.63	153,787.36
(d)	Other financial liabilities	16	9,745.57	7,720.12
			384,151.00	294,574.92
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	35.66	-
(b)	Provisions	18	723.97	776.43
(C)	Other non-financial liabilities	19	4,505.27	3,707.81
			5,264.90	4,484.24
(3)	**EQUITY**			
(a)	Equity share capital	20(b)	112.73	112.73
(b)	Instruments entirely equity in nature	20(b)	86,015.88	86,015.88
(c)	Other equity	21	149,453.30	118,905.33
			235,581.91	205,033.94
	TOTAL LIABILITIES AND EQUITY		624,997.81	504,093.10

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of profit and loss

(All amounts are in Rs. Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
	Revenue from operations			
(i)	Interest income	22	158,966.07	122,583.41
(ii)	Fees and commission income	23	59,535.39	16,878.72
(iii)	Net gain on fair value changes	24	86.25	463.58
1	**Total revenue from operations**		**218,587.71**	**139,925.71**
2	Other income	25	95.75	107.01
3	**Total income (1+2)**		**218,683.46**	**140,032.72**
	Expenses			
(i)	Finance costs	26	37,520.32	23,510.14
(ii)	Fees and commission expense	27	17,144.72	11,107.50
(iii)	Impairment on financial instruments	28	76,213.35	43,188.23
(iv)	Employee benefits expenses	29	30,419.00	18,834.64
(v)	Depreciation and amortization expense	30	883.58	364.67
(vi)	Other expenses	31	26,821.61	16,188.87
4	**Total expenses**		**189,002.58**	**113,194.05**
5	**Profit before tax (3-4)**		**29,680.88**	**26,838.67**
	Tax expense:	32		
	(1) Current tax		9,895.23	11,229.53
	(2) Deferred tax credit		(2,314.04)	(4,544.64)
	(3) Tax in respect of earlier years		(21.98)	117.96
6	**Total tax expense**		**7,559.21**	**6,802.85**
7	**Profit for the year (5-6)**		**22,121.67**	**20,035.82**
8	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit or loss Gain/(Loss) on remeasurement of defined benefit plans		(26.23)	(1.96)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		6.60	0.49
	Total other comprehensive loss for the year (net of tax)		**(19.63)**	**(1.47)**
9	**Total comprehensive income for the year (7+8)**		**22,102.04**	**20,034.35**
10	Earnings per equity share			
	Basic (Rs.)		1,962.33	1,787.12
	Diluted (Rs.)		1,297.11	1,264.32

Summary of material accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities:		
Profit before tax	**29,680.88**	**26,838.67**
Adjustments for:		
Interest income	(157,849.06)	(122,079.86)
Depreciation and amortization expense	883.58	364.67
Interest income from investments	(1,091.06)	(492.25)
Realised gain on sale of investments	(86.25)	(463.58)
Impairment on financial instruments	76,213.35	43,188.23
Share-based payment expense	8,101.39	6,062.97
Finance cost	37,213.19	23,403.66
Interest income on security deposits	(25.95)	(11.30)
Interest on lease liability	307.13	106.48
Cash inflow from interest on loans	159,367.82	117,519.12
Cash outflow towards finance cost	(38,018.97)	(23,001.61)
Cash generated from operations before working capital changes	**114,696.05**	**71,435.20**
Working capital changes:		
(Increase) in loans	(186,319.45)	(262,282.92)
Decrease / (Increase) in trade receivables	(1,027.09)	2,250.13
Decrease in other financial assets	374.71	654.05
Decrease / (Increase) in other non-financial assets	499.53	(1,043.80)
Increase in trade payables	1,525.79	10,803.71
Increase / (Decrease) in provisions	(78.69)	537.75
Increase in other financial liabilities	1,518.67	5,768.96
Increase in other non-financial liabilities	1,157.33	1,171.20
Cash (used in) operations	**(67,653.15)**	**(170,705.71)**
Income tax paid (net of refunds)	(8,853.75)	(10,990.31)
Net cash flows (used in) operating activities (A)	**(76,506.90)**	**(181,696.02)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(394.42)	(384.18)
Sale of property, plant and equipment and intangible assets	0.05	0.21
Purchase of investments in mutual funds	(114,000.00)	(347,900.00)
Proceeds from liquidation of investments in mutual funds	114,086.25	361,556.73
Net investments in fixed deposits	(13,986.30)	(2,486.00)
Interest received on investments	1,115.66	475.86
Net cash (used in) / generated from investing activities (B)	**(13,178.74)**	**11,262.61**
Cash flow from financing activities:		
Issue of CCPS (including securities premium & net of share issue expenses)	-	20,974.17
Proceeds from issue of equity share capital (including securities premium)	-	2,263.04
Debt securities issued	156,037.54	134,495.00
Debt securities repaid	(113,902.82)	(86,287.57)
Borrowings other than debt securities raised	290,834.95	210,504.11
Borrowings other than debt securities repaid	(256,050.24)	(130,961.50)
Movement in overdraft (Net)	10,255.73	16,460.11
Dividends paid (including related income tax)	-	(3,354.56)
Payment of lease liability	(777.45)	(343.35)
Net cash generated from financing activities (C)	**86,397.71**	**163,749.43**
Net (decrease) in cash and cash equivalents (A + B + C)	**(3,287.93)**	**(6,683.97)**
Cash and cash equivalents at the beginning of the period	21,510.17	28,194.14
Cash and cash equivalents at the end of the year*	**18,222.24**	**21,510.17**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances. Also refer to Note 45

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

For and on behalf of the Board of Directors of
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CA Sagar Arora
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Place: New Delhi
Date: May 28, 2025
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Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2025		As at March 31, 2024	
(A) Equity share capital	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Balance at the end of the year	1,127,314	112.73	1,127,314	112.73

(B) Instruments entirely equity in nature	No. of shares	Amount	No. of shares	Amount
0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each issued, subscribed and fully paid				
Balance at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Balance at the end of the year	477,866	86,015.88	477,866	86,015.88

(C) Other equity

For the year ended March 31, 2025:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves	Securities premium	Share options outstanding	Retained earnings	Capital redemption	Remeasurement of defined benefit	
Balance as at April 1, 2024	7,246.49	79,251.80	6,931.36	25,480.71	0.59	(5.62)	118,905.33
Profit for the year	-	-	-	22,121.67	-	-	22,121.67
Other comprehensive income (net of tax)	-	-	-	-	-	(19.63)	(19.63)
Total comprehensive income	7,246.49	79,251.80	6,931.36	47,602.38	0.59	(25.25)	141,007.37
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,424.33	-	-	(4,424.33)	-	-	-
ESOP transferred in / (out)	-	-	(21.23)	-	-	-	(21.23)
Adjustment upon cancellation and exercise of options	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:							
Amount (utilised)/reversed for share issue expenses	-	344.54	-	-	-	-	344.54
Share based payments to employees- for the year	-	-	8,122.62	-	-	-	8,122.62
Balance as at March 31, 2025	11,670.82	79,596.34	15,032.75	43,178.05	0.59	(25.25)	149,453.30

KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYLOR AM & CO. Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2024:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital redemption reserve	Remeasurement of defined benefit liability	
Balance as at April 1, 2023	3,239.33	71,894.59	868.39	12,806.61	0.59	(4.15)	88,805.36
Profit for the year	-	-	-	20,035.82	-	-	20,035.82
Other comprehensive income (net of tax)	-	-	-	-	-	(1.47)	(1.47)
Total comprehensive income	3,239.33	71,894.59	868.39	32,842.43	0.59	(5.62)	108,839.71
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,007.16	-	-	(4,007.16)	-	-	-
Dividend Paid	-	-	-	(3,354.56)	-	-	(3,354.56)
ESOP transferred in / (out)	-	-	883.37	-	-	-	883.37
Adjustment upon cancellation and exercise of options	-	-	(21.34)	-	-	-	(21.34)
Transactions with owners in their capacity as owners:							
Issue of equity shares	-	2,262.10	-	-	-	-	2,262.10
Issue of CCPS	-	5,447.51	-	-	-	-	5,447.51
Amount (utilised)/reversed for share issue expenses	-	(352.40)	-	-	-	-	(352.40)
Share based payments to employees-for the year	-	-	5,200.94	-	-	-	5,200.94
Balance as at March 31, 2024	7,246.49	79,251.80	6,931.36	25,480.71	0.59	(5.62)	118,905.33

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
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Madhusudan Ekambaram
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DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

1 General Information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ("RBI") with effect from May 25, 2017, with Registration No. N-02.00281. The Company is engaged in the business of consumer lending. The Company is a non-deposit taking NBFC and classified as 'NBFC-Investment and Credit Company' (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and an 'NBFC-Middle Layer' (NBFC-ML) pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023.

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions'), notification for implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI notification for implementation of Ind AS') and other applicable RBI circulars/guidelines.

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "RBI Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The RBI Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2025 were authorized and approved for issue by the Board of Directors on May 28, 2025.

(a) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful life
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years

2.2 Property, plant and equipment (contd.)

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/'Other expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.

Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.6 **Revenue recognition**

(a) Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

The effective interest rate method:

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the asset is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges) if expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of Profit and Loss.

(b) Other revenue from operations:

The Company recognises 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 recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

Fees that are not an integral part of the effective interest rate of a financial instrument are also accounted for in accordance with Ind AS 115. This includes loan syndication fees received by the Company for arranging a loan and retaining a part of it at the same effective interest rate for comparable risk as other co-lending partners.

(i) Services fees:

The Company receives service fees towards rendering of services to its customers and recognizes revenue on satisfactory completion of these services. Fees on value added services and products are recognised on rendering of services and products to the customer.

(ii) Delayed payment charges:

Delayed payment charges (penal interest and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation.

(iii) Fees and commission income:

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

(iv) Business support services:

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 **Dividend Income**

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.

2.8 **Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) **Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) **Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year 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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(b) **Deferred tax (contd.)**

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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2.11 Provisions and contingent liabilities (contd.)

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

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) (c) Day 1 profit and loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

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2.13 Financial instruments (contd.)

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Given the short term nature of the loans, the Company does not discount the cash flows receivable on the financial assets.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the Statement of Profit and Loss. In the Balance Sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has used probability weights for various economic scenarios based on management's as well as professional judgement. The probability weights is reviewed periodically and amended based on the forward-looking information as available from time to time. Any change to the probability weights is approved by the Risk Management function of the Company.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

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(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(c) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 **Employee Benefits**

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 by making contributions to a Gratuity Fund administered by trustees, assets of which are independently managed. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

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(ii) **Defined benefit plans (contd.)**

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Use of judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 35.

(b) **Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) **Defined benefit plans (gratuity benefits and leave encashment)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.





2.17 Use of judgments, estimates and assumptions (contd.)

(d) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Leases

The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

(II) Judgements

(a) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. 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.

(b) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises 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 and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults, Exposure at defaults and Loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

(e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is considered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:
i. changes during the period in operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.
Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.20 Dividend payable

Interim dividend declared to Shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 De-recognition of property, plant and equipment and intangible assets

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 determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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2.23 Share based payment transaction

The stock options is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

During the previous year, all stock options of the Holding Company provided to employees of the Company have been cancelled, and stock options for the same value have been issued to the employees of the Company with a modified vesting period. As per Ind AS 102, since the modified vesting period is non-beneficial in nature, the Company has continued to account for the share based payment expenses as if such cancellation & issuance had not taken place.

2.24 Financial guarantees

As issuer of financial guarantees:

Financial guarantees are initially recognised in the Financial Statements at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the Statement of Profit and Loss in impairment expense. The premium received is recognised in the Statement of Profit and Loss in fees and commission income over the life of the guarantee.

As beneficiary of financial guarantees:

The Company avails financial guarantees from it's Fellow Subsidiary (upto July 17, 2024) and Entity under common directorship (w.e.f. July 17, 2024) for borrowings availed from various lenders. The fair value of the consideration have been accounted for as per Ind AS 109: Financial Instruments under the "EIR method". Also refer Note 37(A)(f) of these Financial Statements.

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		March 31, 2025	March 31, 2024
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		16,200.67	17,297.81
Balances with banks in escrow accounts		2,021.57	4,212.36
Total	(I)	**18,222.24**	**21,510.17**
(II) Bank balance other than cash and cash equivalent			
Fixed deposits (with original maturity more than 3 months)			
Encumbered (Refer Notes below)		20,525.41	6,369.17
Unencumbered		783.55	978.09
Total other bank balances	(II)	**21,308.96**	**7,347.26**
Total cash and bank balances	(I+II)	**39,531.20**	**28,857.43**

Notes:

(a) Fixed deposits aggregating to Rs. 3,329.84 lakhs (March 31, 2024: Rs. 2,568.99 lakhs) placed with Banks have a lien for term loan, overdraft and working capital facilities availed by the Company.

(b) Fixed deposits aggregating to Rs. 40.45 lakhs (March 31, 2024: Rs. 36.20 lakhs) placed with Banks have a lien for a credit card facility availed and bank guarantees provided by the Company.

(c) Fixed deposits aggregating to Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) are provided as collateral for Securitized Liabilities of the Company. Out of the total lien marked FDs for these liabilities, lien on an FD for Rs. 504.78 lakhs (excluding interest) for one PTC which was fully paid on March 17, 2025 was removed subsequently on May 3, 2025.

(d) Fixed deposits aggregating to Rs. 12,525.03 lakhs (March 31, 2024: Rs. 2,635.28 lakhs) placed with Banks have a lien for default loss guarantee cover provided by the Company.

(e) Balance with banks in escrow accounts do not include balances of the Company's co-lending partners as these funds are in the nature of float balances for disbursements and collections from end-customers pending settlement to co-lending partners.

(f) Also refer Note 45 to these Financial Statements.

4 Trade receivables		
Considered good -Unsecured		
Fees, commission and others	1,443.36	416.27
	1,443.36	**416.27**
Less: Allowance for impairment loss	-	-
Total trade receivables	**1,443.36**	**416.27**

(a) **Trade Receivables ageing schedule**

Undisputed trade receivables - considered good		
Unbilled due	1,227.39	330.26
Outstanding from due date of payment:		
Less than 6 months	215.97	86.01
from 6 months to 1 years	-	-
from 1 year to 2 years	-	-
from 2 year to 3 years	-	-
More than 3 years	-	-

(b) Impairment loss allowance recognised on Undisputed trade receivables is Rs. Nil (Previous year Rs. Nil).

(c) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(d) No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
5 Loans		
Loans (at amortised cost)		
Loan to customers	596,098.61	482,361.14
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total	**564,920.66**	**456,693.19**
(A)		
(i) Term loans	596,098.61	482,361.14
(ii) Others	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (A)	**564,920.66**	**456,693.19**
(B)		
(i) Secured by tangible assets*	15,627.87	354.67
(ii) Secured by intangible assets	-	-
(ii) Covered under credit guarantee scheme	2,046.52	-
(iii) Unsecured	578,424.22	482,006.47
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (B)	**564,920.66**	**456,693.19**
*Secured against hypothecation of automobiles & mortgage of immovable properties.		
(C)		
Loans outside India	-	-
Loans in India		
(i) Public sector	-	-
(ii) Others	596,098.61	482,361.14
(a) Retail	596,098.61	482,361.14
(a) Corporate	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (C)	**564,920.66**	**456,693.19**
Summary of EIR impact on loans		
Total Gross Loan	600,005.68	483,823.75
EIR Impact	(3,907.07)	(1,462.61)
Total Gross Loan net of EIR Impact	**596,098.61**	**482,361.14**
6 Other financial assets		
Security deposit	587.55	306.13
Receivables from intermediaries*	2,466.03	3,414.08
Other receivables	1,861.45	1,587.45
Total	**4,915.03**	**5,307.66**

*Note (a): The amount represents balance of loans repaid by borrowers, which as at the Balance Sheet date is pending settlement by the intermediary e-wallet/payment gateways to the Company and is generally settled on a Transaction plus one/two (T+1/T+2) banking days basis.
*Note (b): Also refer Note 45 to these Financial Statements.

Other receivables include (Refer Note 37):		
Receivable from related party - Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
7 Current tax assets (net)		
Advance income tax*	10.34	994.20
Total	**10.34**	**994.20**
**Advance income tax includes income tax refundable for previous years.*	*10.34*	*516.37*
8 Deferred tax assets (net)		
Deferred tax assets (Refer Note 32)	9,283.53	6,962.89
Total	**9,283.53**	**6,962.89**

Note: Refer Note 32 for the reconciliation of income tax expenses for the year.





9 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Owned assets									
Furniture and fixtures	94.26	57.99	-	152.25	34.65	49.04	-	83.69	68.56
Office equipments	83.94	48.58	0.08	132.44	34.15	32.10	0.03	66.22	66.22
Leasehold improvement	135.62	53.97	-	189.59	24.19	59.16	-	83.35	106.24
Computers	294.07	201.98	-	496.05	196.82	71.23	-	268.05	228.00
Total	607.89	362.52	0.08	970.33	289.81	211.53	0.03	501.31	469.02

	Gross block				Depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	Up to March 31, 2024	As at March 31, 2024
Owned assets									
Furniture and fixtures	37.93	56.33	-	94.26	12.58	22.07	-	34.65	59.61
Office equipments	27.76	57.67	1.49	83.94	16.53	18.90	1.28	34.15	49.79
Leasehold improvement	-	135.62	-	135.62	-	24.19	-	24.19	111.43
Computers	218.92	75.15	-	294.07	181.82	15.00	-	196.82	97.25
Total	284.61	324.77	1.49	607.89	210.93	80.16	1.28	289.81	318.08

Note : No revalution of any class of assets is carried out during the year.

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10 Intangible assets under development

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Transfer	As at March 31, 2025	As at April 1, 2024	For the year	On transfers	As at March 31, 2025	As at March 31, 2025
Intangible assets under development	51.07	-	51.07	-	-	-	-	-	-
Total	51.07	-	51.07	-	-	-	-	-	-

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Transfer	As at March 31, 2024	As at April 1, 2023	For the year	On transfers	As at March 31, 2024	As at March 31, 2024
Intangible assets under development	-	51.07	-	51.07	-	-	-	-	51.07
Total	-	51.07	-	51.07	-	-	-	-	51.07

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Computer software	March 31, 2025	-	-	-	-	-
Computer software	March 31, 2024	51.07	-	-	-	51.07

*Note: During the period, the intangible assets under developments are implemented as per the schedule and is now recognized as intangible assets.

11 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Computer software	45.64	82.97	-	128.61	36.34	26.78	-	63.12	65.49
Trade Mark	0.55	-	-	0.55	-	-	-	-	0.55
Total	46.19	82.97	-	129.16	36.34	26.78	-	63.12	66.04

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
Computer software	37.83	7.81	-	45.64	33.05	3.29	-	36.34	9.30
Trade Mark	-	0.55	-	0.55	-	-	-	-	0.55
Total	37.83	8.36	-	46.19	33.05	3.29	-	36.34	9.85

Note : No revaluation of any class of assets is carried out during the year.

		March 31, 2025	March 31, 2024
12	**Other non-financial assets**		
	Prepaid expenses	895.24	395.32
	Advance to suppliers	183.39	64.61
	Debt prepayments	32.52	1,790.59
	Capital advances	80.40	-
	GST input tax credit	654.14	94.70
	Other Advances*	500.00	500.00
	Total	2,345.69	2,845.22

**Note: Also refer Note 45 to these Financial Statements.*

13	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	987.59	1,401.67
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	13,077.00	11,481.67
	Total	14,064.59	12,883.34

Trade payables ageing schedule:

	March 31, 2025		March 31, 2024	
Outstanding for following periods from due date of payment	MSME	Others	MSME	Others
Unbilled due	979.73	8,959.55	1,389.67	6,686.80
Less than 1 year	7.78	4,116.61	12.00	4,793.27
1 - 2 years	0.08	0.82	-	-
2 - 3 years	-	0.02	-	1.60
> 3 years	-	-	-	-

Note
The Company has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 and March 31, 2024 have been made in the Financials Statements based on information received and available with the Company.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars		
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	987.59	1,401.67
Interest	5.96	9.08
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	5.29	1.09
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.96	9.08
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	5.96	9.08

Trade payables include (Refer Note 37):		
Payable to Finnovation Tech Solutions Private Limited	7,978.80	7,363.75

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
14 Debt securities*		
At amortized cost		
Secured		
Privately placed reedeemable non-convertible debentures**	152,185.52	105,012.70
Unsecured		
Commercial Papers - unsecured	9,449.69	15,171.40
Total	161,635.21	120,184.10

**All the Debt securities are in India.*

*** Non-convertible debentures includes principal and interest repayment to related party - Refer note 37*

i. **Maturity pattern as at March 31, 2025:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	121,295.18	31,487.62	-	-	152,782.80
Interest accrued	802.12	-	-	-	802.12
Impact of EIR					(1,399.40)
TOTAL	122,097.30	31,487.62	-	-	152,185.52

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.84% to 12.50%
Principal and Interest	Various securities comprising of bullet payments, monthly installments, quarterly installments, Semi-annual and annual repayments
No. of installments	Principal: 53 installments, Interest: 194 installments

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	72,863.79	31,804.45	-	-	104,668.24
Interest accrued	1,485.73	-	-	-	1,485.73
Impact of EIR					(1,141.27)
TOTAL	74,349.52	31,804.45	-	-	105,012.70

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 9.80% to 12.50%
Principal and Interest	Various securities comprising of equated monthly installments, quarterly installments, Semi-annual payments, annual payments and bullet repayment schedules
No. of installments	Principal: 79 installments, Interest: 246 installments

ii. All the above non-convertible debentures are secured by way of hypothecation of the loan receivables of the Company. Minimum security cover of 1.10 times is required to be maintained throughout the term of the debentures.

iii. Rs. Nil (March 31, 2024: Rs. 8,804.49 Lakhs) of the non-convertible debentures are guaranteed by an entity with common directors, Finnovation Tech Solutions Private Limited.

iv. The Company has not defaulted in the repayment of dues to its lenders during the year.

v. **Maturity pattern as at March 31, 2025:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	9,700.00	-	-	-	9,700.00
Discount on CP	(228.70)	-	-	-	(228.70)
Impact of EIR					(21.61)
TOTAL	9,471.30	-	-	-	9,449.69

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.75% to 11.85%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	15,725.00	-	-	-	15,725.00
Discount on CP	(498.05)	-	-	-	(498.05)
Impact of EIR					(55.55)
TOTAL	15,226.95	-	-	-	15,171.40

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.65% to 11.75%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2025	March 31, 2024
15	**Borrowings (other than debt securities)**		
	At amortized cost, secured		
	Term loans		
	i. From Banks	44,465.74	27,560.27
	ii. From others	69,056.72	74,010.16
	Working capital loans	24,523.75	15,505.60
	Inter corporate deposits	1,248.60	-
	Securitization liabilities	24,694.98	17,251.94
	At amortized cost, unsecured		
	Working capital loans	8,000.00	2,999.28
	Bank overdraft	26,715.84	16,460.11
	Total	198,705.63	153,787.36
	Borrowings in India	198,705.63	153,787.36
	Borrowings outside India	-	-

Notes:

Maturity pattern as at March 31, 2025 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	37,872.90	5,024.00	1,666.67	-	44,563.57
Interest accrued	158.43	-	-	-	158.43
Impact of EIR					(256.26)
TOTAL	38,031.33	5,024.00	1,666.67	-	44,465.74

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.45% to 12.50%
Principal and Interest	Various loans comprising of monthly and quarterly repayments
No. of installments	Principal: 167 installments, Interest: 199 installments

Maturity pattern as at March 31, 2024 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	24,535.44	3,062.77	-	-	27,598.21
Interest accrued	75.68	-	-	-	75.68
Impact of EIR					(113.62)
TOTAL	24,611.12	3,062.77	-	-	27,560.27

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 8.85% to 12.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and bullet repayment schedules
No. of installments	Principal: 101 installments, Interest: 116 installments

Maturity pattern as at March 31, 2025 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	59,028.68	9,859.96	-	-	68,888.64
Interest accrued	341.25	-	-	-	341.25
Impact of EIR					(173.17)
TOTAL	59,369.93	9,859.96	-	-	69,056.72

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.85% to 12.60%
Principal and Interest	Various loans comprising of monthly, quarterly and semi-annual repayments
No. of installments	Principal: 331 installments, Interest: 377 installments

Maturity pattern as at March 31, 2024 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	71,651.09	1,935.76	-	-	73,586.85
Interest accrued	555.62	-	-	-	555.62
Impact of EIR					(132.31)
TOTAL	72,206.71	1,935.76	-	-	74,010.16

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.00% to 13.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and semi-annual repayment schedules
No. of installments	Principal: 244 installments, Interest: 287 installments

15 Borrowings (other than debt securities) (contd.)

Maturity pattern as at March 31, 2025 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	32,500.00	-	-	-	32,500.00
Interest accrued	77.74	-	-	-	77.74
Impact of EIR					(53.99)
TOTAL	32,577.74	-	-	-	32,523.75

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 7.75% to 11.25%.
Principal and Interest	Bullet principal and monthly interest repayments.
No. of installments	Principal: 8 installments, Interest: 26 installments

Maturity pattern as at March 31, 2024 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	18,500.00	-	-	-	18,500.00
Interest accrued	77.26	-	-	-	77.26
Impact of EIR					(72.38)
TOTAL	18,577.26	-	-	-	18,504.88

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 7.97% to 10.85%
Principal and Interest	Bullet principal and monthly interest repayments
No. of installments	Principal: 5 installments, Interest: 15 installments

Maturity pattern as at March 31, 2025 for inter-corporate deposits:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	1,250.00	-	-	-	1,250.00
Interest accrued	-	-	-	-	-
Impact of EIR					(1.40)
TOTAL	1,250.00	-	-	-	1,248.60

Key repayment terms as at March 31, 2025:

Interest rates	12.00%
Principal and Interest	Monthly repayments
No. of installments	Principal: 10 installments, Interest: 10 installments

Maturity pattern as at March 31, 2024 for inter-corporate deposits: Not Applicable

Key repayment terms as at March 31, 2024: Not Applicable

Maturity pattern as at March 31, 2025 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	22,563.03	2,148.43	-	-	24,711.46
Interest accrued	84.96	-	-	-	84.96
Impact of EIR					(101.44)
TOTAL	22,647.99	2,148.43	-	-	24,694.98

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.94% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 63 installments, Interest: 68 installments

Maturity pattern as at March 31, 2024 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	12,904.19	4,390.28	-	-	17,294.47
Interest accrued	76.00	-	-	-	76.00
Impact of EIR					(118.53)
TOTAL	12,980.19	4,390.28	-	-	17,251.94

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.75% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 40 installments, Interest: 46 installments

15 **Borrowings (other than debt securities) (contd.)**

Nature of Security:

i. Securitisation liabilities are secured with a Fixed Deposit of Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) and securitisation of specific loan receivables of the Company.

ii. Term loans are secured with Fixed Deposits of Rs. Nil (March 31, 2024: Rs. 216.72 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.10 to 1.25 times of loan outstanding).

iii. Working Capital loans are secured with Fixed Deposits of Rs. 3,328.31 lakhs (March 31, 2024: Rs. 2,351.01 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.25 to 1.40 times of loan outstanding).

iv. Overdraft facility are secured with Fixed Deposits of Rs. 1.53 lakhs (March 31, 2024: Rs. 1.26 lakhs).

Additional notes:

i. Fixed deposits of Finnovation Tech Solutions Private Limited have been provided as collateral against unsecured bank overdrafts and unsecured working capital loans of the Company.

ii. Corporate guarantees by Finnovation Tech Solutions Private Limited have been provided against sanctioned limits of bank overdrafts, term loans & working capital loans. Refer Note 37 for additional information.

iii. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

iv. There are no defaults during the year in repayment of any dues of any borrowings.

		March 31, 2025	March 31, 2024
16	**Other financial liabilities**		
	Employee benefits payable	2,548.52	1,645.83
	Lease liability	2,133.88	1,627.10
	Provision for default loss guarantee	4,834.57	3,819.98
	Capital creditors	11.76	3.35
	Others	216.84	623.86
	Total	9,745.57	7,720.12
	***Others include:(Refer Note 37):**		
	Payable to related party - Finnovation Tech Solutions Private Limited	185.50	405.40
	Payable to related party - Finnov Private Limited	-	0.02
17	**Current tax liabilities (net)**		
	Current tax liabilities	35.66	-
	Total	35.66	-
18	**Provisions**		
	Provision for gratuity	193.93	376.37
	Provision for compensated absences	530.04	400.06
	Total	723.97	776.43
19	**Other non - financial liabilities**		
	Statutory dues	2,709.65	1,552.32
	Interest received in advance	1,795.62	2,155.49
	Total	4,505.27	3,707.81

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
20(a) **Equity share capital**		
The Company has only one class of equity share capital having a par value of Rs. 10 per share, referred to herein as equity shares.		
Authorized		
35,30,00,000 equity shares of Rs. 10 each (March 31, 2024: 30,00,000 equity shares of Rs. 10 each)	35,300.00	300.00
20(b) **Instruments entirely equity in nature**		
The Company has only one class of preference share capital having a par value of Rs. 18,000 per share, referred to herein as preference shares.		
Authorized		
5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each (March 31, 2024: 5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each)	100,800.00	100,800.00
	136,100.00	**101,100.00**
Issued, subscribed and paid up share capital		
11,27,314 equity shares of Rs. 10 each (March 31, 2024: 11,27,314 equity shares of Rs. 10 each)	112.73	112.73
4,77,866 0.001% CCPS of Rs. 18,000 each (March 31, 2024: 4,77,866 0.001% CCPS of Rs. 18,000 each)	86,015.88	86,015.88
Total	86,128.61	86,128.61

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

	March 31, 2025		March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Outstanding at the end of the year	1,127,314	112.73	1,127,314	112.73
Compulsorily convertible preference shares				
Outstanding at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Outstanding at the end of the year	477,866	86,015.88	477,866	86,015.88

(b) Rights, preferences and restrictions attached to shares

Equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the shareholders will be entitled to participate in the distribution of the proceeds of such liquidation in the manner set out under the Articles of the Company.

Terms of Series D Compulsorily Convertible Preference Shares ("Series D CCPS")

1. Voting: Each holder of Series D CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis".

2. Dividend: Each Series D CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the Series D CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other Preference Shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the Equity Shares. In a case where dividends on any other class of shares of the Company are higher than the Series D CCPS dividend rate, such higher rate of dividends shall also be paid to the Series D CCPS holders unless such shareholders waive their right to receive such dividend.

20(b) Equity share capital (contd.)

Compulsorily Convertible Preference Shares:

3. Conversion: Each Series D CCPS shall convert into Equity shares on a 1:1 basis. The Series D CCPS can be converted at the option of the holder of the Series D CCPS by serving a prior written notice to the Company. The Series D CCPS will mandatorily convert in Equity Shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company.

4. Valuation Protection: The Series D CCPS holders are entitled to a valuation protection over the subscription price.

5. Liquidation Preference: The Series D CCPS carry a liquidation preference in preference to holders of Equity shares of the Company in the following manner (a) the relevant subscription price in respect of each Series D Preference Share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the Series D CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each Series D CCPS held.

(c) Shares held by holding company

	March 31, 2025	March 31, 2024
	Number	Number
Finnov Private Limited		
Nil (March 31, 2024: 11,27,313) equity shares of Rs. 10 each fully paid	-	1,127,313

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of Rs. 10 each fully paid up				
Finnov Private Limited	-	-	1,127,313	100.00%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	268,134	23.79%	-	-
PI Opportunities Fund I	262,084	23.25%	-	-
PI Opportunities Fund II	14,135	1.25%	-	-
Alpine Opportunity Fund IV, L.P	163,635	14.52%	-	-
Alpine Opportunity Fund I, L.P	28,776	2.55%	-	-
Business Excellence Trust III - India Business Excellence Fund III	120,348	10.68%	-	-
India Business Excellence Fund IV	31,942	2.83%	-	-
Madhusudan Ekambaram	77,718	6.89%	-	-
Compulsorily Convertible Preference Shares of Rs. 18,000 each fully paid				
Wiseanya Limited	249,581	52.23%	249,581	52.23%
PI Opportunities Fund I	66,350	13.88%	66,350	13.88%
PI Opportunities Fund II	15,709	3.29%	15,709	3.29%
India business Excellence Fund IV	64,149	13.42%	64,149	13.42%
MUFG Bank Ltd.	31,158	6.52%	31,158	6.52%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	29,939	6.27%	29,939	6.27%

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:
As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.





20(b) Equity share capital (contd.)

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) There are no shares reserved for issue under options or contracts and commitments.

(h) During the financial year, the shareholders of Finnov Private Limited ("Holding Company") have approved the liquidation of the Holding Company by way of voluntary winding up and as part of the liquidation process, the equity shares held by the Holding Company in the Company have been distributed to its shareholders in a manner such that there is no change in the effective shareholding of the shareholders in the Company post the in-specie distribution. Consequent to the in-specie distribution, all the shareholders of the Holding Company have now become direct shareholders of the Company. The revised shareholders, number of shares and percentage of holding immediately after giving the effect of the said event is as follows *(this does not include secondary transactions that may have occurred post this event)*:

Name of the Shareholder	Equity shares	CCPS*	Total	Shareholding %
PI Opportunities Fund (I and II)	262,084	82,059	344,143	21.44%
NewQuest Asia Fund IV (Singapore)	262,084	29,939	292,023	18.19%
Wiseanya Limited	-	249,581	249,581	15.55%
Alpine Opportunity Fund (I and IV)	208,720	-	208,720	13.00%
India Business Excellence Fund (III and IV)	120,348	64,149	184,497	11.49%
Others	70,055	-	70,055	4.36%
MUFG Bank Ltd.	-	31,158	31,158	1.94%
Madhusudan Ekambaram	110,319	-	110,319	6.87%
Mirae Asset	53,990	20,980	74,970	4.67%
Krishnaswamy Karthikeyan	39,714	-	39,714	2.47%
Total	1,127,314	477,866	1,605,180	100.00%

**CCPS are considered as equity shares for arriving revised shareholding percentage.*

The Shareholders of the Company, pursuant to the resolution passed in the Extra-Ordinary General Meeting held on March 28, 2025, have approved issue of Bonus Equity shares of 199 Equity shares for every Equity share held in the Company as on the record date March 21, 2025. The Board of Directors approved the allotment of Bonus Equity shares on April 16, 2025 and accordingly, the Company has subsequently utilized its Securities Premium balance to the tune of Rs. 22,433.55 lakhs. Consequent to this issue, the conversion ratio of the CCPS of the Company stands revised to 200:1, i.e 200 equity shares for every CCPS held.

(i) Details of shareholding of promoters in the Company:

	March 31, 2025		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	-	0.00%	-100.00%

	March 31, 2024		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	1,127,313	100.00%	0.00%

Note: During FY 2023-24, Mr. Madhusudan Ekambaram & Mr. Karthikeyan Krishnaswamy were categorized as Non-Promoters of the Company pursuant to resolution passed by Board of Director at its meeting held on February 9, 2024 and resolution passed by Shareholders of the Company at the Extra-Ordinary General Meeting held on February 13, 2024. The Company has made the relevant filings with regulatory authorities.

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	7,246.49	3,239.33
Add: Transferred / (utilized) during the year	4,424.33	4,007.16
Closing balance	11,670.82	7,246.49
(b) Capital Redemption Reserve		
Opening balance	0.59	0.59
Add: Transferred / (utilized) during the year	-	-
Closing balance	0.59	0.59
(c) Securities premium account		
Opening balance	79,251.80	71,894.59
Add: Securities premium credited on issue of equity shares	-	2,262.10
Add: Securities premium credited on issue of CCPS	-	5,447.51
Less: Amount (utilized) / reversed for share issue expenses	344.54	(352.40)
Closing balance	79,596.34	79,251.80
(d) Share options outstanding account		
Opening balance	6,931.36	868.39
Add: Share based payment expense for the year	8,122.62	5,200.94
Add / (Less): Transfer of liability on account of shifting of employees	(21.23)	883.37
Less: Adjustment on cancellation of ESOP	-	(21.34)
Closing balance	15,032.75	6,931.36
(e) Retained earnings		
Opening balance	25,475.09	12,802.46
Add: Net Profit for the year	22,121.67	20,035.82
Add: Other comprehensive income for the year	(19.63)	(1.47)
Less: Transfer to statutory reserves	4,424.33	4,007.16
Less: Dividend Paid	-	3,354.56
Closing balance	43,152.80	25,475.09
Total reserves and surplus	149,453.30	118,905.33

Nature and purpose of reserves:

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934
The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium account
The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account
The Company provide share based payment scheme to its employees. The shares of the company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings
Retained earnings represents the surplus in Profit and Loss Account. 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 actuarial gains and losses on defined benefit plans.

(e) Capital Redemption Reserve
As per Companies Act, 2013, Capital Redemption Reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to Capital Redemption Reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(f) Payment of dividend:
No dividend has been declared during the year (March 31, 2024: Rs. 300 per equity share and Rs. 0.18 per Compulsorily Convertible Preference Share (CCPS)).





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
22 Interest income		
At amortized cost		
Interest on loans	157,849.06	122,079.86
Interest on deposits with Banks	1,091.06	492.25
Other interest income	25.95	11.30
Total	158,966.07	122,583.41
23 Fees and commission income		
Fees from platform	-	-
Service Fees	45,773.60	13,052.52
Foreclosure income	13,687.41	3,826.20
Commission recovery	74.38	-
Total	59,535.39	16,878.72
**Refer Note 38 for additional disclosures as per Ind AS 115.*		
24 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
- Investments	86.25	463.58
Total net gain on fair value changes	86.25	463.58
Fair value changes:		
- realised	86.25	463.58
- unrealised	-	-
Total net gain on fair value changes	86.25	463.58
25 Other income		
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	0.25
Interest on Income Tax Refund	92.52	-
Miscellaneous income	3.23	106.76
Total	95.75	107.01
26 Finance costs		
On financial liabilities measured at amortized cost:		
Interest on borrowings	19,979.30	11,168.56
Interest on debt securities	17,210.98	12,072.45
Interest on lease liability	307.13	106.48
Interest on shortfall of advance tax	0.35	63.70
Other interest expense	22.56	98.95
Total	37,520.32	23,510.14
27 Fees and commission expense		
Commission to platforms	14,441.34	8,678.15
Commission to payment gateways	51.70	49.80
Credit assessment charges	2,651.68	2,379.55
Total	17,144.72	11,107.50





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
28 Impairment on financial instruments		
On financial instruments measured at amortised cost:		
Loans	57,700.62	38,482.07
On financial instruments measured at fair value:		
Financial guarantee contracts	18,512.73	4,706.16
Total	**76,213.35**	**43,188.23**
29 Employee benefit expenses		
Salaries and wages	21,101.03	12,858.93
Gratuity expense	154.42	100.63
Leave benefits expense	169.06	124.95
Contribution to provident and other funds	745.10	478.30
Share based payments to employees	8,122.62	5,200.94
Staff welfare expenses	126.77	70.89
Total	**30,419.00**	**18,834.64**
30 Depreciation and amortization expense		
on tangible assets	211.53	80.15
on right of use asset	645.27	281.23
on intangible assets	26.78	3.29
Total depreciation and amortization expense	**883.58**	**364.67**
31 Other expenses		
a) Rent, rates and taxes	1,711.19	836.55
Communication Costs	126.81	162.14
Directors' fees, allowances and expenses	65.95	45.78
Auditor's fees and expenses	40.26	17.99
Legal and Professional charges	951.07	743.61
Loss on sale of fixed asset	0.01	0.04
Bank charges	309.55	191.64
Processing and Verification expenses	1,559.62	1,526.63
Technical expenses	4,647.41	3,984.57
Sales promotion expenses	3,862.46	1,986.68
Collection charges	9,864.14	3,125.91
Office expenses	1,359.09	722.27
Deficiency recovery expenses	1,977.30	2,670.27
Expenditure towards Corporate Social Responsibility (CSR) activities	293.00	118.00
Credit guarantee fee	11.78	-
Other expenditure	41.97	56.79
Total	**26,821.61**	**16,188.87**
Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax):		
b) As auditor:		
Audit fee*	20.50	12.00
Limited review fees*	4.50	4.50
In other capacity:		
For certificates*	1.94	-
Other services*	10.00	-
Total	**36.94**	**16.50**

**Note: The above fees is excluding GST.*





	Year ended March 31, 2025	Year ended March 31, 2024

c) **Corporate Social Responsibility (CSR)**

Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.

Gross amount required to be spent	300.74	117.79
Excess amount spent in previous financial year carried forward	8.61	8.40
Excess amount carried forward from previous year, utilized during the period	7.74	-
Amount spent during the year		
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	293.00	118.00
iii. Excess/(Shortfall) for the year	-	0.21
Total of previous years excess	0.87	8.40
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		

CSR activities conducted during the year was focused on promoting healthcare, rural development, women empowerment, environmental protection and promotion of sports, among other interventions.

32 **Income tax**

(A) **Deferred tax relates to the following:**

Deferred tax assets		
On provision for employee benefits	176.24	110.78
On financial guarantees	1,216.77	961.41
On financial assets	8,309.39	5,869.09
On leases	45.82	8.32
On property, plant and equipment and intangible assets	32.16	10.01
On others	1.75	2.79
	9,782.12	6,962.39
Deferred tax liabilities		
On financial liabilities	505.19	-
	505.19	-
Deferred tax on OCI	6.60	0.49
Deferred tax asset, net	9,283.53	6,962.89

(B) **Reconciliation of deferred tax assets/(liabilities) (net):**

Opening balance at the beginning of the year	6,962.89	2,417.75
Tax liability recognized in Statement of Profit and Loss:		
On financial liabilities	(505.19)	-
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	65.46	55.92
On property plant and equipment and intangible asset	22.15	2.82
On financial guarantees	255.35	961.41
On financial assets	2,440.31	3,510.15
On leases	37.50	3.60
On others	(1.53)	10.74
Total deferred tax assets/(liabilities) (net)	2,314.04	4,544.64
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	6.60	0.49
Closing balance at the end of the year	9,283.53	6,962.89





KRAZYBEE SERVICES PRIVATE LIMITED
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(All amounts are in Rs. Lakhs, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Deferred tax liabilities	(505.19)	-
Deferred tax assets	2,819.23	4,544.64
Amounts recognised in Statement of Profit and Loss account	2,314.04	4,544.64
(D) Income tax expense		
- Current tax	9,895.23	11,229.53
- Adjustments in respect of current income tax of previous year	(21.98)	117.96
- Deferred tax credit	(2,314.04)	(4,544.64)
Income tax expense reported in the statement of profit or loss	7,559.21	6,802.85
(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	6.60	0.49
Income tax charged to OCI	6.60	0.49
(F) Reconciliation of tax charge		
Profit before tax	29,680.88	26,838.67
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expense	7,470.08	6,754.76
Tax effects of:		
Non tax deductible expenses	90.24	48.03
Others	(1.11)	0.06
Income tax expense	7,559.21	6,802.85
Effective tax rate	*25.47%*	*25.35%*

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33 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2025	March 31, 2024
Net profit attributable to equity holders	22,121.67	20,035.82
Weighted average number of equity shares for basic EPS	1,127,314	1,121,124
Weighted average number of equity shares for diluted EPS	1,705,463	1,584,714
Basic earnings per share (Rs.)	1,962.33	1,787.12
Diluted earnings per share (Rs.)	1,297.11	1,264.32

34 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	745.10	478.30

(B) Other plans provisions

a) Defined benefit plan: Gratuity	193.93	376.37

The Company has a gratuity plan for its employees which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is the greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age.

Gratuity plan is funded by the Company and payment for the present obligation of future gratuity liabilities is made to the approved gratuity fund. Any deficits in plan assets as compared to actuarial liability determined by an actuary are recognised as a liability. Actuarial liability is computed using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with an actuary and past trends.

Gains and losses through remeasurements of the net defined benefit liability/assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments is recognised in Statement of Profit and Loss. Remeasurements are not reclassified to

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions

Discount rate (per annum)	6.54%	7.18%
Rate of increase in salary	9.00%	10.00%
Rate of attrition	35.00%	30.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

ii) Changes in the present value of defined benefit obligation:

Present value of obligation at the beginning of the year	376.37	137.93
Interest cost	27.02	17.36
Current service cost	139.59	83.27
Liability Transferred In/ Acquisitions	42.38	137.86
Liability Transferred Out/ Divestments	(9.10)	-
Benefit directly paid by employer	(19.99)	(2.02)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(40.69)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(4.12)	0.34
Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment	71.03	1.63
Present value of obligation at the end of the year	582.49	376.37

KRAZYBEE SERVICES PRIVATE LIMITED
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(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2025	March 31, 2024
Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the beginning of the year:	-	-
Interest Income	12.19	-
Contributions by the Employer	376.36	-
Fair Value of Plan Assets at the end of the year	388.55	-
Net Liability Recognized in the Balance Sheet	193.94	376.37
Category of plan assets		
Insurer managed funds	100.00%	0.00%
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	139.59	83.27
Net Interest Cost	14.83	17.36
Total expense recognized in the Statement of Profit and Loss	154.42	100.63
Expense recognized in the Statement of Other Comprehensive Income		
Actuarial (Gains)/Losses on obligation for the year	26.23	1.96
Return on Plan Assets, excluding interest income	-	-
Total expense recognized in the Statement of Profit and Loss	26.23	1.96
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	582.49	376.37
Fair Value of Plan Assets at the end of the year	(388.55)	-
Unfunded net (asset) / liability recognized in Balance Sheet	193.94	376.37
v) Expected contribution to the fund in the next year	341.75	-
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(14.06)	(11.61)
1% decrease	14.91	12.45
Change in Rate of Salary Increase:		
1% increase	13.63	11.73
1% decrease	(13.18)	(11.22)
Change in Rate of Employee Turnover:		
1% increase	(7.15)	(5.88)
1% decrease	7.38	6.11
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	133.17	65.75
2nd Following Year	113.99	62.03
3rd Following Year	107.28	59.90
4th Following Year	92.14	62.24
5th Following Year	75.61	56.34
Sum of Years 6 To 10	147.21	136.53
Sum of Years 11 and above	30.18	48.11

b) Defined benefit plan: Compensated absences for Employees

Present value of unfunded obligations	530.04	400.06
Expense recognised in the Statement of Profit and Loss	169.06	124.95
Discount rate	6.54%	7.18%
Salary escalation rate	9.00%	10.00%

35 Employee Stock Option Scheme (ESOP)

The Holding Company's Board of Directors have approved ESOP plan 2016 ("Old plan") for granting Employee Stock Options in form of equity shares of the Holding Company linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors of the Holding Company. The options granted are recorded as per the fair market value as on the date of grant. Such fair market value of the option is determined on the basis of actuarial valuation as on the date of the grant. The options vest in a graded manner over the period of four years from the date of the grant and the exercise price is Nil. During the previous Financial Year, the Holding Company's Board of Directors cancelled the ESOP plan 2016 and the Company's Board of Directors has formulated Krazybee Employee Stock Option Plan 2023 ("New plan").

The following table illustrates the number of and movement in share options during the year.

Particulars	March 31, 2025		March 31, 2024	
	Number (Old Plan)	Number (New Plan)	Number (Old Plan)	Number (New Plan)
Outstanding at beginning of the year	85,690	82,004	5,366,138	-
Add:				
Granted during the year old pool	-	-	-	52,447
Granted during the year new pool	-	61,372	-	29,730
Option transferred in	-	-	614,882	-
Less:				
Option transferred out	-	87	403	-
Forfeited/exercised during the year	85,690	490	950,529	76
Expired during the year	-	607	-	97
Transferred to Krazybee	-	-	4,944,398	-
Outstanding at the end of the year#	-	142,192	85,690	82,004

*During the year ended March 31, 2024, management has cancelled the ESOPs granted under Finnov ESOP Plan and implemented a new ESOP plan at India level under which equivalent value ESOP has been granted to the employees of the Company in lieu of ESOPs cancelled at Finnov level.

Accordingly, as per Ind AS 102, the cancellation of Finnov share options and grant of new stock options by the Company is considered a replacement of share awards which resulted in modification accounting for the equity settled share-based payment which has been applied in the Financial Statements of the Company. Since new ESOPs that are granted are having a longer vesting period when compared to the vesting period under the Finnov ESOP scheme, the modification is non-beneficial to employees and is ignored for accounting purposes.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Option pricing model used for the years ended:

	March 31, 2025	March 31, 2024
Weighted average exercise price (INR)	10.00	10.00
Weighted average fair value of the options at the grant dates (INR)	20,998.32	24,167.00
Dividend yield	0.00%	0.00%
Risk free interest rate	6.63% to 7.20%	6.96% to 7.26%
Expected volatility	28.00% to 41.50%	36.15% to 46.53%
Expected life of the options	1 to 4 years	1 to 4 years

During the current year, the Company has also issued "At the money" ESOPs, i.e the exercise price is equal to the fair value of the equity shares as at the grant date. The details of these ESOPs are separately disclosed are as under:

Weighted average exercise price (INR)	24,175.13	-
Weighted average fair value of the options at the grant dates (INR)	4,515.00	-
Dividend yield	0.00%	-
Risk free interest rate	6.90%	-
Expected volatility	37.00%	-
Expected life of the options	2 years	-

36 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 and 60 months, which include both cancellable and non-cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(Ia) Details of right-of-use assets are as follows:

	Category of ROU asset: Premises	
	March 31, 2025	March 31, 2024
Opening Balance at the beginning of the year	1,637.24	319.84
Additions	1,014.35	1,602.14
Adjustment with opening balance due to modification	6.62	(3.51)
Amortization (refer Note 30)	(645.27)	(281.23)
Closing balance at the end of the year	2,012.94	1,637.24

(Ib) Lease liabilities

	Category of Lease Liability: Premises	
Opening Balance at the beginning of the year	1,627.10	338.60
Additions	970.48	1,528.82
Adjustment with opening balance due to modification	6.62	(3.45)
Lease payments	(777.45)	(343.35)
Interest on lease liabilities (refer Note 26)	307.13	106.48
Closing balance at the end of the year	2,133.88	1,627.10
(II) Maturity analysis of lease liabilities		
Upto one year	553.25	350.55
More than one year upto 5 years	1,580.63	1,276.55
Total	2,133.88	1,627.10
(III) Amounts recognised in Statement of Profit and Loss account		
Interest on lease liabilities (refer Note 26)	307.13	106.48
Amortization of right-of-use assets (refer Note 30)	645.27	281.23
(IV) Amounts recognised in Statement of Cash Flows		
Total cash outflow for leases	777.45	343.35

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37 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Finnov Private Limited, Singapore (refer Note 20(b)(h)) (upto July 17, 2024)

Other related parties

(a) **Fellow subsidiary/Entity in which Directors are interested**
Finnovation Tech Solutions Private Limited (refer note below)

(b) **Key Management Personnel (KMP)**
Madhusudan Ekambaram, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Karthikeyan Krishnaswamy, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Vivek Veda, Director
Pallavi Lingaraju, Company secretary (w.e.f. February 7, 2025)

(c) **Relatives of KMP & Entities controlled by relatives of KMP**
Nutan Soudagar (Wife of Madhusudan Ekambaram)
Anil Veda (Father of Vivek Veda)
Vibha Veda (Mother of Vivek Veda)
Vani Jain (Wife of Vivek Veda)
Krishnaswamy Bhanumathi (Mother of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy (Father of Karthikeyan Krishnaswamy)
Sattanathan Viswanathan (Mother-in-law of Karthikeyan Krishnaswamy)
Sreenidhi Sattanathan (Wife of of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy HUF
Krishnaswamy Karthikeyan HUF
AV Consultancy Services

(d) **Independent directors**
Abhishek Singhvi
Adesh Gupta
Gopalakrishna Gurrappa (upto July 22, 2024)
Shashikala Ramachandra (w.e.f. July 19, 2024)

(e) **Relatives of Independent directors**
Anish Gupta (son of Adesh Gupta)

(f) Post employment benefit plans
Krazybee Services Private Limited Group Gratuity Trust Fund

Note:
Refer Note 20(b)(h) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors" w.e.f. July 17, 2024.

	March 31, 2025	March 31, 2024
(B) Details of transactions with related party in the ordinary course of business for the year ended:		
(I) Particulars		
A) Transactions during the year*:		
Commission recovery		
Finnovation Tech Solutions Private Limited	68.24	-
Salary Cross Charge (Income)		
Finnovation Tech Solutions Private Limited	197.99	103.05
Interest income in loan		
Anish Gupta	0.08	0.13

	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Purchase of services		
Finnovation Tech Solutions Private Limited	35,381.63	30,414.02
Deficiency recovery expenses		
Finnovation Tech Solutions Private Limited	1,977.30	2,670.27
Salary Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	106.18	158.06
Rent Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	1,197.53	741.67
Asset Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	297.74	-
Reimbursement of expenses		
Vivek Veda	14.47	9.67
Madhusudan Ekambaram	12.15	-
Pallavi Lingaraju	0.08	-
Share based payment expenses		
Finnov Private Limited	-	27.80
Trademark Usage Fees		
Finnov Private Limited	-	0.70
Purchase of Trademark		
Finnov Private Limited	-	0.55
Remuneration to directors#		
Vivek Veda (includes Rs. 727.46 lakhs (FY24: Rs. 2,369.44 lakhs) towards share based payment expense)	1,337.54	2,590.34
Madhusudan Ekambaram (includes Rs. 5,295.10 lakhs (FY24: Nil) towards share based payment expense)	5,422.91	-
Karthikeyan Krishnaswamy (includes Rs. 1,019.66 lakhs (FY24: Nil) towards share based payment expense)	1,214.29	-
Remuneration to Key managerial personnel#		
Pallavi Lingaraju (includes Rs. 0.73 lakhs (FY24: Nil) towards share based payment expense)	8.61	-
Non-executive/Independent Director sitting fees*		
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa	6.00	11.50
Shashikala Ramachandra	12.00	-
Employee transfer arrangement (in) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	56.30	1,217.67
Employee transfer arrangement (out) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	25.76	-
Dividend paid during the year		
Finnov Private Limited	-	3,353.86
Share issued during the year (refer Note 19(a) and 19(b))		
Finnov Private Limited	-	2,263.04
Corporate gurantee fees		
Finnovation Tech Solutions Private Limited	829.68	440.38
Issue of personal loan		
Anish Gupta	-	1.60
Repayment received on personal loan		
Anish Gupta	0.74	0.86





	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Finance cost		
Madhusudan Ekambaram	23.01	40.73
Nutan Soudagar	9.47	8.42
Anil Veda	2.29	2.23
Vani Jain	2.85	2.16
Vibha Veda	2.51	2.50
Vivek Veda	29.98	11.16
Krishnaswamy Bhanumathi	3.90	6.94
Marappa Krishnaswamy	0.97	1.73
Sattanathan Viswanathan	-	2.41
Sreenidhi Sattanathan	1.36	5.41
Marappa Krishnaswamy HUF	7.67	-
Krishnaswamy Karthikeyan HUF	15.34	-
AV Consultancy Services	0.90	-
Issue of non-convertible debentures		
Madhusudan Ekambaram	300.00	400.00
Nutan Soudagar	80.00	-
Anil Veda	20.00	20.00
Vani Jain	30.00	20.00
Vibha Veda	20.00	20.00
Vivek Veda	260.00	100.00
Krishnaswamy Bhanumathi	-	80.00
Marappa Krishnaswamy	-	20.00
Sreenidhi Sattanathan	-	50.00
Marappa Krishnaswamy HUF	100.00	-
Krishnaswamy Karthikeyan HUF	200.00	-
AV Consultancy Services	20.00	-
Redemption of non-convertible debentures		
Madhusudan Ekambaram	-	400.00
Nutan Soudagar	-	70.00
Anil Veda	20.00	10.00
Vani Jain	20.00	-
Vivek Veda	100.00	20.00
Vibha Veda	20.00	20.00
Krishnaswamy Bhanumathi	80.00	-
Marappa Krishnaswamy	20.00	-
Sattanathan Viswanathan	-	20.00
Sreenidhi Sattanathan	50.00	-
Corporate guarantees received		
Finnovation Tech Solutions Private Limited	87,578.29	61,352.40
Contribution to post employment benefit plan trust		
Krazybee Services Private Limited Group Gratuity Trust Fund	376.36	-

**Note: Transaction values are excluding taxes and duties*
#Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.

B) Balances as at year end:

Other Receivables		
Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
Trade Payables		
Finnovation Tech Solutions Private Limited	7,978.80	7,363.75
Finnov Private Limited	-	0.02

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	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.)		
Other Payable		
Finnovation Tech Solutions Private Limited	185.50	405.40
Personal loan (including accrued interest):		
Anish Gupta	-	0.75
Non-convertible debentures (including accrued interest):		
Nutan Soudagar	80.33	-
Anil Veda	20.08	20.07
Vani Jain	30.12	20.08
Vibha Veda	20.08	20.07
Vivek Veda	261.07	100.39
Krishnaswamy Bhanumathi	-	80.27
Marappa Krishnaswamy	-	20.07
Sreenidhi Sattanathan	-	50.20
Madhusudan Ekambaram	301.23	-
Marappa Krishnaswamy HUF	100.41	-
Krishnaswamy Karthikeyan HUF	200.82	-
AV Consultancy Services	20.08	-

(c) **Terms and conditions of transactions with related parties:**
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(d) Rs. 22,132.69 lakhs (March 31, 2024: Rs. 22,470.13 lakhs) is in the nature of transaction costs which are included in the "Effective Interest Rate" of the loan receivables of the Company. Accordingly, the same have been classified under "Interest Income" in Note 22 and of this amount, Rs. 17,112.82 lakhs (March 31, 2024: Rs. 15,732.94 lakhs) has been recognized as effective interest income during the year. The total effective interest income recognized including amortization of prior year deferrals is Rs. 23,737.35 lakhs (March 31, 2024: Rs. 19,111.72 lakhs).

(e) The Company has Corporate Guarantees provided by Finnovation Tech Solutions Private Limited aggregating to Rs. 79,187.02 lakhs (March 31, 2024: Rs. 29,258.51 lakhs) corresponding to outstanding credit facilities as on March 31, 2025.

(f) Corporate Guarantee fees of Rs. 829.68 lakhs (March 31, 2024: Rs. 440.38 lakhs) are in the nature of transaction costs which are included in the "Effective Interest Rate" of the borrowings of the Company. Accordingly the same have been classified as "Finance cost" in Note 26 and of this amount, Rs. 319.30 lakhs (March 31, 2024: Rs. 180.15 lakhs) have been recognised as effective interest expense during the year. The total effective interest expense recognized including amortization of prior year deferrals is Rs. 577.28 lakhs (March 31, 2024: Rs. 180.15 lakhs).

	Year ended March 31, 2025	Year ended March 31, 2024
38 Revenue from contracts with customers		
Types of services:		
Service Fees	45,773.60	13,052.52
Foreclosure income	13,687.41	3,826.20
Commission recovery	74.38	-
Total	59,535.39	16,878.72
Geographical markets:		
In India	59,535.39	16,878.72
Outside India	-	-
Total	59,535.39	16,878.72
Timing of revenue recognition:		
Services transferred at a point in time	47,695.54	16,370.27
Services transferred over time	11,839.85	508.45
Total	59,535.39	16,878.72





39 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Additionally, the Company operates only in India, hence, no separate segment information has been furnished herewith.

40 Financial risk management objectives and policies :

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital. Market risk is monitored by assessments of fluctuation in the equity price, unhedged foreign exchange exposures, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities. This risk is managed by the Company's treasury team under the guidance of the Asset-Liability Committee.

(I) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates on borrowings at variable interest rates.

	March 31, 2025	March 31, 2024
Interest rate risk exposure		
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	123,603.44	110,416.82

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on variable interest borrowings:

	Increase/ (decrease)	Effect on profit before tax
March 31, 2025		
Rs.	+50	618.02
Rs.	-50	(618.02)
March 31, 2024		
Rs.	+50	552.08
Rs.	-50	(552.08)

(II) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no outstanding foreign currency exposure.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to Rs.Nil at closing rate, is as follows:

Financial liabilities	Nil	Nil

Foreign currency sensitivity

The Company does not have exposure to any other foreign currencies.

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40 Financial risk management objectives and policies (contd.):

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(I) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance & product mix and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as installment default rate, overdue position, EMI moratorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non-performing loans etc. are used as leading indicators to assess credit risk.
The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators.

Macro Economic Variables:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:
1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.

Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforeseen distortion of customers' financial position and volatile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

The Company provides for expected credit loss based on the following:

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss

	March 31, 2025	March 31, 2024
40 Financial risk management objectives and policies (contd.):		
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	18,222.24	21,510.17
Bank balances other than above	21,308.96	7,347.26
Trade receivables	1,443.36	416.27
Loans to customers*	565,527.95	460,055.36
Other financial assets	4,915.03	5,307.66
Moderate credit risk		
Loans to customers*	13,676.34	11,253.23
High credit risk		
Loans to customers*	16,894.32	11,052.55

* Represents gross values of the financial assets

Cash & cash equivalents and Bank deposits
The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments
For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans
The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables
Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries and other miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(II) **Expected credit losses for financial assets other than loans:**
The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:
- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.

- For investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.

- For Trade receivables - Credit risk is considered low because these balances are with companies with strong financial resources and the balances are held for shorter periods.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

40 Financial risk management objectives and policies (contd.):

(III) Expected credit loss for loans

Credit default risk

Considering the nature of advances, the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has also considered other qualitative aspects in the pooling and stratification of the portfolio (i.e. sub-product structures as well as customer repeatability) to facilitate a more granular estimation of probabilities of default. The Company has therefore set out the following definition of default for all loan products:

Quantitative criteria: Exposures that have one or more installment(s) overdue for 90 days or more.

Qualitative criteria: Event specific factors that indicate either a significant increase in credit risk or credit impairment.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when days past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1, or Stage 2 or even Stage 3 asset.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. The management believes that the LGDs depicted basis the historical data is not representative of the future for certain products with low vintage and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages for these specific products so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The outstanding contractual amounts of such assets written off during the year ended March 31, 2025 was Rs. 49,385.59 (March 31, 2024: Rs. 21,840.17). However, collection efforts continue on such accounts as these are legally due to the Company.

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40 Financial risk management objectives and policies (contd.):

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the loan portfolio:

March 31, 2025 Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	565,527.95	13,676.34	16,894.32	596,098.61
Less: Allowance for ECL	10,108.42	8,506.00	12,563.53	31,177.95
Net carrying value	**555,419.53**	**5,170.34**	**4,330.79**	**564,920.66**
ECL Coverage Ratio	**1.79%**	**62.19%**	**74.37%**	**5.23%**

March 31, 2024 Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	460,055.36	11,253.23	11,052.55	482,361.14
Less: Allowance for ECL	10,652.57	7,088.21	7,927.17	25,667.95
Net carrying value	**449,402.79**	**4,165.02**	**3,125.38**	**456,693.19**
ECL Coverage Ratio	**2.32%**	**62.99%**	**71.72%**	**5.32%**

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors the liquidity position and cash & 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 policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities :

March 31, 2025	Less than 1 year	1 to 3 years	3 to 5 years	Total
Debt Securities	141,060.64	32,668.85	-	173,729.49
Borrowings other than debt securities	189,268.72	18,289.50	1,827.26	209,385.48
Trade payables	14,063.67	0.92	-	14,064.59
Other financial liabilities	8,164.94	1,580.63	-	9,745.57
	352,557.97	52,539.90	1,827.26	406,925.13
March 31, 2024				
Debt Securities	97,030.27	32,540.58	-	129,570.85
Borrowings other than debt securities	151,515.61	9,612.62	-	161,128.23
Trade payables	12,881.74	1.60	-	12,883.34
Other financial liabilities	6,443.57	1,276.55	-	7,720.12
	267,871.19	43,431.35	-	311,302.54

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40 Financial risk management objectives and policies (contd):

(D) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

(E) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2024	460,055.36	10,652.57	11,253.23	7,088.21	11,052.55	7,927.17	482,361.14	25,667.95
Transfers during the year							-	-
- To Stage 1	23.54	14.30	(22.09)	(13.22)	(1.45)	(1.08)	-	-
- To Stage 2	(4,147.72)	(64.55)	4,149.06	65.53	(1.34)	(0.98)	-	-
- To Stage 3	(37,466.72)	(1,970.14)	(9,254.43)	(5,836.75)	46,721.15	7,806.89	-	-
	(41,590.90)	(2,020.39)	(5,127.46)	(5,784.44)	46,718.36	7,804.83	-	-
Impact of changes in credit risk on account of stage movements	-	(13.91)	-	1,068.89	-	39,471.23	-	40,526.21
Changes in opening credit exposures	(393,575.70)	(8,191.53)	(4,218.42)	(1,233.65)	(10,708.94)	(8,929.27)	(408,503.06)	(18,354.45)
New credit exposures during the year (net of repayments)	540,639.19	9,681.68	11,768.99	7,366.99	26,692.19	23,149.41	579,100.37	40,198.08
Amounts written-off	-	-	-	-	(56,859.84)	(56,859.84)	(56,859.84)	(56,859.84)
As at March 31, 2025	565,527.95	10,108.42	13,676.34	8,506.00	16,894.32	12,563.53	596,098.61	31,177.95

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2023	230,611.90	3,472.85	5,524.79	2,862.14	5,537.62	3,507.70	241,674.31	9,842.69
Transfers during the year							-	-
- To Stage 1	9.20	4.56	-6.52	-3.04	-2.68	-1.52	-	-
- To Stage 2	(1,870.87)	(22.19)	1,870.87	22.19	-	-	-	-
- To Stage 3	(15,184.28)	(575.31)	(4,509.76)	(2,342.83)	19,694.04	2,918.14	-	-
	(17,045.95)	(592.94)	(2,645.41)	(2,323.68)	19,691.36	2,916.62	-	-
Impact of changes in credit risk on account of stage movements	-	96.85	-	423.16	-	17,805.03	-	18,325.04
Changes in opening credit exposures	(204,345.83)	(2,777.70)	(2,118.71)	(501.66)	(5,683.39)	(5,054.03)	(212,147.93)	(8,333.39)
New credit exposures during the year (net of repayments)	450,835.24	10,453.51	10,492.56	6,628.25	18,396.36	15,641.25	479,724.16	32,723.01
Amounts written-off	-	-	-	-	(26,889.40)	(26,889.40)	(26,889.40)	(26,889.40)
As at March 31, 2024	460,055.36	10,652.57	11,253.23	7,088.21	11,052.55	7,927.17	482,361.14	25,667.95

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and 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.

		March 31, 2025	March 31, 2024
Total equity	(I)	235,581.91	205,033.94
Debt securities	(II)	161,635.21	120,184.10
Borrowings other than debt securities	(III)	198,705.63	153,787.36
Total debt	(IV)=(II)+(III)	360,340.84	273,971.46
Less: Cash and bank balances & liquid investments	(V)	19,005.79	22,488.26
Net debt	(VI) = (IV)-(V)	341,335.05	251,483.20
Gearing ratio	(VI)/(I)	1.45	1.23

No changes were made in the objectives, policies or processes for managing capital during the years presented.

42 Change in liabilities arising from financing activities

Particulars	April 01, 2024	Net Cash flows	March 31, 2025
Debt securities	120,184.10	41,451.11	161,635.21
Borrowings other than debt securities	153,787.36	44,918.27	198,705.63
Total liabilities from financing activities	273,971.46	86,369.38	360,340.84

Particulars	April 01, 2023	Net Cash flows	March 31, 2024
Debt securities	72,050.90	48,133.20	120,184.10
Borrowings other than debt securities	57,308.37	96,478.99	153,787.36
Total liabilities from financing activities	129,359.27	144,612.19	273,971.46

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43 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows:

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	18,222.24	18,222.24	18,222.24
Bank balances other than above	-	-	21,308.96	21,308.96	21,308.96
Trade receivables	-	-	1,443.36	1,443.36	1,443.36
Loans	-	-	564,920.66	564,920.66	564,920.66
Other financial assets	-	-	4,915.03	4,915.03	4,915.03
Total financial assets	-	-	610,810.25	610,810.25	610,810.25
Financial liabilities					
Trade payables	-	-	14,064.59	14,064.59	14,064.59
Debt securities	-	-	161,635.21	161,635.21	161,635.21
Borrowings (other than debt securities)	-	-	198,705.63	198,705.63	198,705.63
Other financial liabilities	-	-	9,745.57	9,745.57	9,745.57
Total financial liabilities	-	-	384,151.00	384,151.00	384,151.00
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	21,510.17	21,510.17	21,510.17
Bank balances other than above	-	-	7,347.26	7,347.26	7,347.26
Trade receivables	-	-	416.27	416.27	416.27
Loans	-	-	456,693.19	456,693.19	456,693.19
Other financial assets	-	-	5,307.66	5,307.66	5,307.66
Total financial assets	-	-	491,274.55	491,274.55	491,274.55
Financial liabilities					
Trade payables	-	-	12,883.34	12,883.34	12,883.34
Debt securities	-	-	120,184.10	120,184.10	120,184.10
Borrowings (other than debt securities)	-	-	153,787.36	153,787.36	153,787.36
Other financial liabilities	-	-	7,720.12	7,720.12	7,720.12
Total financial liabilities	-	-	294,574.92	294,574.92	294,574.92

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.





	March 31, 2025	March 31, 2024
44 Expenditure in foreign currency (on accrual basis)		
Customer Support Expenses	92.57	-
Legal Expenses	17.31	-
Technical Expenses	23.93	-
Total	**133.81**	**-**

45 Contingencies and commitments:		
Capital commitments	85.76	-
Loan commitments*	396.51	5.32
Towards default loss guarantee	16,523.18	4,892.58
Indirect tax demands (Refer Note 2 below)	14,162.38	-
	31,167.83	**4,897.90**

** Represents loans which have been sanctioned and pending disbursement as at March 31, 2025.*

Notes:

1) During the FY 2022-23, as part of an industry wide investigation carried by an investigation agency ("Agency") on the digital lending applications and the financial institutions lending on such applications, cash and bank balances of Rs. 3,305.31 lakhs and Rs. 1,606.53 lakhs of balances pending settlement from intermediaries of the Company have been frozen pursuant to an order by the Agency. In response to such action, the Company had filed a petition before the Hon'ble High Court of Telangana seeking quashing of the Agency's order.

The Hon'ble High Court vide its order dated March 11, 2025 quashed the proceedings against the Company. Upon the passing of the order, the Company is waiting for the completion of the 90 day period provided under law to the Directorate of Enforcement to appeal against the order. The Company will, upon completion of the 90 days period, make a representation before the ED for releasing the amounts. Accordingly, as per the Management's assessment, no provisions are required to be created in the Financial Statements.

2) The Company has received a show cause notice vide which tax liability amounting to Rs. 7,565.32 lakhs and related interest & penalty have allegedly been ascertained with respect to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" received by the Company. The Company has taken legal opinion from a reputed Senior Advocate and also an advice from a reputed Chartered Accountant firm expert on the said matter. In the opinion and the advise respectively, the Senior Advocate and the independent Chartered Accountant firm are of the view that GST is not required to be paid on the Deficiency Service Income booked by the Company. Further, the Company has filed writ petition before the Hon'ble High Court of Karnataka to issue an order/direction to quash the show cause notice and to refund the amount paid earlier under protest. The Hon'ble High Court has passed interim order dated July 15, 2024 staying the notice issued by the GST department.

In light of above and as per the management's assessment, there is no need to create any provisions in the Financial Statements. However, in line with expert opinions and applicable Ind AS, Company has disclosed the tax liability amounting to Rs. 14,162.38 Lakhs (tax amounting to Rs. 7,565.32 lakhs, interest amounting to Rs. 5,840.52 lakhs calculated till March 31, 2025 and penalty amounting to Rs. 756.53 lakhs).

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021:

(i) The Company does not own any immovable property as at March 31, 2025.

(ii) The Company does not own any investment property as at March 31, 2025.

(iii) The Company has not revalued its Property, Plant and equipment during the year ended March 31, 2025.

(iv) The Company has not revalued its intangible assets during the year ended March 31, 2025.

(v) The Company has not granted any loans or advances 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
(b) without specifying any terms or period of repayment

(vi) The Company does not have any capital work-in-progress as at March 31, 2025.

(vii) The Company does not have any intangible assets under development as at March 31, 2025.

(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ix) The Company has taken borrowings from banks on the basis of security of its loan receivables. The Company has filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement and no discrepancies are noted with the books of accounts & Financial Statements of the Company.

(x) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof.

(xi) The Company has not had any transaction with the companies struck off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956.

(xii) The Company has not defaulted in registration or satisfaction of charges with the Registrar of Companies.

(xiii) The Company does not have a subsidiary and hence has complied with the number of investment layers prescribed under section 2(87) of the Companies Act, 2013.

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021 (contd.):

(xiv) The Company has not entered into any scheme of arrangement during the year.

(xv) The Company has neither advanced, loaned, invested or received directly or indirectly any funds to/from any entity with the understanding that such funds will be transferred to another person, i.e ultimate beneficiaries/ultimate funding parties.

(xvi) The Company has disclosed all incomes appropriately as per the Indian Accounting Standards and no adjustments are required to be made due to any tax assessments or other requirements of the Income Tax Act, 1961.

(xvii) The Company has not traded or invested in crypto currencies or virtual currencies during the year.

(xviii) The Ministry of Corporate Affairs (MCA), under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended from time to time, require Companies to only use accounting softwares for maintaining its books of account that have a feature of recording audit trail of every transaction, creating an edit log of each change made in the books of account, the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Company had been using an accounting software which complied with the aforementioned regulations. However, the Company fully transitioned into another ERP from July 1, 2024 which did not have the audit trail feature at a database level as on the implementation date. The software developers subsequently released a patch update to comply with the requirement and the Company has updated its systems as at March 12, 2025.

47 The Board of Directors of the Company in the meeting dated May 21, 2025 have approved the Scheme of Arrangement between the Company ("Transferee Company") and Finnovation Tech Solutions Private Limited ("Transferor Company") in respect of:
(i) the merger of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;
(ii) the consequent issuance of the new equity shares or new Compulsorily Convertible Preference Shares, as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (as defined in the Scheme) in accordance with the Share Entitlement Ratio defined in the Scheme;
(iii) the reduction of securities premium account of the Transferee Company; and
(iv) various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

48 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

49 Disclosures pursuant to the RBI notification no. RBI/DoR/2023-24/105 - Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 - Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (the "Master Direction") (as amended from time to time) have been provided in the "Annexures to the Financial Statements". These disclosures have been prepared based on this Ind-AS complaint Financial Statements of the Company.

50 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

Annexures to the Financial Statements

Schedule to the Balance sheet

Particulars			March 31, 2025		March 31, 2024	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
	(a)	Debentures:				
		Secured	152,185.52	-	105,012.70	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	113,522.46	-	101,570.43	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	9,449.69	-	15,171.40	-
	(f)	Public Deposits	-	-	-	-
	(i)	Other Loans:				
		- Securitisation liabilities	24,694.98	-	17,251.94	-
		- Bank overdraft	26,715.84	-	16,460.11	-
		- Working capital loans	32,523.75	-	18,504.88	-
		- Inter corporate deposits	1,248.60	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits 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				March 31, 2025	March 31, 2024
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]				
	(a)	Secured		15,403.24	353.20
	(b)	Unsecured		549,517.42	456,339.99
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing 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 asset financing 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	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-





	Long Term Investments				
	1	Quoted			
		(I)	Share		
			(a) Equity	-	-
			(b) Preference	-	-
		(II)	Debentures and Bonds	-	-
		(III)	Units of mutual funds	-	-
		(IV)	Government Securities	-	-
		(V)	Others (please specify)	-	-
	2	Unquoted			
		(I)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(II)	Debentures and Bonds	-	-
		(III)	Units of mutual funds	-	-
		(IV)	Government Securities	-	-
		(V)	Others - Fixed Deposit	-	-

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

Category			As on March 31, 2025 Amount net of provisions			As on March 31, 2024 Amount net of provisions		
			Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties **							
	(a)	Subsidiaries	-	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-	-
	(c)	Other related parties	-	-	-	-	0.75	0.75
2	Other than related parties		15,403.24	549,517.42	564,920.66	353.20	456,339.24	456,692.44
	Total		15,403.24	549,517.42	564,920.66	353.20	456,339.99	456,693.19

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

Category			March 31, 2025 Market Value / Break up or fair value or NAV	March 31, 2025 Book Value (Net of Provisions)	March 31, 2024 Market Value / Break up or fair value or NAV	March 31, 2024 Book Value (Net of Provisions)
1	Related Parties **					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		-	-	-	-
	Total		-	-	-	-

(8) Other Information

Particulars			March 31, 2025	March 31, 2024
(I)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	16,894.32	11,052.55
(II)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	4,330.79	3,125.38
(III)	Assets acquired in satisfaction of debt		-	-

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(9) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	March 31, 2025	March 31, 2024
Directors and their relatives	-	1.60
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(10) Capital to Risk Assets Ratio	March 31, 2025	March 31, 2024
CRAR %	29.59%	33.89%
CRAR - Tier I Capital (%)	28.34%	32.64%
CRAR - Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	-

(11) Investments

Particulars	March 31, 2025	March 31, 2024
1) Value of Investments		
i) Gross value of investments		
- In India	-	-
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- In India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	-	-
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(12) Particulars	March 31, 2025	March 31, 2024
Unsecured Advances	578,424.22	482,006.47

(13) Ratings assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Programme	Ratings assigned	Migration during the year
Crisil Ratings	Bank Loan Ratings	Crisil A- Stable	Nil
	Commercial Paper	Crisil A1	Nil
	Non Convertible Debentures	Crisil PPMLD A-/Stable	Withdrawn
	Non Convertible Debentures	Crisil A- Stable	Nil
CARE Ratings	Commercial Paper	CARE A1	Nil
	Bank Loan Ratings	CARE A- Stable	Nil
	Non Convertible Debentures	CARE A- Stable	New Rating
Acuite Ratings & Research	Bank Loan Ratings	Acuite A Stable	Rating has been upgraded from Acuite A- Stable
	Commercial Paper	Not Applicable	Withdrawn
	Non Convertible Debentures	Not Applicable	Withdrawn

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(14) Provisions and Contingencies

Particulars	March 31, 2025	March 31, 2024
Provision for depreciation on investment	-	-
Provision towards non performing assets*	12,563.53	7,927.17
Provision for standard assets**	18,614.41	17,740.77
Provision for default loss guarantee	4,834.57	3,819.98
Provision towards income tax	9,895.23	11,229.53
Provision for compensated absences	530.04	400.06
Provision for gratuity	193.93	376.37
Contingent liability on default loss guarantee	16,523.18	4,892.58
Contingent liability on indirect tax demands	14,162.38	-

* Represents provision on Stage 3 advances.
** Represents provision on Stage 1 and Stage 2 advances.

(15) a) Concentration of assets

I. Concentration of Advances

Particulars	March 31, 2025	March 31, 2024
Total Advances to twenty largest borrowers	1,605.33	437.54
Percentage of Advances of twenty largest borrowers to Total Advances of the Company	0.27%	0.09%

II.Concentration of exposures

Particulars	March 31, 2025	March 31, 2024
Total exposure to twenty largest borrowers	1,605.33	437.54
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers	0.27%	0.09%

III.Concentration of NPA

Particulars	March 31, 2025	March 31, 2024
Total Exposure to top four NPA accounts	74.76	17.48

Iv. Sector wise NPAs

Sector	Percentage of NPA to Total Advances in that sector	
	March 31, 2025	March 31, 2024
Agriculture and allied activities	0.00%	0.00%
Industry	3.71%	0.80%
Corporate borrowers	-	-
Services	4.11%	0.99%
Unsecured personal loans	2.78%	2.35%
Loan against property	0.02%	-
Auto Loans	-	-
Other Personal Loans	-	-
Total	2.83%	2.29%

b) Concentration of liabilities

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

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
1	26,773.73	N/A	6.88%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(II) Top 20 large deposits (amount in Rs. crore and % of total deposits)

The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

(III) Top 10 borrowings (amount in Rs. lakhs and % of total borrowings)

Amount	% of Total Borrowings
106,082.29	29.44%

(iv) Funding Concentration based on significant instrument/product

Name of the instrument	Amount	% of Total Liabilities
Non-convertible debentures	152,185.52	39.08%
Commercial papers	9,449.69	2.43%
Term loans from bank	44,465.74	11.42%
Term loans from others	69,056.72	17.73%
Working capital loans	32,523.75	8.35%
Bank overdraft	26,715.84	6.86%
Inter corporate deposits	1,248.60	0.32%
Securitisation liabilities	24,694.98	6.34%

(15) a) Concentration of assets (contd)

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	2.62%	2.43%	1.51%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	0.00%	0.00%	0.00%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	7.46%	6.91%	4.30%

(vi) Institutional set-up for liquidity risk management: Refer Note 41(C).

(16) Movement of credit impaired loans

Particulars	March 31, 2025	March 31, 2024
(i) Net NPAs to Net Advances (%)	0.74%	0.66%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	11,052.55	5,537.62
(b) Additions during the year	70,729.47	35,527.42
(c) Reductions during the year	(64,887.71)	(30,012.49)
(d) Closing balance	**16,894.31**	**11,052.55**
(iii) Movement of Net NPAs		
(a) Opening balance	3,125.38	2,029.92
(b) Additions during the year	16,707.52	9,267.78
(c) Reductions during the year	(15,502.12)	(8,172.32)
(d) Closing balance	**4,330.77**	**3,125.38**
(iv) Movement of Provision for NPAs		
(a) Opening balance	7,927.17	3,507.70
(b) Impairment loss allowance made during the year	54,021.95	26,259.64
(c) Write off/ write back of excess allowance	(49,385.59)	(21,840.17)
(d) Closing balance	**12,563.53**	**7,927.17**

(17) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated 29 September 2016.

Particulars	March 31, 2025	March 31, 2024
a. Persons involved		
Customers	-	-
Total	-	-
b. Type of fraud		
Others	-	-
Total	-	-





(18) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2025	March 31, 2024
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2025		March 31, 2024	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	-	-

* Pertains to cross currency interest rate swap

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(19) Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on March 31, 2025

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to customers)	23,945.14	18,511.85	11,256.84	63,623.09	62,362.90	170,229.77	144,697.24	70,941.26	18,691.61	11,838.91	596,098.61
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	23,945.14	18,511.85	11,256.84	63,623.09	62,362.90	170,229.77	144,697.24	70,941.26	18,691.61	11,838.91	596,098.61
4	Debt Securities	-	273.74	3,247.45	27,229.79	19,070.96	29,225.13	51,229.78	31,358.36	-	-	161,635.21
5	Borrowings (Other than debt securities)	4,972.36	1,026.45	6,151.35	13,251.12	34,531.36	36,826.24	83,254.70	17,035.07	1,656.98	-	198,705.63
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	396.51	-	-	-	-	-	-	-	-	-	396.51
	Total Outflows	5,368.87	1,300.19	9,398.80	40,480.91	53,602.32	66,051.37	134,484.48	48,393.43	1,656.98	-	360,737.35

Maturity pattern of assets and liabilities as on March 31, 2024

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to Customer)	17,404.40	18,081.49	19,053.90	61,906.04	57,504.19	137,809.76	107,696.70	50,879.29	11,921.92	103.45	482,361.14
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	17,404.40	18,081.49	19,053.90	61,906.04	57,504.19	137,809.76	107,696.70	50,879.29	11,921.92	103.45	482,361.14
4	Debt Securities	2,567.29	99.37	8,575.28	13,082.29	12,144.90	13,990.64	38,461.05	31,263.28	-	-	120,184.10
5	Borrowings (Other than Debt Securities)	21,843.55	3,121.82	6,660.46	12,668.00	23,219.17	35,814.49	41,055.19	9,404.68	-	-	153,787.36
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	5.32	-	-	-	-	-	-	-	-	-	5.32
	Total Outflows	24,416.16	3,221.19	15,235.74	25,750.29	35,364.07	49,805.13	79,516.24	40,667.96	-	-	273,976.78

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KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYLOR & CO Chartered Accountants

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020:

As on March 31, 2025:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	39.66	29.66	10.00	0.16	29.50
Subtotal		579,243.95	18,644.08	560,599.87	2,316.98	16,327.09
(b) Non performing assets (NPA)						
(I) Sub standard	Stage 3	16,854.66	12,533.87	4,320.79	1,685.47	10,848.40
(II) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(III) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		16,854.66	12,533.87	4,320.79	1,685.47	10,848.40
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	16,894.32	12,563.53	4,330.79	1,685.62	10,877.90
	Subtotal	596,098.61	31,177.95	564,920.66	4,002.44	27,175.49

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(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020 (contd.):

As on March 31, 2024:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
Subtotal		**471,308.59**	**17,740.78**	**453,567.81**	**1,885.23**	**15,855.53**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**11,052.55**	**7,927.17**	**3,125.38**	**1,105.26**	**6,821.92**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
	Subtotal	**482,361.14**	**25,667.95**	**456,693.19**	**2,990.49**	**22,677.45**

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(21) Disclosure on accounts subjected to restructuring

For year ended March 31, 2025
No loans have been restructured during the year ended March 31, 2025.

For year ended March 31, 2024
No loans have been restructured during the year ended March 31, 2024.

(22) Disclosure of complaint

(1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No.		Particulars	March 31, 2025	March 31, 2024
	Complaints received by NBFC from its customers			
1.		No. of complaints pending at the beginning of the year	5	2
2.		No. of complaints received during the year	789	675
3.		No. of complaints disposed during the year	788	672
	3.1	Of which No. of complaints rejected by the NBFC	81	0
4.		No. of complaints pending at the end of the year	6	5

	Maintainable complaints received by the NBFC from the office of the ombudsman			
5.		No. of maintainable complaints received by the NBFC from Office of Ombudsman	75	74
	5.1	Of 5, No. of complaints resolved in favour of the NBFC by Office of Ombudsman	19	7
	5.2	Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	35	54
	5.3	Of 5, No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	21	13
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

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(2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	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
1	2	3	4	5	6
Year ended March 31, 2025					
Account related issues	1	564	22%	1	0
Repayment Delay Related	4	202	41%	5	0
Non customer issue	0	14	-75%	0	0
Transaction related issue	0	7	-22%	0	0
Product Related Issue	0	2	-67%	0	0
Total	5	789		6	0
Year ended March 31, 2024					
Account related issues	2	461	455%	1	0
Repayment Delay Related	0	143	134%	4	0
Non customer issue	0	56	115%	0	0
Transaction related issue	0	9	-71%	0	0
Product Related Issue	0	6	50%	0	0
Total	2	675		5	0

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(23) Exposure

(1) Exposure to real estate sector
Not applicable

(2) Exposure to capital market
Not applicable

(3) Sectoral exposure

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry						
Manufacturing*	8,972.65	346.78	3.86%	3,089.61	24.64	0.80%
Retail & Wholesale trade	25,306.92	936.74	3.70%	-	-	-
Others	2,024.35	63.85	3.15%	-	-	-
3. Services						
Other services*	32,592.13	1,340.24	4.11%	16,535.31	163.79	0.99%
4. Personal Loans						
i) Unsecured	511,574.68	14,203.10	2.78%	462,381.56	10,864.12	2.35%
ii) Secured	Not applicable					
4. Loan against Property						
i) Unsecured	Not Applicable					
ii) Secured	15,859.44	3.61	0.02%	359.99	-	0.00%
5. Auto / 2 Wheeler loans						
i) Unsecured	Not Applicable					
ii) Secured	164.94	-	0.00%	-	-	0.00%

**All loans classified under manufacturing and other services are MSME loans*

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of trademark	-	0.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.55
Non-convertible debentures (Outstanding)	-	-	-	-	-	-	562.30	100.39	471.92	210.76	-	-	-	-	-	-	1,034.22	311.15
Issue of Non - convertible debentures(NCD)	-	-	-	-	-	-	560.00	500.00	470.00	210.00	-	-	-	-	-	-	1,030.00	710.00
Redemption of NCD	-	-	-	-	-	-	100.00	400.00	210.00	120.00	-	-	-	-	-	-	310.00	540.00
Interest paid	-	-	-	-	-	-	53.99	51.89	47.26	31.80	-	-	-	-	-	-	100.25	83.69
Shares issued (including premium)	-	2,263.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,263.04
Deficiency recovery expenses	-	-	-	2,670.27	-	-	-	-	-	-	-	-	-	-	1,977.30	-	1,977.30	2,670.27
Rent cross charge	-	-	-	741.67	-	-	-	-	-	-	-	-	-	-	1,197.53	-	1,197.53	741.67
Asset cross charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	297.74	-	297.74	-
Sitting fees	-	-	-	-	-	-	-	-	-	-	60.50	42.00	-	-	-	-	60.50	42.00
Loan issued	-	-	-	-	-	-	-	-	-	-	-	-	-	1.60	-	-	-	1.60
Interest income on loan	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.13	-	-	0.08	0.13
Repayment of loan	-	-	-	-	-	-	-	-	-	-	-	-	0.74	0.86	-	-	0.74	0.86
Closing balance of loan receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75	-	-	-	0.75
Trade mark usage fees	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.70
Trade mark	#REF!	#REF!	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#REF!	#REF!
Dividend paid	-	3,353.86	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,353.86
Employee liabilities transferred in	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	56.30	-	56.30	1,217.67
Employee liabilities transferred out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.76	-	25.76	-
Share based expense during the year	-	27.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.80
Sale of services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68.24	-	68.24	-
Business support Service (income)	-	-	-	103.05	-	-	-	-	-	-	-	-	-	-	197.99	-	197.99	103.05





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of services	-	-	-	30,414.02	-	-	-	-	-	-	-	-	-	-	35,381.63	-	35,381.63	30,414.02
Business support Service (expense)	-	-	-	158.06	-	-	-	-	-	-	-	-	-	-	106.18	-	106.18	158.06
Corporate guarantee fees	-	-	-	440.38	-	-	-	-	-	-	-	-	-	-	829.68	-	829.68	440.38
Remuneration and expense reimbursements	-	-	-	-	-	-	8,010.07	3,600.01	-	-	-	-	-	-	-	-	8,010.07	3,600.01
Corporate guarantee given during the year	-	-	-	61,352.40	-	-	-	-	-	-	-	-	-	-	87,578.29	-	87,578.29	61,352.40
Corporate guarantee on outstanding balance of debt	-	-	-	29,258.51	-	-	-	-	-	-	-	-	-	-	79,187.02	-	79,187.02	29,258.51
Trade and other receivables	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	1,446.20	-	1,446.20	1,217.67
Trade and other payables	-	0.02	-	7,769.15	-	-	-	-	-	-	-	-	-	-	8,164.30	-	8,164.30	7,769.17
Contribution to post employment benefit plan trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	376.36	-	376.36	-

Note
Refer Note 2(b) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors".

(25) Breach of covenant
No covenants have been breached during the year.

(26) Divergence in asset classification and provisioning
The Company's asset classification policy is in accordance with RBI's asset classification norms.





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(27) Disclosure relating to Securitization

1 (i) Outstanding amount of Securitised assets as per books of the SPVs #

		As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (Count)	8	3
2	Total amount of securitised assets as per books of the SPEs	34,598.96	20,389.00
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	3,932.66	1,123.64
	Others	1,440.71	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	8,446.79	3,094.52
	(ii) Exposure to third party securitisations		-
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets Gain/loss on sale on account of securitisation	53,077.39	17,981.01
6	Form and quantum of services provided:		
	(i) Servicer fee	3.20	2.00
7	Performance of facility provided.		
	(a) Credit enhancement	3,932.66	1,123.64
	(b) Servicer fee	3.20	2.00
8	Average default rate of portfolios observed in the past - Personal loans	1.89%*	3.55%*
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Note: As per internal estimates of PAR90

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(28) Quarter on quarter Liquidity Coverage Ratio for the Financial Year ended March 31, 2025:

		Q1 FY 24-25		Q2 FY 24-25		Q3 FY 24-25		Q4 FY 24-25	
		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								
1	Total High Quality Liquid Assets (HQLA)	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	5,501.00	6,325.00	-	-	-	-
4	Secured wholesale funding	22,370.70	25,726.30	30,046.30	34,553.25	29,722.37	34,180.73	17,628.75	20,273.06
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(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	15,071.60	17,332.34	18,996.85	21,846.38	15,377.30	17,683.90	16,883.29	19,415.78
7	Other contingent funding obligations	25.02	28.78	215.22	247.51	311.66	358.41	396.51	455.99
8	TOTAL CASH OUTFLOWS	37,467.32	43,087.42	54,758.37	62,972.14	45,411.33	52,223.04	34,908.55	40,144.83
	Cash Inflows								
9	Secured lending	31,920.00	23,940.00	28,815.00	21,611.25	15,000.00	11,250.00	37,231.89	27,923.92
10	Inflows from fully performing exposures	56,882.00	42,661.50	59,460.74	44,595.56	58,962.77	44,222.08	61,538.00	46,153.50
11	Other cash inflows	7,155.44	5,366.58	5,633.00	4,224.75	2,678.33	2,008.75	2,296.84	1,722.63
12	TOTAL CASH INFLOWS	95,957.44	71,968.08	93,908.74	70,431.56	76,641.10	57,480.83	101,066.73	75,800.05
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		22,213.29		30,490.06		27,218.15		14,853.04
14	TOTAL NET CASH OUTFLOWS		10,771.85		15,743.04		13,055.76		10,036.21
15	LIQUIDITY COVERAGE RATIO (%)		206.22%		193.67%		208.48%		147.99%

	Components of HQLA:								
1	Assets to be included as HQLA without any haircut	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04
	(a) T-Bills	-	-	-	-	-	-	-	-
	(b) Bank balance	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	-		-	-	-		-	
	Total HQLA	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The Company maintains adequate liquidity buffers considering its operating requirements, growth needs as well as funding obligations.

The LCR levels for the Balance Sheet date is derived by arriving at the stressed expected cash inflows and outflows for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15% (i.e 115% of expected and contracted cash outflows). Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25% (i.e 75% of expected and contracted cash inflows).

The Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) committed credit facilities contracted with it's customers, and (3) other expected or contracted cash outflows. Inflows comprises of: (1) expected receipt from all performing loans, and (2) liquid investment which are unencumbered and have not been considered as part of HQLA.

As prescribed by the RBI Regulations, for the purpose of HQLA, the Company considers cash and cash equivalents without any haircut and other high-quality liquid assets with the prescribed haircuts. The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period.





(29) **Details of penalties imposed by RBI and other regulators**

Year ended March 31, 2025:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2024-25.

Year ended March 31, 2024:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2023-24.

(30) **Remuneration of non-executive directors**

Particulars	For the year ended March 31, 2025	March 31, 2024
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa (Upto July 22, 2024)	6.00	11.50
Shashikala Ramachandra (w.e.f. July 19, 2024)	12.00	-

Note: The above numbers are excluding GST.

(31) **Others**

(a) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(b) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(c) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(d) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(e) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(g) Registration obtained from other financial sector regulators - None.

(h) Remuneration of non executive directors - Refer Point 24 of the Annexures to the Financial Statements.

(i) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(j) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(k) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(l) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no overseas assets owned by the Company.

(m) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.

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A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)

F-7, Lajpat Nagar-III, New Delhi-110024

Phones : 29835500-01, 41715991

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Independent Auditors' Report on the Ind AS Financial Statements

To the Members of KrazyBee Services Private Limited

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statement").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Ind AS financial Statements in accordance with the standards on auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of loans and advances to customers Charge: Rs 43,188.24 Lacs for the year ended March 31, 2024 Provision: Rs 25,667.95 Lacs at March 31, 2024	
Subjective estimate Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instrument, allowance for loan loss is determined using expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater level of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: a. Data inputs- The application of ECL model requires several data inputs. This increases the risk that the data that has been used to derive assumptions in the model, which are used for ECL calculations, may not be complete and accurate. b. Model estimations- Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"). The PD and the	Our audit procedures included the following: a. Performed end to end process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance process. b. Assessed the design and implementation of controls in respect of the Company's impairment loss process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management. c. Testing of review controls over measurement of impairment allowances and disclosures in financial statements. d. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standard and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. e. Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied.

Key audit matters	How our audit addressed the key audit matter
LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. e. Economic scenarios- Ind AS 109 requires the Company to measure ECLs on an unbiased forward- looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. d. Qualitative adjustments- In the absence of time tested historical data for certain loan products, management has used surrogate industry estimates or derived inputs using regulatory guidance. Management believes that these estimates though address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts.	f. Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. g. Model calculations testing through re-performance where possible. h. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance on the financial statements are appropriate and sufficient.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

   Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. 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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Ind AS 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 boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.



8. 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

10. 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 Ind AS financial statements for the financial year ended March 31, 2024 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.

Report on Other Legal and Regulatory Requirements

11. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position subject to Note no. 45 of financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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;

b) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility which is enabled at database level. Further, where audit trail (edit log) feature was enabled and operated throughout the year for the accounting software at application level, we did not come across any instance of the audit trail feature being tampered with; to be read along with note 46 to the Ind AS Financial Statements.

For **ASC & ASSOCIATES**
Chartered Accountants
ICAI Firm Registration Number: 011863N



Denesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHGXK6499

A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)

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Phones : 29835500-01, 41715991

ascassociates92@gmail.com

Annexure 1 referred to in paragraph 11 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.



(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. The Company is regular in depositing with Provident fund except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income-tax, goods & service tax, cess, provident fund and employees' state insurance which have not been deposited on account of any dispute. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.



(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, 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 willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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 reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any Non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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



(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 32(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 32(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **ASC & ASSOCIATES**
Chartered Accountants
ICAI Firm Registration Number: 011863N



Denesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHGXK6499

A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)

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Annexure '2' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

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

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2024, 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.

For **ASC & ASSOCIATES**
Chartered Accountants
ICAI Firm Registration Number: 011863N



Denesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHGYX6499

KRAZYBEE SERVICES PRIVATE LIMITED

Balance sheet

(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(I)	21,510.17	28,194.14
(b)	Bank balance other than (a) above	3(II)	7,347.26	4,844.87
(c)	Trade receivables	4	416.27	2,666.40
(d)	Loans	5	456,693.19	231,831.62
(e)	Investments	6	-	13,193.16
(f)	Other financial assets	7	5,307.66	6,023.68
			491,274.55	**286,753.87**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	8	994.20	1,351.38
(b)	Deferred tax assets (net)	9	6,962.89	2,417.75
(c)	Property, plant and equipment	10	318.08	73.68
(d)	Right of use asset	37(ia)	1,637.24	319.84
(e)	Intangible assets under development	11	51.07	-
(f)	Other intangible assets	12	9.85	4.78
(g)	Other non-financial assets	13	2,845.22	1,801.42
			12,818.55	**5,968.85**
	TOTAL ASSETS		**504,093.10**	**292,722.72**
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	14	1,401.67	195.42
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		11,446.55	1,884.21
(b)	Debt securities	15	120,184.10	72,050.90
(c)	Borrowings (other than debt securities)	16	153,787.36	57,308.37
(d)	Other financial liabilities	17	7,720.12	662.66
			294,539.80	**132,101.56**
(2)	**Non-financial liabilities**			
(a)	Provisions	18	776.43	236.72
(b)	Other non-financial liabilities	19	3,742.93	1,330.47
			4,519.36	**1,567.19**
(3)	**EQUITY**			
(a)	Equity share capital	20(b)	112.73	111.79
(b)	Instruments entirely equity in nature	20(b)	86,015.88	70,136.82
(c)	Other equity	21	118,905.33	88,805.36
			205,033.94	**159,053.97**
	TOTAL LIABILITIES AND EQUITY		**504,093.10**	**292,722.72**

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 001361N

ASC & ASSOCIATES * Chartered Accountants * NEW DELHI

CA Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHGHXK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2024

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2024

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of profit and loss

(All amounts are in Rs. Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
	Revenue from operations			
(i)	Interest income	22	122,583.41	47,774.98
(ii)	Fees and commission income	23	16,878.72	17,070.38
(iii)	Net gain on fair value changes	24	463.58	451.60
(iv)	Other operating income	25	-	6,403.83
1	**Total revenue from operations**		**139,925.71**	**71,700.79**
2	Other income	26	107.01	67.11
3	**Total income (1+2)**		**140,032.72**	**71,767.90**
	Expenses			
(i)	Finance costs	27	23,510.14	16,454.64
(ii)	Fees and commission expense	28	11,107.50	14,652.80
(iii)	Impairment on financial instruments	29	43,188.23	24,853.22
(iv)	Employee benefits expenses	30	18,834.64	3,736.74
(v)	Depreciation and amortization expense	31	364.67	165.15
(vi)	Other expenses	32	16,188.87	3,155.58
4	**Total expenses**		**113,194.05**	**63,018.13**
5	**Profit before tax (3-4)**		**26,838.67**	**8,749.77**
	Tax expense:	33		
	(1) Current tax		11,229.53	2,247.31
	(2) Deferred tax credit		(4,544.64)	(89.74)
	(3) Tax in respect of earlier years		117.96	83.35
6	**Total tax expense**		**6,802.85**	**2,240.92**
7	**Profit for the year (5-6)**		**20,035.82**	**6,508.85**
8	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit or loss		(1.96)	(18.77)
	Gain/(Loss) on remeasurement of defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.49	4.72
	Total other comprehensive loss for the year (net of tax)		**(1.47)**	**(14.05)**
9	**Total comprehensive income for the year (7+8)**		**20,034.35**	**6,494.80**
10	Earnings per equity share			
	Basic (Rs.)		1,787.12	579.22
	Diluted (Rs.)		1,325.21	532.55

Summary of material accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHB1XK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2024

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2024

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:		
Profit before tax	**26,838.67**	**8,749.77**
Adjustments for:		
Interest income	(122,091.16)	(47,275.83)
Depreciation and amortization expense	364.67	165.15
Interest income from investments	(492.25)	(499.15)
Realised gain on sale of investments	(463.58)	(423.79)
Unrealised gain on sale of investments	-	(27.81)
Impairment on financial instruments	43,188.23	24,853.22
Share based payment expense	6,062.97	241.49
Finance cost	23,403.66	15,352.56
Interest income on security deposits	(11.30)	(5.83)
Interest on lease liability	106.48	37.09
Cash inflow from interest on loans	117,530.42	50,001.92
Cash outflow towards finance cost	(23,001.61)	(14,405.93)
Cash generated from operations before working capital changes	**71,435.20**	**36,762.86**
Working capital changes:		
Decrease in bank balances other than cash and cash equivalents	-	35.91
(Increase) in loans	(262,282.92)	(147,951.83)
Decrease in trade receivables	2,250.13	6,874.15
Decrease / (Increase) in other financial assets	727.32	(1,470.18)
(Increase) in other non-financial assets	(1,117.06)	(1,492.77)
Increase in trade payables	10,768.59	1,358.87
Increase in provisions	537.75	104.87
Increase in other financial liabilities	5,768.96	274.51
Increase in other non-financial liabilities	1,206.32	155.81
Cash (used in) operations	**(170,705.71)**	**(105,347.80)**
Income tax paid (net of refunds)	(10,990.31)	(3,828.48)
Net cash flows (used in) operating activities (A)	**(181,696.02)**	**(109,176.28)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(384.19)	(41.46)
Sale of property, plant and equipment and intangible assets	0.21	0.81
Purchase of investment in mutual funds	(347,900.00)	(266,443.00)
Proceeds from liquidation of investment in mutual fund	361,556.73	259,899.42
Net investments in fixed deposits	(2,486.00)	(3,661.82)
Interest received on investments	475.86	463.24
Net cash (used in)/generated from investing activities (B)	**11,262.61**	**(9,782.81)**
Cash flow from financing activities:		
Issue of CCPS (including securities premium & net of share issue expenses)	20,974.17	92,390.85
Proceeds from issue of equity share capital (including security premium)	2,263.04	-
Buy back of equity shares (including related income tax)	-	(724.11)
Debt securities issued	134,495.00	86,855.00
Debt securities repaid	(86,287.57)	(42,477.54)
Borrowings other than debt securities raised	424,591.07	168,701.24
Borrowings other than debt securities repaid	(328,588.36)	(165,036.14)
Dividends paid (including related income tax)	(3,354.56)	-
Payment of lease liability	(343.35)	(172.19)
Net cash generated from financing activities (C)	**163,749.44**	**139,537.11**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(6,683.97)**	**20,578.02**
Cash and cash equivalents at the beginning of the period	28,194.14	7,616.12
Cash and cash equivalents at the end of the year*	**21,510.17**	**28,194.14**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 01042N

Denesh Singh
Partner
Membership No: 092345
Place: New Delhi
Date: May 29, 2024
UDIN: 24092345BKHG4XK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2024

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2024

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of changes in equity

(All amounts are in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024		As at March 31, 2023	
(A) Equity share capital	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	1,117,953	111.79	1,123,852	112.38
Add: Issued during the year	9,361	0.94	-	-
Less: Buyback of equity shares	-	-	5,899	0.59
Balance at the end of the year	**1,127,314**	**112.73**	**1,117,953**	**111.79**

(B) Instruments entirely equity in nature				
0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each issued, subscribed and fully paid	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	389,649	70,136.82	-	-
Add: Issued during the year	88,217	15,879.06	389,649	70,136.82
Balance at the end of the year	477,866	86,015.88	389,649	70,136.82

(C) Other equity

For the year ended March 31, 2024:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves	Securities premium	Share options outstanding	Retained earnings	Capital redemption	Remeasurement of defined	
Balance as at April 1, 2023	**3,239.33**	**71,894.59**	**868.39**	**12,806.61**	**0.59**	**(4.15)**	**88,805.36**
Profit for the year	-	-	-	20,035.82		-	20,035.82
Other comprehensive income (net of tax)	-	-	-	-	-	(1.47)	(1.47)
Total comprehensive income	**3,239.33**	**71,894.59**	**868.39**	**32,842.43**	**0.59**	**(5.62)**	**108,839.71**
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,007.16	-	-	(4,007.16)	-	-	-
Dividend Paid	-	-	-	(3,354.56)	-	-	(3,354.56)
ESOP adjustment	-	-	883.37	-	-	-	883.37
Adjustment upon cancellation and exercise of options	-	-	(21.34)	-	-	-	(21.34)
Transactions with owners in their capacity as owners:							
Issue of equity shares	-	2,262.10	-	-	-	-	2,262.10
Issue of CCPS	-	5,447.51	-	-	-	-	5,447.51
Amount utilised for share issue expenses		(352.40)					(352.40)
Share based payments to employees for the year	-	-	5,200.94	-	-	-	5,200.94
Balance as at March 31, 2024	**7,246.49**	**79,251.80**	**6,931.36**	**25,480.71**	**0.59**	**(5.62)**	**118,905.33**





KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2023:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital redemption reserve	Remeasurement of defined benefit liability	
Balance as at April 1, 2022	1,937.56	50,364.67	626.90	7,599.53	-	9.90	60,538.56
Profit for the year	-	-	-	6,508.85	-	-	6,508.85
Other comprehensive income (net of tax)	-	-	-	-	-	(14.05)	(14.05)
Total comprehensive income	1,937.56	50,364.67	626.90	14,108.38	-	(4.15)	67,033.36
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	1,301.77	-	-	(1,301.77)	-	-	-
Transfer to Capital Redemption reserve	-	(0.59)	-	-	0.59	-	-
Transactions with owners in their capacity as owners:							
Issue of CCPS	-	24,061.33	-	-	-	-	24,061.33
Amount utilised for share issue expenses	-	(1,807.30)	-	-	-	-	(1,807.30)
Transfer on account of buy-back of equity shares*	-	(723.52)	-	-	-	-	(723.52)
Share based payments to employees-for the year	-	-	241.49	-	-	-	241.49
Balance as at March 31, 2023	**3,239.33**	**71,894.59**	**868.39**	**12,806.61**	**0.59**	**(4.15)**	**88,805.36**

** Including tax on buy-back of Rs. 136.70 lakhs.*

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 001363N

Denesh Singh
Partner
Membership No:097345
Place: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHUXK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2024

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2024

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

1 General Information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ('RBI') with effect from May 25, 2017, with Registration No. N-02.00281. The Company is engaged in the business of consumer lending. The Company is a non-deposit taking NBFC and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019.

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions'), notification for Implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI notification for Implementation of Ind AS') and other applicable RBI circulars/notifications.

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on May 29, 2024.

(a) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful life
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years





2.2 Property, plant and equipment (contd.)

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/'Other expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.

Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.





2.6 Revenue recognition

(a) Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

The effective interest rate method:

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the asset is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges) if expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of Profit and Loss.

(b) Other revenue from operations:

The Company recognises 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 recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

Fees that are not an integral part of the effective interest rate of a financial instrument are also accounted for in accordance with Ind AS 115. This includes loan syndication fees received by the Company for arranging a loan and retaining a part of it at the same effective interest rate for comparable risk as other co-lending partners.

(i) Services fees:

The Company receives service fees towards rendering of services to its customers and recognizes revenue on satisfactory completion of these services. Fees on value added services and products are recognised on rendering of services and products to the customer.

(ii) Delayed payment charges:

Delayed payment charges (penal interest and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation.

(iii) Fees and commission income:

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

(iv) Business support services:

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 Dividend income

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year 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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.





(b) **Deferred tax (contd.)**

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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2.11 Provisions and contingent liabilities (contd.)

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

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) (c) Day 1 profit and loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

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(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Given the short term nature of the loans, the Company does not discount the cash flows receivable on the financial assets.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the Statement of Profit and Loss. In the Balance Sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has used probability weights for various economic scenarios based on management's as well as professional judgement. The probability weights is reviewed periodically and amended based on the forward-looking information as available from time to time. Any change to the probability weights is approved by the Risk Management function of the Company.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

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(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

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(ii) **Defined benefit plans (contd.)**

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Use of judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 36.

(b) **Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) **Defined benefit plans (gratuity benefits and leave encashment)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 35.





(d) **Useful life and expected residual value of assets**

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) **Leases**

The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

(II) **Judgements**

(a) **Business model assessment**

Classification and measurement of financial assets depends on the results of the Solely payments of principal and Interest (SPPI)and the business model test . The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. 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.

(b) **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) **Effective Interest Rate (EIR) method**

The Company's EIR methodology, recognises 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 and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) **Impairment of financial asset**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults, Exposure at defaults and Loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.





(e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is considered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:
i. changes during the period in operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.
Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.20 Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 De-recognition of property, plant and equipment and intangible assets

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 determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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2.23 Share based payment transaction

The stock options is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

2.24 Financial guarantees

As issuer of financial guarantees:

Financial guarantees are initially recognised in the Financial Statements (within 'other liabilities') at fair value, being the premium received. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the Statement of Profit and Loss in impairment expense. The premium received is recognised in the Statement of Profit and Loss in fees and commission income over the life of the

As beneficiary of financial guarantees:

The Company avails financial guarantees from its parent and fellow subsidiaries towards borrowings availed from various lenders.The fair value of the consideration has been expensed off as per Ind AS.

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		March 31, 2024	March 31, 2023
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		17,297.81	12,374.19
Balances with banks in escrow accounts		4,212.36	4,405.77
Fixed deposits with original maturity of three months or less		-	11,414.18
Total	(I)	**21,510.17**	**28,194.14**
(ii) Bank balance other than cash and cash equivalent			
Encumbered (Refer Notes below)		6,369.17	4,727.87
Unencumbered		978.09	117.00
Total other bank balances	(II)	**7,347.26**	**4,844.87**
Total cash and bank balances	(I+II)	**28,857.43**	**33,039.01**

Notes:

(a) Fixed deposits aggregating to Rs. 216.72 lakhs (March 31, 2023: Rs. 2,143.37 lakhs) placed with Banks have a lien for term loan facilities availed by the Company.

(b) Fixed deposits aggregating to Rs. 11.20 lakhs (March 31, 2023: Rs. 11.20 lakhs) placed with Banks have a lien for a credit card facility availed by the Company.

(c) Fixed deposits aggregating to Rs. 1.26 lakhs (March 31, 2023: Rs. 1,542.99 lakhs) placed with Banks have a lien for the overdraft facility availed by the Company.

(d) Fixed deposits aggregating to Rs. 1,128.70 lakhs (March 31, 2023: Rs. 366.41 lakhs) are provided as collateral for Securitized Liabilities of the Company.

(e) Fixed deposits aggregating to Rs. 25 lakhs (March 31, 2023: Rs. 25 lakhs) placed with Banks have a lien for Bank Guarantees provided by the Company.

(f) Fixed deposits aggregating to Rs. 2,351.01 lakhs (March 31, 2023: Rs. 638.90 lakhs) placed with Banks have a lien for working capital loans availed by the Company.

(g) Fixed deposits aggregating to Rs. 2,635.28 lakhs (March 31, 2023: Rs. Nil) placed with Banks have a lien for default loss guarantee cover provided by the Company.

(h) Balance with banks in escrow accounts do not include balances of the Company's colending partners as these funds are in the nature of float balances for daily disbursements as well as collections from end-customers pending settlement to colending partners.

(i) Also refer Note 45 to these Financial Statements.

4 Trade receivables			
Considered good -Unsecured			
Fees, commission and others		416.27	2,666.40
		416.27	**2,666.40**
Less: Allowance for impairment loss		-	-
Total trade receivables		**416.27**	**2,666.40**
Trade receivables include debts due by:			
Private company in which director is a director or a member (Refer Note 38)		-	2,666.40

(a) **Trade Receivables ageing schedule**

Undisputed trade receivables - considered good		
Unbilled due	330.26	-
Outstanding from due date of payment:		
Less than 6 months	86.01	234.63
from 6 months to 1 years	-	-
from 1 year to 2 years	-	2,431.77
from 2 year to 3 years	-	-
More than 3 years	-	-

(b) Impairment loss allowance recognised on Undisputed trade receivables is Rs. Nil (Previous year Rs. Nil).

(c) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.





	March 31, 2024	March 31, 2023
5 Loans		
Loans (at amortised cost)		
Loan to customers	482,361.14	241,674.31
Less: Impairment loss allowance	(25,667.95)	(9,842.69)
Total	**456,693.19**	**231,831.62**
(A)		
(I) Term loans	482,361.14	241,674.31
(II) Others	-	-
Less: Impairment loss allowance	(25,667.95)	(9,842.69)
Total (A)	**456,693.19**	**231,831.62**
(B)		
(I) Secured by tangible assets	354.67	-
(II) Secured by intangible assets	-	-
(III) Covered by Bank/Government guarantee	-	-
(iv) Unsecured	482,006.47	241,674.31
Less: Impairment loss allowance	(25,667.95)	(9,842.69)
Total (B)	**456,693.19**	**231,831.62**
(C)		
Loans outside India	-	-
Loans in India		
(I) Public sector	-	-
(II) Others		
(a) Retail	482,361.14	241,674.31
(a) Corporate	-	-
Less: Impairment loss allowance	(25,667.95)	(9,842.69)
Total (C)	**456,693.19**	**231,831.62**
Summary of EIR impact on loans		
Total Gross Loan	483,823.75	243,305.40
Less: EIR impact	(1,462.61)	(1,631.09)
Total Gross Loan net of EIR impact	**482,361.14**	**241,674.31**

Includes receivables from related parties (Refer Note 38)

6 Investments		
Investments carried at fair value through profit or loss		
Liquid mutual funds, quoted	-	13,193.16
Total	**-**	**13,193.16**
Liquid mutual funds, quoted		
DSP Overnight Fund - Growth Rs. Nil (March 31, 2023: 3,71,182.68 units of Rs. 1,200.65 each)	-	4,456.60
Nippon Overnight Fund - Growth Rs. Nil (March 31, 2023: 5,07,043.23 units of Rs. 120.36 each)	-	610.30
Baroda BNP Paribas Over Night Fund - Growth Rs. Nil (March 31, 2023: 3,50,399.07 units of Rs. 1,177.26 each)	-	4,125.09
SBI Overnight Fund Direct Growth Rs. Nil (March 31, 2023: 1,09,643.72 units of Rs. 3,649.25 each)	-	4,001.17

All the above investments are in India.

7 Other financial assets		
Security deposit	306.13	112.47
Receivables from intermediaries*	3,414.08	4,882.18
Others receivables	1,587.45	1,029.03
Total	**5,307.66**	**6,023.68**

*Note (a): The amount represents balance of loans repaid by borrowers, which as at the Balance Sheet date is pending settlement by the intermediary e-wallet/payment gateways to the Company and is generally settled on a Transaction plus one/two (T+1/T+2) banking days basis.

*Note (b): Also refer Note 45 to these Financial Statements.

Other receivables include (Refer Note 38):		
Receivable from related party - Finnovation Tech Solutions Private Limited	1,217.67	-

8 Current tax assets (net)		
Advance income tax	994.20	1,351.38
Total	**994.20**	**1,351.38**

Advance tax (net) is Rs. 477.83 lakhs (March 31, 2023: 513.35 lakhs). Advance tax also includes income tax refundable for previous years.

9 Deferred tax assets (net)		
Deferred tax assets	6,962.89	2,417.75
Total	**6,962.89**	**2,417.75**

Note: Refer Note 33 for the reconciliation of income tax expenses for the year.





KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

10 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
(a) Owned assets									
Furniture and fixtures	37.93	56.33	-	94.26	12.58	22.07	-	34.65	59.61
Office equipment's	27.76	57.67	1.49	83.94	16.53	18.90	1.28	34.15	49.79
Leasehold improvement	-	135.62	-	135.62	-	24.19	-	24.19	111.43
Computers	218.92	75.15	-	294.07	181.82	15.00	-	196.82	97.25
Total	284.61	324.77	1.49	607.89	210.93	80.16	1.28	289.81	318.08

	Gross block				Depreciation				Net block
	As at April 1, 2022	Additions	Deductions	As at March 31, 2023	As at April 1, 2022	For the year	On deductions	Up to March 31, 2023	As at March 31, 2023
Owned assets									
Furniture and fixtures	36.55	1.38	-	37.93	8.96	3.62	-	12.58	25.35
Office equipment's	26.43	3.72	2.39	27.76	12.41	5.70	1.58	16.53	11.23
Leasehold improvement	-	-	-	-	-	-	-	-	-
Computers	186.13	32.79	-	218.92	167.39	14.43	-	181.82	37.10
Total	249.11	37.89	2.39	284.61	188.76	23.75	1.58	210.93	73.68

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11 Intangible assets under development

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
Intangible assets under development	-	51.07	-	51.07	-	-	-	-	51.07
Total	-	51.07	-	51.07	-	-	-	-	51.07

	Gross block				Amortization				Net block
	As at April 1, 2022	Additions	Deductions	As at March 31, 2023	As at April 1, 2022	For the year	On deductions	As at March 31, 2023	As at March 31, 2023
Intangible assets under development	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Computer software	March 31, 2024	51.07	-	-	-	51.07
Computer software	March 31, 2023	-	-	-	-	-

12 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
Computer software	37.83	7.81	-	45.64	33.05	3.29	-	36.34	9.30
Trade Mark	-	0.55	-	0.55	-	-	-	-	0.55
Total	37.83	8.36	-	46.19	33.05	3.29	-	36.34	9.85

	Gross block				Amortization				Net block
	As at April 1, 2022	Additions	Deductions	As at March 31, 2023	As at April 1, 2022	For the year	On deductions	As at March 31, 2023	As at March 31, 2023
Computer software	34.25	3.58	-	37.83	31.50	1.55	-	33.05	4.78
Total	34.25	3.58	-	37.83	31.50	1.55	-	33.05	4.78





		March 31, 2024	March 31, 2023
13	**Other non-financial assets**		
	Prepaid expenses	395.32	138.61
	Advance to suppliers	64.61	26.55
	Debt prepayments	1,790.59	1,002.41
	Capital advances	-	6.00
	GST input tax credit	94.70	127.85
	Other Advances*	500.00	500.00
	Total	**2,845.22**	**1,801.42**

*Note : Also refer Note 45 to these Financial Statements.

14	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	1,401.67	195.42
(b)	Total outstanding dues creditors other than micro enterprises and small enterprises	11,446.55	1,884.21
	Total	**12,848.22**	**2,079.63**

Trade payables ageing schedule:

	March 31, 2024		March 31, 2023	
Outstanding for following periods from due date of payment	**MSME**	**Others**	**MSME**	**Others**
Unbilled due	1,389.67	6,651.68	67.67	1,179.51
Less than 1 year	12.00	4,793.27	127.75	703.34
1 - 2 years	-	-	-	0.05
2 - 3 years	-	1.60	-	1.31
> 3 years	-	-	-	-

Note

1. The Company has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 and March 31, 2023 have been made in the Financials Statements based on information received and available with the Company.
2. The Company does not have any disputed dues payable as on March 31, 2024 and March 31, 2023.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars		
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	1,401.67	195.42
Interest	9.08	3.85
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	9.08	3.85
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	9.08	3.85

Trade payables include (Refer Note 38):		
Payable to Finnovation Tech Solutions Private Limited	7,363.75	374.60

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	March 31, 2024	March 31, 2023
15 Debt securities*		
At amortized cost		
Secured		
Privately placed reedeemable non-convertible debentures**	105,012.70	66,114.94
Unsecured		
Commercial Papers - unsecured	15,171.40	5,935.96
Total	120,184.10	72,050.90

**All the Debt securities are in India.*

*** Non-convertible debentures includes principal and interest repayment to related party - Refer note 38*

i. **Terms of repayment of privately placed redeemable non-convertible debentures as at March 31, 2024:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	72,863.79	31,804.45	-	-	104,668.24
Interest accrued	1,485.73	-	-	-	1,485.73
Impact of EIR					(1,141.27)
TOTAL	74,349.52	31,804.45	-	-	105,012.70

Key repayment terms:

Interest rates	Ranging from 9.80% to 12.50%.
Principal and Interest	Various securities comprising of equated monthly installments, quarterly installments, Semi-annual payments, annual payments and bullet repayment schedules.
No. of installments	79

Terms of repayment of privately placed redeemable non-convertible debentures as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	52,489.14	12,650.66	-	-	65,139.80
Interest accrued	1,354.06	205.90	-	-	1,559.96
Impact of EIR					(584.82)
TOTAL	53,843.20	12,856.56	-	-	66,114.94

Key repayment terms:

Interest rates	Ranging from 11.40% to 15%.
Principal and Interest	Various securities comprising of equated monthly installments, quarterly installments, Semi-annual payments, annual payments and bullet repayment schedules.
No. of installments	69

ii. All the above non-convertible debentures are secured by way of hypothecation of the loan receivables of the Company. Minimum security cover of 1.00 to 1.20 times is required to be maintained throughout the term of the debentures.

iii. Rs. 8,804.49 lakhs (March 31, 2023: Rs. 39,197.90 lakhs) of the non-convertible debentures are guaranteed by a fellow subsidiary, Finnovation Tech Solutions Private Limited.

iv. The Company has not defaulted in the repayment of dues to its lenders.

v. **Terms of repayment of commercial papers as at March 31, 2024:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	15,725.00	-	-	-	15,725.00
Discount on CP	(498.05)	-	-	-	(498.05)
Impact of EIR					(55.55)
TOTAL	15,226.95	-	-	-	15,171.40

Key repayment terms:

Interest rates	Ranging from 10.65% to 11.75%.
Principal and Interest	Securities comprising bullet repayment schedules.
No. of installments	5

Terms of repayment of commercial papers as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	6,000.00	-	-	-	6,000.00
Discount on CP	(64.04)				(64.04)
Impact of EIR					-
TOTAL	5,935.96	-	-	-	5,935.96

Key repayment terms:

Interest rates	Ranging 12.25%.
Principal and Interest	Securities comprising bullet repayment schedules.
No. of installments	2





KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2024	March 31, 2023
16 Borrowings (other than debt securities)		
At amortized cost, secured		
Term loans		
i. From Banks	27,560.27	10,698.73
ii. From others	74,010.16	38,210.51
Working capital loans	18,504.88	7,926.46
Bank overdraft	16,460.11	-
Securitization liabilities	17,251.94	472.67
Total	**153,787.36**	**57,308.37**
Borrowings in India	153,787.36	57,308.37
Borrowings outside India	-	-

Notes:

i. **Terms of repayment of term loans (Banks) as at March 31, 2024:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	24,535.44	3,062.77	-	-	27,598.21
Interest accrued	75.68	-	-	-	75.68
Impact of EIR					(113.62)
TOTAL	24,611.12	3,062.77	-	-	27,560.27

Key repayment terms:

Interest rates	Ranging from 8.85% to 12.50%.
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and bullet repayment schedules.
No. of installments	101

Terms of repayment of term loans (Banks) as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	10,209.08	499.91	-	-	10,708.99
Interest accrued	75.73	-	-	-	75.73
Impact of EIR					(85.99)
TOTAL	10,284.81	499.91	-	-	10,698.73

Key repayment terms:

Interest rates	Ranging from 10.20% to 14.85%.
Principal and Interest	Various loans comprising of equated monthly installments.
No. of installments	40

Terms of repayment of term loans (Others) as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	71,651.09	1,935.76	-	-	73,586.85
Interest accrued	555.62	-	-	-	555.62
Impact of EIR					(132.31)
TOTAL	72,206.71	1,935.76	-	-	74,010.16

Key repayment terms:

Interest rates	Ranging from 10.00% to 13.50%.
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and semi-annual repayment schedules.
No. of installments	244

Terms of repayment of term loans (Others) as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	1,678.36	36,383.58	-	-	38,061.94
Interest accrued	231.93	-	-	-	231.93
Impact of EIR					(83.36)
TOTAL	1,910.29	36,383.58	-	-	38,210.51

Key repayment terms:

Interest rates	Ranging from 11.60% to 14.35%.
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments, semi-annual and bullet repayment schedules.
No. of installments	162





16 Borrowings (other than debt securities) (contd.)

Terms of repayment of term loans (Working Capital) as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	18,500.00	-	-	-	18,500.00
Interest accrued	77.26	-	-	-	77.26
Impact of EIR					(72.38)
TOTAL	18,577.26	-	-	-	18,504.88

Key repayment terms:

Interest rates	Ranging from 7.97% to 10.85%.
Principal and Interest	Bullet repayment schedules
No. of installments	5

Terms of repayment of term loans (Working Capital) as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	8,000.00	-	-	-	8,000.00
Interest accrued	-	-	-	-	-
Impact of EIR					(73.54)
TOTAL	8,000.00	-	-	-	7,926.46

Key repayment terms:

Interest rates	Ranging from 9.05% to 11.95%.
Principal and Interest	Bullet repayment schedules and monthly interest repayment
No. of installments	5

iii. Terms of repayment of securitisation liabilities as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	12,904.19	4,390.28	-	-	17,294.47
Interest accrued	76.00	-	-		76.00
Impact of EIR					(118.53)
TOTAL	12,980.19	4,390.28	-	-	17,251.94

Key repayment terms:

Interest rates	Ranging from 10.75% to 11.35%.
Principal and Interest	Basis repayment trends of the underlying pool of receivables.
No. of installments	40

Terms of repayment of securitisation liabilities as at March 31, 2023:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	477.09	-	-	-	477.09
Interest accrued	0.61	-	-	-	0.61
Impact of EIR					(5.03)
TOTAL	477.70	-	-	-	472.67

Key repayment terms:

Interest rates	Ranging from ~11.00%.
Principal and Interest	Basis repayment trends of the underlying pool of receivables.
No. of installments	02

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iv. Nature of Security:

i. Securitisation liabilities are secured with a Fixed Deposit of Rs. 1,128.70 lakhs (March 31, 2023: Rs. 366.41 lakhs) and hypothecation of specific loan receivables of the Company.

ii. Term loans are secured with Fixed Deposits of Rs. 216.72 lakhs (March 31, 2023: Rs. 2,143.37 lakhs).

iii. Working Capital loans are secured with Fixed Deposits of Rs. 2,351.01 lakhs (March 31, 2023: Rs. 638.90 lakhs).

iv. Overdraft facility are secured with Fixed Deposits of Rs. 1.26 lakhs (March 31, 2023: Rs. 1,542.99 lakhs).

v. Balances of bank overdraft of the Company aggregating to Rs. 16,460.11 lakhs (March 31, 2023: Rs. Nil) has been secured by way of liens on fixed deposit balances of a fellow subsidiary Finnovation Tech Solutions Private Limited.

vi. Balances of working capital loan aggregating to Rs. 3,000 lakhs (March 31, 2023: Rs. Nil) has been secured by way of liens on fixed deposit balances of a fellow subsidiary Finnovation Tech Solutions Private Limited.

vii. The borrowings have not been guaranteed by directors or others.

viii. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

ix. All the above term loans are secured by hypothecation of portfolio of the Company. Minimum security cover of 1.10 to 1.25 times is required to be maintained throughout the term of the loan.

x. The working capital loans are secured by hypothecation of portfolio of the Company. Minimum security cover is generally 1.25 to 1.40 times and is required to be maintained throughout the term of the loan.

xi. There are no defaults as on balance sheet date in repayment of any dues of any term loans, commercial papers and securitization liabilities.

xii. The Company has been sanctioned working capital limits of Rs. 18,500.00 lakhs (March 31, 2023: Rs. 10,500 lakhs) from banks on the basis of security of current assets of the Company. The Company has also filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement.

		March 31, 2024	March 31, 2023
17	**Other financial liabilities**		
	Employee benefits payable	1,645.83	52.45
	Lease liability	1,627.10	338.60
	Provision for default loss guarantee	3,819.98	-
	Capital creditors	3.35	-
	Others	623.86	271.61
	Total	**7,720.12**	**662.66**
	***Others include:(Refer Note 38):**		
	Payable to related party - Finnovation Tech Solutions Private Limited	405.40	136.04
	Payable to related party - Vivek Veda	-	0.09
	Payable to related party - Finnov Private Limited	0.02	0.02
18	**Provisions**		
	Provision for gratuity	376.37	137.93
	Provision for compensated absences	400.06	98.79
	Total	**776.43**	**236.72**
19	**Other non - financial liabilities**		
	Statutory dues	1,587.44	381.12
	Interest received in advance	2,155.49	949.35
	Total	**3,742.93**	**1,330.47**

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	March 31, 2024	March 31, 2023
20(a) Equity share capital		
The Company has only one class of equity share capital having a par value of Rs. 10 per share, referred to herein as equity shares.		
Authorized		
30,00,000 equity shares of Rs. 10 each (March 31, 2023: 30,00,000 equity shares of Rs. 10 each)	300.00	300.00
20(b) Instruments entirely equity in nature		
The Company has only one class of preference share capital having a par value of Rs. 18,000 per share, referred to herein as preference shares.		
Authorized		
5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each (March 31, 2023: 5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each)	100,800.00	100,800.00
	101,100.00	101,100.00
Issued, subscribed and paid up share capital		
11,27,314 equity shares of Rs. 10 each (March 31, 2023: 11,17,953 equity shares of Rs. 10 each)	112.73	111.79
4,77,866 0.001% CCPS of Rs. 18,000 each (March 31, 2023: 3,89,649 0.001% CCPS of Rs. 18,000 each)	86,015.88	70,136.82
Total	86,128.61	70,248.61

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

	March 31, 2024		March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning of the year	1,117,953	111.79	1,123,852	112.38
Add: Issued during the year	9,361	0.94	-	-
Less: Buy back of equity shares	-	-	5,899	0.59
Outstanding at the end of the year	1,127,314	112.73	1,117,953	111.79
Compulsorily convertible preference shares				
At the beginning of the year	389,649	70,136.82	-	-
Issued during the year	88,217	15,879.06	389,649	70,136.82
Outstanding at the end of the year	477,866	86,015.88	389,649	70,136.82

(b) Rights, preferences and restrictions attached to shares

Equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

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KRAZYBEE SERVICES PRIVATE LIMITED

Equity share capital (contd.)

Compulsorily Convertible Preference Shares:

Terms of Series D Compulsorily Convertible Preference Shares ("Series D CCPS")

1. **Voting:** Each holder of Series D CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis".

2. **Dividend:** Each Series D CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the Series D CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other Preference Shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the Equity Shares. In a case where dividends on any other class of shares of the Company are higher than the Series D CCPS dividend rate, such higher rate of dividends shall also be paid to the Series D CCPS holders.

3. **Conversion:** Each Series D CCPS shall convert into Equity shares on a 1:1 basis. The Series D CCPS can be converted at the option of the holder of the Series D CCPS by serving a prior written notice to the Company. The Series D CCPS will mandatorily convert in Equity Shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company.

4. **Valuation Protection:** The Series D CCPS holders are entitled to a valuation protection over the subscription price.

5. **Liquidation Preference:** The Series D CCPS carry a liquidation preference in preference to holders of Equity shares of the Company in the following manner (a) the relevant subscription price in respect of each Series D Preference Share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the Series D CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each Series D CCPS held.

(c) **Shares held by holding company**

	March 31, 2024	March 31, 2023
	Number	Number
Finnov Private Limited		
11,27,313 (March 31, 2023: 11,17,952) equity shares of Rs. 10 each fully paid	1,127,313	1,117,952

(d) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:**

Name of the shareholder	March 31, 2024		March 31, 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of Rs. 10 each fully paid up				
Finnov Private Limited	1,127,313	100.00%	1,117,952	100.00%
Compulsorily Convertible Preference Shares of Rs. 18,000 each fully paid				
Wiseanya Limited	249,581	52.23%	203,507	52.23%
PI Opportunities Fund I	66,350	13.88%	66,350	17.03%
PI Opportunities Fund II	15,709	3.29%	-	0.00%
India business Excellence Fund IV	64,149	13.42%	53,418	13.71%
MUFG Bank Ltd.	31,158	6.52%	24,202	6.21%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	29,939	6.27%	22,492	5.77%
Mirae Asset Late Stage Opportunities Fund	20,980	4.39%	19,680	5.05%
Total	477,866	100.00%	389,649	100.00%

(e) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:**
As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.





Equity share capital (contd.)

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) There are no shares reserved for issue under options or contracts and commitments.

(h) The Board of Directors at its meeting held on March 15, 2023, approved a proposal to buy-back upto 5,899 equity shares of the Company for an aggregate amount not exceeding Rs. 587.40 lakhs, being less than 10% of total number of paid up equity share capital at Rs. 9,957.69 per equity share. A Letter of Offer was made to all eligible shareholders. The Company extinguished the equity shares on March 24, 2023 and created a capital redemption reserve to the extent of share capital extinguished.

(i) **Details of shareholding of promoters in the Company:**

	March 31, 2024		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	1,127,313	100.00%	0.00%

	March 31, 2023		
Name of the promoter	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	1,117,952	100.00%	0.52%
Madhusudan Ekambaram	1	0.00%	(0.52%)
Karthikeyan Krishnaswamy	-	0.00%	(0.00%)

Note: During the financial year 2023-24, Mr. Madhusudan Ekambaram & Mr. Karthikeyan Krishnaswamy were categorized as Non-Promoters of the Company pursuant to resolution passed by Board of Director at its meeting held on 09th February 2024 and resolution passed by Shareholders of the Company at the Extra-Ordinary General Meeting held on13th February 2024. The Company has made relevant filings with regulatory authorities.

	March 31, 2024	March 31, 2023
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	3,239.33	1,937.56
Add: Transferred during the year	4,007.16	1,301.77
Closing balance	**7,246.49**	**3,239.33**
(b) Capital Redemption Reserve		
Opening balance	0.59	-
Add: Current year transfer from	-	0.59
Less: Utilization on account of / Transfer to	-	-
Closing balance	**0.59**	**0.59**
(c) Securities premium account		
Opening balance	71,894.59	50,364.67
Add : securities premium credited on issue of equity shares	2,262.10	-
Add : securities premium credited on issue of CCPS	5,447.51	24,061.33
Less :Amount utilised for share issue expenses	(352.40)	(1,807.30)
Less: buy back of equity shares	-	(723.52)
Less:Transfer to Capital Redemption Reserve	-	(0.59)
Closing balance	**79,251.80**	**71,894.59**
(d) Share options outstanding account		
Opening balance	868.39	626.90
Add: Transferred during the year	5,200.94	241.49
Liability Transfer on account employees shifting	883.37	-
Less: Adjustment on cancellation of ESOP	(21.34)	-
Closing balance	**6,931.36**	**868.39**

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	March 31, 2024	March 31, 2023
(e) Retained earnings		
Opening balance	12,802.46	7,609.43
Add: Net Profit for the current year	20,035.82	6,508.85
Add: Other comprehensive income	(1.47)	(14.05)
Less: Transfer to statutory reserves	4,007.16	1,301.77
Less: Dividend Paid	3,354.56	-
Closing balance	**25,475.09**	**12,802.46**
Total reserves and surplus	**118,905.33**	**88,805.36**

Nature and purpose of reserves:

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934

The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

The Company provide share based payment scheme to its employees. The shares of the company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings

Retained earnings represents the surplus in Profit and Loss Account. 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 actuarial gains and losses on defined benefit plans.

(e) Capital Redemption Reserve

As per Companies Act, 2013, Capital Redemption Reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to Capital Redemption Reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Payment of dividend:

The Board of Directors at its meeting held on October 27, 2023, have declared an interim dividend of Rs. 300 per equity share and Rs. 0.18 per Compulsorily Convertible Preference Share (CCPS).

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
22 Interest income		
At amortized cost		
Interest on loans	122,079.86	47,270.00
Interest on deposits with Banks	492.25	499.15
Other interest Income	11.30	5.83
Total	**122,583.41**	**47,774.98**
23 Fees and commission income		
Fees from platform	-	1,898.36
Service Fees	13,052.52	15,172.02
Foreclosure income	3,826.20	-
Total	**16,878.72**	**17,070.38**
*Also refer Note 39		
24 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
- Investments	463.58	451.60
Total net gain on fair value changes	**463.58**	**451.60**
Fair value changes:		
- realised	463.58	423.79
- unrealised	-	27.81
Total net gain on fair value changes	**463.58**	**451.60**
25 Other operating income		
Deficiency recovery	-	6,403.83
	-	**6,403.83**
*Also refer Note 39		
26 Other income		
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	0.25	-
Interest on Income Tax Refund	-	65.46
Miscellaneous Income	106.76	1.65
Total	**107.01**	**67.11**
27 Finance costs		
On financial liabilities measured at amortized cost:		
Interest on borrowings	11,168.56	8,487.66
Interest on debt securities	12,072.45	6,873.95
Interest on lease liability	106.48	37.09
Interest on shortfall of advance tax	63.70	15.04
Applicable net (gain) / loss on foreign currency transactions and translation	-	1,035.44
Others	98.95	5.46
Total	**23,510.14**	**16,454.64**
(i) Expenditure in foreign currency		
Interest expenses	-	536.73
28 Fees and commission expense		
Commission to platforms	8,678.15	13,017.07
Commission to payment gateways	49.80	74.68
Credit assessment charges	2,379.55	1,561.05
Total	**11,107.50**	**14,652.80**





	Year ended March 31, 2024	Year ended March 31, 2023
29 Impairment on financial instruments		
On financial instruments measured at amortised cost		
Loans	38,482.07	24,853.22
On financial instruments measured at fair value		
Financial guarantee contracts	4,706.16	-
Total	**43,188.23**	**24,853.22**
30 Employee benefit expenses		
Salaries and wages	12,858.93	3,226.85
Gratuity expense	100.63	63.30
Leave benefits expense	124.95	50.17
Contribution to provident and other funds	478.30	134.65
Share based payments to employees	5,200.94	241.49
Staff welfare expenses	70.89	20.28
Total	**18,834.64**	**3,736.74**
31 Depreciation and amortization expense		
on tangible assets	80.15	23.75
on right of use asset	281.23	139.85
on intangible assets	3.29	1.55
Total depreciation and amortization expense	**364.67**	**165.15**
32 Other expenses		
a) Rent, rates and taxes	836.55	50.85
Communication Costs	162.14	123.25
Director's fees, allowances and expenses	45.78	20.74
Auditor's fees and expenses	18.86	15.73
Legal and Professional charges	742.74	219.41
Loss on sale of fixed asset	0.04	0.35
Bank charges	191.64	65.44
Processing and maintainance charges	1,526.63	6.50
Technical expenses	3,984.57	1,911.08
Sales promotion expenses	1,986.68	178.91
Collection charges	3,125.91	255.12
Office expenses	722.27	182.36
Deficiency recovery expenses	2,670.27	-
Expenditure towards Corporate Social Responsibility (CSR) activities	118.00	103.66
Other expenditure	56.79	22.18
Total	**16,188.87**	**3,155.58**

Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax):

b) **As auditor:**		
Audit fee*	12.00	8.00
Limited review fees*	4.50	4.50
In other capacity:		
For certificates*	-	0.76
Other services*	-	1.00
Total	**16.50**	**14.26**

*Note: The above fees is excluding GST write off expenses

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	Year ended March 31, 2024	Year ended March 31, 2023
c) Corporate Social Responsibility (CSR)		
Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.		
Gross amount required to be spent	117.79	95.26
Excess amount spent in previous financial year carried forward	8.40	-
Amount spent during the year		
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	118.00	103.66
iii. Excess/(Shortfall) at the end of the year	0.21	8.40
Total of previous years excess	8.40	
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		

CSR activities conducted during the year was focused on women empowerment, medical and health care Rural development, education, food, grocery interventions,construction of public toilet in project area, administrative and official purposes, learning centre in Bangalore UPAY for underprivileged children, foster innovation & entrepreneurship among the youth of NITK (National Institute of Technology, Surathkal) and support new ideas through mentorship and was quite a success, assistance and relief in Emergency Situations fund,project of gurukul based educational institute at sunpura: Jharcha: odesar: shahada: bhamer in India,Skill development and capacity building training.

33 Income tax

(A) Deferred tax relates to the following:

Deferred tax assets		
On provision for employee benefits	110.78	54.86
On provision for DLG	961.41	-
On expected credit loss	5,869.08	2,358.93
On leases	8.32	4.72
On depreciation and amortisation	10.01	7.19
	6,959.60	**2,425.70**
Deferred tax liabilities		
On others	-	7.00
	-	7.00
Deferred tax asset, net	**6,959.60**	**2,418.70**

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	March 31, 2024	March 31, 2023
(B) Reconciliation of deferred tax assets/(liabilities) (net):		
Opening balance at the beginning of the year	**2,417.75**	**2,323.29**
Tax liability recognized in Statement of Profit and Loss:		
On borrowings EIR	-	84.68
On others	-	(29.83)
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	55.92	20.72
On property plant and equipment and intangible asset	2.82	(1.56)
On DLG	961.41	-
On others	14.34	11.31
On expected credit loss	3,510.15	4.42
Total deferred tax assets/(liabilities) (net)	**4,544.64**	**89.74**
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	0.49	4.72
Closing balance at the end of the year	**6,962.89**	**2,417.75**
(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Tax liability	-	54.85
Amounts recognised in Statement of Profit and Loss account	4,544.64	34.89
	4,544.64	**89.74**
(D) Income tax expense		
- Current tax	11,229.53	2,247.31
- Adjustments in respect of current income tax of previous year	117.96	83.35
- Deferred tax credit	(4,544.64)	(89.74)
Income tax expense reported in the statement of profit or loss	**6,802.85**	**2,240.92**
(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	0.49	4.72
Income tax charged to OCI	**0.49**	**4.72**
(F) Reconciliation of tax charge		
Profit before tax	26,838.67	8,749.77
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expense	**6,754.76**	**2,202.14**
Tax effects of:		
Non tax deductible expenses	48.03	40.61
Others	0.06	(1.83)
Income tax expense	**6,802.85**	**2,240.92**

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34 Earnings per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2024	March 31, 2023
Net profit attributable to equity holders	20,035.82	6,508.85
Weighted average number of equity shares for basic EPS	1,121,124	1,123,723
Weighted average number of equity shares for diluted EPS	1,511,896	1,222,204
Basic earnings per share (Rs.)	1,787.12	579.22
Diluted earnings per share (Rs.)	1,325.21	532.55

35 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance	478.30	134.65

(B) Other plans provisions

a) Defined benefit plan: Gratuity payable to employees	376.37	137.93
b) Other long-term benefits: Compensated absences for Employees	400.06	98.79

Defined benefit plan: Gratuity plan

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions

Discount rate (per annum)	7.18%	7.20%
Rate of increase in salary	10.00%	10.00%
Rate of attrition	30.00%	30.00%

ii) Changes in the present value of defined benefit obligation

Present value of obligation at the beginning of the year	**137.93**	**55.87**
Interest cost	17.36	2.87
Current service cost	83.27	60.42
Liability Transferred In/ Acquisitions	137.86	-
Benefit directly paid by employer	(2.02)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptic	0.34	(6.82)
Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment	1.63	25.59
Present value of obligation at the end of the year*	**376.37**	**137.93**

**Included in provision for employee benefits*

iii) Expense recognized in the Statement of Profit and Loss

Current service cost	83.27	60.42
Interest cost	17.36	2.87
Total expense recognized in the Statement Profit and Loss*	**100.63**	**63.29**

*Included in Employee benefits expense (Refer Note 30). Actuarial gain of Rs. 1.96 lakhs (March 31, 2023: Acturial loss of Rs. 18.77 lakhs) is included in other comprehensive income.

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	March 31, 2024	March 31, 2023
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	376.37	137.93
Unfunded net (asset) / liability recognized in Balance Sheet*	**376.37**	**137.93**

*Included in provision for employee benefits

v) Expected contribution to the fund in the next year		
Gratuity	-	-
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(11.61)	(4.34)
1% decrease	12.45	4.65
Change in Rate of Salary Increase:		
1% increase	11.73	4.35
1% decrease	(11.22)	(4.19)
Change in Rate of Employee Turnover:		
1% increase	(5.88)	(2.29)
1% decrease	6.11	2.36
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	65.75	15.33
2nd Following Year	62.03	28.80
3rd Following Year	59.90	26.22
4th Following Year	62.24	22.58
5th Following Year	56.34	20.53
Sum of Years 6 To 10	136.53	49.86
Sum of Years 11 and above	48.11	17.36

36 Employee Stock Option Scheme (ESOP)

The Company's Board approved Krazybee Employee Stock Option Plan 2023 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

Particulars	March 31, 2024		March 31, 2023	
	Number	WAEP (INR)	Number	WAEP (INR)
Options outstanding at beginning of year*	56,969	10	5,318,867	-
Add:				
Options granted during the year	29,730	10	47,271	-
Option transferred	6,484	10		
Less:				
Option transferred	4	10		
Options exercised during the year	10,084	10	-	-
Options Lapsed during the year	97	10	-	-
Options outstanding at the end of year	82,998	-	5,366,138	-

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36 Employee Stock Option Scheme (ESOP) (contd.)

In accordance with the above mentioned ESOP Scheme, Rs. 5,200.94 lakhs (March 31, 2023: Rs. 241.49 lakhs) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended March 31, 2024 as Employee Stock Option Scheme Compensation.

*During the year ended March 31, 2024, management has cancelled the ESOPs granted under Finnov ESOP Plan and implemented a new ESOP plan at India level under which equivalent value ESOP has been granted to the employees of the Company in lieu of ESOPs cancelled at Finnov level.

Accordingly, as per Ind AS 102, the cancellation of Finnov share options and grant of new stock options by the Company is considered a replacement of share awards which resulted in modification accounting for the equity settled share-based payment which has been applied in the Financial Statements of the Company. Since new ESOPs that are granted are having a longer vesting period when compared to the vesting period under the Finnov ESOP scheme, the modification is non-beneficial to employees and is ignored for accounting purposes.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Weighted average fair value of the options at the grant dates (INR)	24,167
Dividend yield (%)	0%
Risk free interest rate (%)	6.96% to 7.26%
Expected volatility (%)	36.15% to 46.53%

37 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 and 60 months, which include both cancellable and non-cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(ia) Details of right-of-use assets are as follows:

Particulars	Category of ROU asset: Premises	
	March 31, 2024	March 31, 2023
Opening Balance at the start of the year	319.84	165.04
Additions	1,602.14	294.65
Adjustment with opening balance due to modification	(3.51)	-
Amortization (refer Note 31)	(281.23)	(139.85)
Closing balance at the end of the year	1,637.24	319.84

(ib) Lease liabilities

Particulars	Category of Lease Liability: Premises	
Opening Balance at the start of the year	338.60	191.65
Additions	1,528.82	282.05
Adjustment with opening balance due to modification	(3.45)	-
Lease payments	(343.35)	(172.19)
Interest on lease liabilities (refer Note 27)	106.48	37.09
Closing balance at the end of the year	1,627.10	338.60

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	March 31, 2024	March 31, 2023
37 Leases		
(ii) Maturity analysis of lease liabilities		
Particulars		
Upto one year	350.55	156.10
More than one year upto 5 years	1,276.55	182.50
Total	**1,627.10**	**338.60**
(iii) Amounts recognised in Statement of Profit and Loss account		
Particulars		
Interest on lease liabilities (refer Note 27)	106.48	37.09
(iv) Amounts recognised in Statement of Cash Flows		
Particulars		
Total cash outflow for leases	343.35	172.19

38 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Finnov Private Limited, Singapore

Other related parties

(a) Fellow subsidiary
Finnovation Tech Solutions Private Limited

(b) Key Management Personnel (KMP)
Madhusudan Ekambaram, Director
Karthikeyan Krishnaswamy, Director
Vivek Veda, Director

(c) Relatives of KMP
Nutan Soudagar (wife of Madhusudan Ekambaram)
Anil Veda (father of Vivek Veda)
Vibha Veda (mother of Vivek Veda)
Vani Jain (wife of Vivek Veda)
Krishnaswamy Bhanumathi (mother of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy (father of Karthikeyan Krishnaswamy)
Sattanathan Viswanathan (mother in law of Karthikeyan Krishnaswamy)
Sreenidhi Sattanathan (wife of of Karthikeyan Krishnaswamy)

(d) Independent directors
Abhishek Singhvi
Adesh Gupta
Gopalakrishna Gurrappa

(e) Relatives of independent directors
Anish Gupta (son of Adesh Gupta)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

(i) **Particulars**		
A) Transactions during the year:		
Sale of services		
Finnovation Tech Solutions Private Limited	-	8,525.99
Salary Cross Charge (income)		
Finnovation Tech Solutions Private Limited	103.05	140.00
Interest income in loan		
Anish Gupta	0.13	-





	March 31, 2024	March 31, 2023
38 Related Party Disclosures (contd.):		
Purchase of services		
Finnovation Tech Solutions Private Limited	30,414.02	20,041.47
Deficiency recovery expenses		
Finnovation Tech Solutions Private Limited	2,670.27	-
Salary Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	158.06	186.25
Rent Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	741.67	-
Reimbursement of expenses		
Vivek Veda	9.67	4.70
Share based payment expenses		
Finnov Private Limited	-	241.49
TradeMark Usage Fees		
Finnov Private Limited	0.70	
Remuneration to directors:		
Vivek Veda	220.90	143.00
Non-executive/Independent Director sitting fees:		
Abhishek Singhvi	15.00	6.60
Adesh Gupta	15.50	7.20
Gopalakrishna Gurrappa	11.50	5.10
Dividend paid during the year		
Finnov Private Limited	3,018.47	-
Share based payment during the year		
Finnov Private Limited	21.34	-
Share issued during the year (refer Note 20(a) and 20(b))		
Finnov Private Limited	2,263.04	-
Buy-back of equity shares		
Madhusudan Ekambaram	-	586.41
Karthikeyan Krishnaswamy	-	1.00
Corporate gurantee fees		
Finnovation Tech Solutions Private Limited	440.38	225.30
Issue of personal loan		
Anish Gupta	1.60	-
Repayment received on personal loan		
Anish Gupta	0.86	-

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38 Related Party Disclosures (contd.):	March 31, 2024	March 31, 2023
Finance cost		
Finnov Private Limited	-	536.73
Madhusudan Ekambaram	40.73	8.98
Nutan Soudagar	8.42	8.04
Anil Veda	2.23	1.08
Vani Jain	2.16	5.99
Vibha Veda	2.50	2.17
Vivek Veda	11.16	2.17
Krishnaswamy Bhanumathi	6.94	-
Marappa Krishnaswamy	1.73	-
Sattanathan Viswanathan	2.41	-
Sreenidhi Sattanathan	5.41	-
Issue of non-convertible debentures		
Madhusudan Ekambaram	400.00	-
Nutan Soudagar	-	70.00
Anil Veda	20.00	10.00
Vani Jain	20.00	-
Vibha Veda	20.00	20.00
Vivek Veda	100.00	20.00
Krishnaswamy Bhanumathi	80.00	-
Marappa Krishnaswamy	20.00	-
Sreenidhi Sattanathan	50.00	-
Redemption of non-convertible debentures		
Madhusudan Ekambaram	400.00	90.00
Nutan Soudagar	70.00	70.00
Anil Veda	10.00	-
Vani Jain	-	60.00
Vivek Veda	20.00	20.00
Vibha Veda	20.00	20.00
Sattanathan Viswanathan	20.00	-
Corporate guarantee given to the Company		
Finnovation Tech Solutions Private Limited	30,500.00	113,594.47
B) Balances as at year end:		
Receivables		
Finnovation Tech Solutions Private Limited	-	2,666.40
Other Receivables		
Finnovation Tech Solutions Private Limited	1,217.67	-
Unamortised corporate guarantee		
Finnovation Tech Solutions Private Limited	260.23	-
Payables		
Finnovation Tech Solutions Private Limited	7,363.75	374.60
Finnov Private Limited	0.02	0.02
Vivek Veda	-	0.09

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	March 31, 2024	March 31, 2023
38 Related Party Disclosures (contd.)		
Other Payable		
Finnovation Tech Solutions Private Limited	405.40	136.04
TradeMark		
Finnov Private Limited	0.55	-
Personal loan (including accrued interest):		
Anish Gupta	0.75	-
Non-convertible debentures (including accrued interest):		
Nutan Soudagar	-	70.33
Anil Veda	20.07	10.03
Vani Jain	20.08	-
Vibha Veda	20.07	20.07
Vivek Veda	100.39	20.07
Krishnaswamy Bhanumathi	80.27	-
Marappa Krishnaswamy	20.07	-
Sreenidhi Sattanathan	50.20	-

(c) **Terms and conditions of transactions with related parties:**
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(d) Rs. 22,470.13 lakhs (March 31, 2023: Rs. 8,029.95 lakhs) is in the nature of transaction costs which are included in the "Effective Interest Rate" of the loan receivables of the Company. Accordingly, the same have been classified under "Interest Income" in Note 22 and of this amount, Rs. 15,732.94 lakhs (March 31, 2023: Rs. 4,596.48 lakhs) has been recognized as effective interest income during the year. The total effective interest income recognized including amortization of prior year deferrals is Rs. 19,111.72 lakhs.

(e) Finnovation Tech Solutions Private Limited, a fellow subsidiary has issued Corporate Guarantee's aggregating to Rs. 30,500.00 lakhs (March 31, 2023: Rs. 1,13,594.47 lakhs) in favour of the Company for its business requirements.

(f) The Company has Corporate Guarantees aggregating to Rs. 29,258.51 lakhs (March 31, 2023: Rs. 78,090.58 lakhs) corresponding to outstanding borrowings as on March 31, 2024 and March 31, 2023 respectively provided by Finnovation Tech Solutions Private Limited for its business requirements.

(g) The Bank overdraft and working capital loan availed by the Company aggregating to Rs. 30,852.40 lakhs (March 31, 2023: Rs. 1,983.73 lakhs) has been secured by way of liens on fixed deposit balances of a fellow subsidiary Finnovation Tech Solutions Private Limited.

	Year ended March 31, 2024	Year ended March 31, 2023
39 Revenue from contracts with customers		
Types of services:		
Fees from platform	-	1,898.36
Service Fees	13,052.52	15,172.02
Foreclosure income	3,826.20	-
Deficiency recovery	-	6,403.83
Total	**16,878.72**	**23,474.21**
Geographical markets:		
In India	16,878.72	23,474.21
Outside India	-	-
Total	**16,878.72**	**23,474.21**
Timing of revenue recognition:		
Services transferred at a point in time	-	-
Services transferred over time	16,878.72	23,474.21
Total	**16,878.72**	**23,474.21**
Contract balances:		
Fees, commission and other receivables	-	-
Total	-	-

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40 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Additionally, the Company operates only in India, hence, no separate segment information has been furnished herewith.

41 Financial risk management objectives and policies :

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital. Market risk is monitored by assessments of fluctuation in the equity price, unhedged foreign exchange exposures, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities. This risk is managed by the Company's treasury team under the guidance of the Asset-Liability Committee.

(i) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates on borrowings at variable interest rates.

	March 31, 2024	March 31, 2023
Interest rate risk exposure		
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	113,360.47	53,573.56

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on variable interest borrowings:

	Increase/ (decrease)	Effect on profit before tax
March 31, 2024		
Rs.	+50	566.80
Rs.	-50	(566.80)
March 31, 2023		
Rs.	+50	267.87
Rs.	-50	(267.87)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no outstanding foreign currency exposure.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to Rs.Nil at closing rate, is as follows:

Financial liabilities	Nil	Nil

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company does not have exposure to any other foreign currencies.

	Increase/ (decrease) in basis points	Effect on profit before tax
March 31, 2024		
INR	+100	-
INR	-100	-
March 31, 2023		
INR	+100	-
INR	-100	-

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41 Financial risk management objectives and policies (contd.):

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance & product mix and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as installment default rate, overdue position, EMI moratorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non-performing loans etc. are used as leading indicators to assess credit risk.
The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators, including a watch over the spread of COVID-19 infection and coverage of vaccination across its geographic spread.

Macro Economic Variables:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:
1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.

Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforeseen distortion of customers' financial position and volatile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

The Company provides for expected credit loss based on the following:

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss





	March 31, 2024	March 31, 2023
41 Financial risk management objectives and policies (contd.):		
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	21,510.17	28,194.14
Bank balances other than above	7,347.26	4,844.87
Trade receivables	416.27	2,666.40
Loans to customers*	460,055.36	230,611.90
Investments	-	13,193.16
Other financial assets	5,307.66	6,023.68
Moderate credit risk		
Loans to customers*	11,253.23	5,524.79
High credit risk		
Loans to customers*	11,052.55	5,537.62

* Represents gross values of the financial assets

Cash & cash equivalents and Bank deposits

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments

For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables

Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries and others miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(ii) Expected credit losses for financial assets other than loans:

The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.

- For investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.

- For Trade receivables - Credit risk is considered low because these balances are with group companies with strong financial resources and the balances are held for shorter periods.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

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41 Financial risk management objectives and policies (contd.):

(iii) Expected credit loss for loans

Credit default risk

Considering the nature of advances given - small ticket size, short term and retail - the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has imbibed the qualitative aspect in the categorization of the asset portfolio (i.e. first time borrowers and repeat borrowers as well as customer repeatability) which considers the qualitative aspects of definition of default. The Company has therefore set

Days Past Due: Exposures that have one or more installment(s) past due for 90 days or more.

Event driven defaults: This will be based on the customer specific factors such as declaration of bankruptcy by the customer, death of borrower and other customer specific factors. This will be applied on a case by case basis.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when dues past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1, or Stage 2 or even Stage 3 asset.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. All the loans of the Company are of unsecured nature. The management believes that the LGDs depicted basis the historical data is not representative of the future for certain products with low vintage and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages for these specific products so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Quantitatively, accounts whose overdue days have exceed 180 days are written-off. The outstanding contractual amounts of such assets written off during the year ended March 31, 2024 was Rs. 21,840.17 (March 31, 2023: Rs. 24,795.71). However, collection efforts continue on such accounts as these are legally due to the Company.

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41 Financial risk management objectives and policies (contd.):

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the loan portfolio:

March 31, 2024 Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	460,055.36	11,253.23	11,052.55	482,361.14
Less: Allowance for ECL	10,652.56	7,088.21	7,927.18	25,667.95
Net carrying value	449,402.80	4,165.02	3,125.37	456,693.19
ECL Coverage Ratio	2.32%	62.99%	71.72%	5.32%

March 31, 2023 Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	230,611.90	5,524.79	5,537.62	241,674.31
Less: Allowance for ECL	3,472.85	2,862.14	3,507.70	9,842.69
Net carrying value	227,139.05	2,662.65	2,029.92	231,831.62
ECL Coverage Ratio	1.51%	51.81%	63.34%	4.07%

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors forecasts of the liquidity position and cash & 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 policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities :

	Less than 1 year	1 to 3 years	Total
March 31, 2024			
Debt Securities	97,030.27	32,540.58	129,570.85
Borrowings other than debt securities	151,515.61	9,612.62	161,128.23
Trade payables	12,846.62	1.60	12,848.22
Other financial liabilities	6,443.57	1,276.55	7,720.12
	267,836.07	43,431.35	311,267.42
March 31, 2023			
Debt Securities	64,193.93	13,647.37	77,841.30
Borrowings other than debt securities	57,922.08	2,162.35	60,084.43
Inter-corporate Deposits	-	-	-
Trade payables	2,078.27	1.36	2,079.63
Other financial liabilities	480.16	182.50	662.66
	124,674.44	15,993.58	140,668.02

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41 Financial risk management objectives and policies (contd):

(D) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

(E) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2023	**230,611.90**	**3,472.85**	**5,524.79**	**2,862.14**	**5,537.62**	**3,507.70**	**241,674.31**	**9,842.69**
Transfers during the year							-	-
- To Stage 1	9.20	4.56	(6.52)	(3.04)	(2.68)	(1.52)	-	-
- To Stage 2	(1,870.87)	(22.19)	1,870.87	22.19	-	-	-	-
- To Stage 3	(15,184.28)	(575.31)	(4,509.76)	(2,342.83)	19,694.04	2,918.14	-	-
	(17,045.95)	**(592.94)**	**(2,645.41)**	**(2,323.68)**	**19,691.36**	**2,916.62**	-	-
Impact of changes in credit risk on account of stage movements	-	96.85	-	423.16	-	17,805.03	-	**18,325.04**
Changes in opening credit exposures	(204,345.83)	(2,777.70)	(2,118.71)	(501.66)	(5,683.39)	(5,054.02)	**(212,147.93)**	**(8,333.38)**
New credit exposures during the year (net of repayments)	450,835.24	10,453.51	10,492.56	6,628.25	32,797.21	30,042.10	**494,125.01**	**47,123.86**
Amounts written-off	-	-	-	-	(41,290.25)	(41,290.25)	**(41,290.25)**	**(41,290.25)**
As at March 31, 2024	**460,055.36**	**10,652.56**	**11,253.23**	**7,088.21**	**11,052.55**	**7,927.18**	**482,361.14**	**25,667.95**





41 Financial risk management objectives and policies (contd):

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2022	113,676.67	4,805.08	4,214.74	2,507.21	3,390.54	2,472.89	121,281.95	9,785.18
Transfers during the year							-	-
- To Stage 1	-	-	-	-	-	-	-	-
- To Stage 2	(60.18)	(1.77)	60.18	1.77	-	-	-	-
- To Stage 3	(15,847.29)	(1,515.72)	(3,099.67)	(1,795.66)	18,946.95	3,311.38	-	-
	(15,907.47)	**(1,517.49)**	**(3,039.48)**	**(1,793.89)**	**18,946.95**	**3,311.38**	-	-
Impact of changes in credit risk on account of stage movements	-	-	-	31.04	-	16,405.08	-	**16,436.12**
Changes in opening credit exposures	(97,414.74)	(3,282.43)	(1,091.86)	(712.56)	(785.91)	(712.48)	**(99,292.51)**	**(4,707.48)**
New credit exposures during the year (net of repayments)	230,257.44	3,467.71	5,441.39	2,830.34	15,127.84	13,172.64	**250,826.67**	**19,470.68**
Amounts written-off	-	-	-	-	(31,141.80)	(31,141.80)	**(31,141.80)**	**(31,141.80)**
As at March 31, 2023	**230,611.90**	**3,472.85**	**5,524.79**	**2,862.14**	**5,537.62**	**3,507.70**	**241,674.31**	**9,842.69**

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42 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and 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.

		March 31, 2024	March 31, 2023
Total equity	(i)	205,033.94	159,053.97
Debt securities	(ii)	120,184.10	72,050.90
Borrowings other than debt securities	(iii)	153,787.36	57,308.37
Total debt	**(iv)=(ii)+(iii)**	273,971.46	129,359.27
Less: Cash and bank balances & liquid investments	(v)	28,857.43	46,232.17
Net debt	**(vi) = (iv)-(v)**	**245,114.03**	**83,127.10**
Overall financing	(vii)=(i)+(vi)	450,147.97	242,181.07
Gearing ratio	**(vi)/(vii)**	**0.54**	**0.34**

No changes were made in the objectives, policies or processes for managing capital during the years presented.

43 Change in liabilities arising from financing activities

Particulars	March 31, 2023	Net Cash flows*	March 31, 2024
Debt securities	72,050.90	48,133.20	120,184.10
Borrowings other than debt securities	57,308.37	96,478.99	153,787.36
Total liabilities from financing activities	**129,359.27**	**144,612.19**	**273,971.46**

Particulars	March 31, 2022	Net Cash flows*	March 31, 2023
Debt securities	26,799.76	45,251.14	72,050.90
Borrowings other than debt securities	53,570.33	3,738.04	57,308.37
Total liabilities from financing activities	**80,370.09**	**48,989.18**	**129,359.27**

*Net cashflows includes non-cash adjustment.

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A.S.C. & ASSOCIATES NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED

44 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows:

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	21,510.17	**21,510.17**	21,510.17
Bank balances other than above	-	-	7,347.26	**7,347.26**	7,347.26
Trade receivables	-	-	416.27	**416.27**	416.27
Loans	-	-	456,693.19	**456,693.19**	456,693.19
Investments	-	-	-	-	-
Other financial assets	-	-	5,307.66	**5,307.66**	5,307.66
Total financial assets	-	-	**491,274.55**	**491,274.55**	**491,274.55**
Financial liabilities					
Trade payables	-	-	12,848.22	**12,848.22**	12,848.22
Debt securities	-	-	120,184.10	**120,184.10**	120,184.10
Borrowings (other than debt securities)	-	-	153,787.36	**153,787.36**	153,787.36
Other financial liabilities	-	-	7,720.12	**7,720.12**	7,720.12
Total financial liabilities	-	-	**294,539.80**	**294,539.80**	**294,539.80**
As at March 31, 2023					
Financial assets					
Cash and cash equivalents	-	-	28,194.14	28,194.14	28,194.14
Bank balances other than above	-	-	4,844.87	4,844.87	4,844.87
Trade receivables	-	-	2,666.40	2,666.40	2,666.40
Loans	-	-	231,831.62	231,831.62	231,831.62
Investments	13,193.16		-	13,193.16	13,193.16
Other financial assets	-	-	6,023.68	6,023.68	6,023.68
Total financial assets	13,193.16	-	273,560.71	286,753.87	286,753.87
Financial liabilities					
Trade payables	-	-	2,079.63	2,079.63	2,079.63
Debt securities	-	-	72,050.90	72,050.90	72,050.90
Borrowings (other than debt securities)	-	-	57,308.37	57,308.37	57,308.37
Other financial liabilities	-	-	662.66	662.66	662.66
Total financial liabilities	-	-	132,101.56	132,101.56	132,101.56

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2024:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	-	-	-	-

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2023:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	13,193.16	-	-	13,193.16

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ASC & ASSOCIATES NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED

44 Financial instruments and fair value disclosures (contd.)

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.

	March 31, 2024	March 31, 2023
45 Contingencies and commitments:		
Loan commitments*	5.32	-
Towards default loss guarantee	4,892.58	-
	4,897.90	-

** Represents loans which have been sanctioned and pending disbursement as at March 31, 2024.*

Note:

1. During the FY 2022-23, as a part of a industry wide investigation carried by an investigation agency ("Agency") on the digital lending applications and the financial institutions lending on such applications, cash and bank balances of Rs. 3,305.31 lakhs and Rs. 1,606.53 lakhs of balances pending settlement from intermediaries of the Company have been frozen. The Company has fully cooperated with the Agency and based on the advice taken from a reputed law firm, the Company is confident that it has not violated any law. Further, as advised by the reputed law firm it has approached the High Court for getting the investigation closed and the amounts unblocked and has successfully received stay from the Hon'ble High Court of Telangana that no coercive action may be taken against the Company. Accordingly, as per the Management's assessment, no provisions are required to be created in the Financial Statements.

2. The Company has received a pre-show cause notice vide which tax liability cumulatively amounting to Rs. 7,565.32 lakhs has allegedly been ascertained with respect to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" received by the Company. The Company has taken legal opinions from a reputed Senior Advocate and also an advice from a reputed Chartered Accountant firm expert on GST matters on the said matter. In each of the opinions, the Senior Advocate and the independent Chartered Accountant firm are of the view that GST is not required to be paid on the Deficiency Service Income booked by the Company. Accordingly, the Company has replied to the notice in Part B of Form GST DRC-01A and not admitted the liability. Subsequently, the Company received a Show Cause Notice against the response submitted by the Company. The Company is in the process of filing reply to the notice within the said timelines.

In light of the legal opinion received from the Senior Advocate, the views received from the Chartered Accountant firm, as per the Management's assessment, there is no need to create any provisions in the financial statement.

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021:

(i) The Company does not own any immovable property as at March 31, 2024.

(ii) The Company does not own any investment property as at March 31, 2024.

(iii) The Company has not revalued its Property, Plant and equipment during the year ended March 31, 2024.

(iv) The Company has not revalued its intangible assets during the year ended March 31, 2024.

(v) The Company has not granted any loans or advances 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
(b) without specifying any terms or period of repayment

(vi) The Company does not have any capital work-in-progress as at March 31, 2024.

(vii) The Company is in the process of implementing new accounting systems which are classified as intangible assets under development as at March 31, 2024.

(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ix) The Company has taken borrowings from banks on the basis of security of its loan receivables. The Company has filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement and no discrepancies are noted with the books of accounts & financial statements of the Company.

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46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021 (contd.):

(x) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof.

(xi) The Company has not had any transaction with the companies struck off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956.

(xii) The Company has not defaulted in registration or satisfaction of charges with the Registrar of Companies.

(xiii) The Company does not have a subsidiary and hence has complied with the number of investment layers prescribed under section 2(87) of the Companies Act, 2013.

(xiv) The Company has not entered into any scheme of arrangement during the year.

(xv) The Company has neither advanced, loaned, invested or received directly or indirectly any funds to/from any entity with the understanding that such funds will be transferred to another person, i.e ultimate beneficiaries/ultimate funding parties.

(xvi) The Company has disclosed all incomes appropriately as per the Indian Accounting Standards and no adjustments are required to be made due to any tax assessments or other requirements of the Income Tax Act, 1961.

(xvii) The Company has not traded or invested in crypto currencies or virtual currencies during the year.

The accounting softwares used by the Company to maintain its Books of account has a feature of recording audit trail (edit log) facility and the same has been operative throughout the year for all transactions recorded. These softwares also include other supporting systems/databases/softwares as per Companies (Accounts) Rules 2014.

47 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

48 Disclosures pursuant to the RBI notification no. RBI/DNBR/2016-17/45 - Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 - Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the "Master Direction") (as amended from time to time) have been provided in the "Annexures to the Financial Statements". These disclosures have been prepared based on this Ind-AS complaint Financial Statements of the Company.

49 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011869N

CA Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2024
UDIN: 24097345BKHMXK6499

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2024

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 29, 2024

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2024

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

Annexures to the Financial Statements

Schedule to the Balance sheet

Particulars			March 31, 2024		March 31, 2023	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
		Debentures:				
	(a)	Secured	105,012.70	-	66,114.94	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	101,570.43	-	48,909.24	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	15,171.40	-	5,935.96	-
	(f)	Public Deposits	-	-	-	-
	(i)	Other Loans:				
		- Securitisation liabilities	17,251.94	-	472.67	-
		- Bank overdraft	16,460.11	-	-	-
		- Working capital loans	18,504.88	-	7,926.46	-
(2)	Break-up of (1)(f) above (Outstanding public deposits 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				March 31, 2024	March 31, 2023
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]				
	(a)	Secured		353.20	-
	(b)	Unsecured		456,339.99	231,831.62
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing 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 asset financing 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	-	-
		(iii)	Units of mutual funds	-	13,193.16
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-





	Long Term Investments				
1	Quoted				
	(i)	Share			
		(a) Equity	-	-	
		(b) Preference	-	-	
	(ii)	Debentures and Bonds	-	-	
	(iii)	Units of mutual funds	-	-	
	(iv)	Government Securities	-	-	
	(v)	Others (please specify)	-	-	
2	Unquoted				
	(i)	Shares			
		(a) Equity	-	-	
		(b) Preference	-	-	
	(ii)	Debentures and Bonds	-	-	
	(iii)	Units of mutual funds	-	-	
	(iv)	Government Securities	-	-	
	(v)	Others - Fixed Deposit	-	-	

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

Category			As on March 31, 2024 Amount net of provisions			As on March 31, 2023 Amount net of provisions		
			Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties **							
	(a)	Subsidiaries	-	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-	-
	(c)	Other related parties	-	0.72	0.72	-	-	-
2	Other than related parties		-	456,692.47	456,692.47	-	231,831.62	231,831.62
	Total		-	456,693.19	456,693.19	-	231,831.62	231,831.62

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

Category			March 31, 2024 Market Value / Break up or fair value or NAV	March 31, 2024 Book Value (Net of Provisions)	March 31, 2023 Market Value / Break up or fair value or NAV	March 31, 2023 Book Value (Net of Provisions)
1	Related Parties **					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		-	-	13,193.16	13,193.16
	Total		-	-	13,193.16	13,193.16

(8) Other information

Particulars			March 31, 2024	March 31, 2023
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	11,052.55	5,537.62
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	3,125.37	2,029.92
(iii)	Assets acquired in satisfaction of debt		-	-

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(9) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	March 31, 2024	March 31, 2023
Directors and their relatives	1.60	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(10)

Capital to Risk Assets Ratio	March 31, 2024	March 31, 2023
CRAR %	33.89%	60.17%
CRAR - Tier I Capital (%)	32.64%	58.92%
CRAR - Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	-

(11) Investments

Particulars	March 31, 2024	March 31, 2023
1) Value of Investments		
i) Gross value of investments		
- In India	-	13,193.16
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- in India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	-	13,193.16
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(12)

Particulars	March 31, 2024	March 31, 2023
Unsecured Advances	456,339.99	231,831.62

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

(13) Ratings assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Programme	Ratings assigned	Migration during the year
Crisil Ratings	Bank Loan Ratings	Crisil A- Stable	Rating has been upgraded from Crisil BBB+ Stable
	Commercial Paper	Crisil A1	Rating has been upgraded from Crisil A2+
	Non Convertible Debentures	Crisil PPMLD A-/Stable	Rating has been upgraded from Crisil PPMLD BBB+ Stable
	Non Convertible Debentures	Crisil A- Stable	Rating has been upgraded from Crisil BBB+ Stable
CARE Ratings	Commercial Paper	CARE A1	New Rating
	Bank Loan Ratings	CARE A- Stable	New Rating
Acuite Ratings & Research	Bank Loan Ratings	Acuite A- Stable	Rating has been upgraded from Acuite BBB+ Positive
	Commercial Paper	Acuite A2+	Nil
	Non Convertible Debentures	PP-MLD Acuite A- Stable	Rating has been upgraded from PP-MLD Acuite BBB+ Positive
	Non Convertible Debentures	Acuite A- Stable	Rating has been upgraded from Acuite BBB+ Positive

(14) Provisions and Contingencies

Particulars	March 31, 2024	March 31, 2023
Provision for depreciation on Investment	-	-
Provision towards non performing assets*	7,927.18	3,507.70
Provision for standard assets**	17,740.77	6,334.98
Provision for default loss guarantee	3,819.98	-
Provision towards income tax	11,229.53	2,247.31
Provision for compensated absences	400.06	98.79
Provision for gratuity	376.37	137.93
Contingent liability on default loss guarantee	4,892.58	-

* Represents provision on Stage 3 advances.

** Represents provision on Stage 1 and Stage 2 advances.

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

(15) a) Concentration of assets

i. Concentration of Advances

Particulars	March 31, 2024	March 31, 2023
Total Advances to twenty largest borrowers	437.54	101.26
Percentage of Advances of twenty largest borrowers to Total Advances of the Company	0.09%	0.04%

ii.Concentration of exposures

Particulars	March 31, 2024	March 31, 2023
Total exposure to twenty largest borrowers	437.54	101.26
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers	0.09%	0.04%

iii.Concentration of NPA

Particulars	March 31, 2024	March 31, 2023
Total Exposure to top four NPA accounts	17.48	15.03

iv. Sector wise distribution of credit impaired loans

Sector	Percentage of Impairment loss to Total	
	March 31, 2024	March 31, 2023
Agriculture and allied activities	-	-
MSME	0.96%	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	2.35%	2.29%
Loan against property	-	-
Auto Loans	-	-
Other Personal Loans	-	-
Total	**2.35%**	**2.29%**

b) Concentration of liabilities

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

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
1	15,057.91	N/A	5.04%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits)

The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

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

Amount	% of Total Borrowings
103,557.80	37.80%

(iv) Funding Concentration based on significant instrument/product

Name of the Instrument	Amount	% of Total Liabilities
Equity	205,033.94	68.56%
Borrowings	153,787.36	51.42%
Debt Securities	120,184.10	40.19%

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KRAZYBEE SERVICES PRIVATE LIMITED

(15) a) Concentration of assets (contd)

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	5.54%	5.07%	3.01%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	38.33%	35.11%	20.83%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	8.69%	7.96%	4.72%

(vi) Institutional set-up for liquidity risk management: Refer Note 41(C).

(16) Movement of credit impaired loans

Particulars	March 31, 2024	March 31, 2023
(i) Net NPAs to Net Advances (%)	0.66%	0.85%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	5,537.62	3,390.54
(b) Additions during the year	27,355.10	26,942.79
(c) Reductions during the year	(21,840.17)	(24,795.71)
(d) Closing balance	**11,052.55**	**5,537.62**
(iii) Movement of Net NPAs		
(a) Opening balance	2,029.92	917.65
(b) Additions during the year	1,095.45	1,112.27
(c) Reductions during the year	-	-
(d) Closing balance	**3,125.37**	**2,029.92**
(iv) Movement of Provision for NPAs		
(a) Opening balance	3,507.70	2,472.89
(b) Impairment loss allowance made during the year	26,259.65	25,830.52
(c) Write off/ write back of excess allowance	(21,840.17)	(24,795.71)
(d) Closing balance	**7,927.18**	**3,507.70**

(17) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circula

Particulars	March 31, 2024	March 31, 2023
a. Persons involved		
Customers	-	5.30
Total	-	**5.30**
b. Type of fraud		
Others	-	5.30
Total	-	**5.30**

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KRAZYBEE SERVICES PRIVATE LIMITED

(18) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2024	March 31, 2023
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2024		March 31, 2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	-	-

* Pertains to cross currency interest rate swap

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(19) Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on March 31, 2024

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to customers)	21,789.78	20,985.43	24,385.56	73,060.52	66,561.92	145,334.26	120,760.52	56,548.06	11,594.34	137.57	541,157.96
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	-	-	-	-	-	-	-	-	-	-	541,157.96
4	Debt Securities	2,567.29	99.37	8,575.28	13,082.29	12,144.90	13,990.64	38,461.05	31,263.27	-	-	120,184.09
5	Borrowings (Other than debt securities)	21,843.55	3,121.82	6,660.46	12,668.00	23,219.17	35,814.49	41,055.19	9,404.69	-	-	153,787.37
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	-	-	-	-	-	-	-	-	-	-	-
	Total Outflows	24,410.84	3,221.19	15,235.74	25,750.29	35,364.07	49,805.13	79,516.24	40,667.96	-	-	273,971.46

Maturity pattern of assets and liabilities as on March 31, 2023

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to Customer)	16,081.99	7,661.42	8,093.04	32,762.55	28,570.12	63,508.23	59,671.90	19,784.22	2,033.64	-	238,167.11
3	Investments	-	-	-	-	13,193.16	-	-	-	-	-	13,193.16
	Total Inflows	16,081.99	7,661.42	8,093.04	32,762.55	41,763.28	63,508.23	59,671.90	19,784.22	2,033.64	-	251,360.27
4	Debt Securities	67.24	324.62	2,810.65	7,589.74	9,806.99	4,632.78	28,152.73	12,730.19	-	-	66,114.94
5	Borrowings (Other than Debt Securities)	2,128.71	3,628.73	8,051.72	9,220.88	6,610.24	20,213.87	11,306.77	2,083.42	-	-	63,244.33
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	-	-	-	-	-	-	-	-	-	-	-
	Total Outflows	2,195.95	3,953.35	10,862.37	16,810.62	16,417.22	24,846.64	39,459.50	14,813.61	-	-	129,359.27

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(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020:

As on March 31, 2024:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	460,055.36	10,652.56	449,402.80	1,840.22	8,812.33
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
Subtotal		471,308.59	17,740.77	453,567.82	1,885.23	15,855.52
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	11,052.55	7,927.18	3,125.37	1,105.26	6,821.92
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		11,052.55	7,927.18	3,125.37	1,105.26	6,821.92
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	460,055.36	10,652.56	449,402.80	1,840.22	8,812.33
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
	Stage 3	11,052.55	7,927.18	3,125.37	1,105.26	6,821.92
	Subtotal	482,361.14	25,667.95	456,693.19	2,990.49	22,677.44

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020 (contd.)

As on March 31, 2023:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	230,611.90	3,472.85	227,139.05	922.45	2,550.40
	Stage 2	5,524.79	2,862.14	2,662.65	22.10	2,840.04
Subtotal		236,136.69	6,334.98	229,801.70	944.55	5,390.44
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	5,537.62	3,507.70	2,029.92	553.76	2,953.94
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		5,537.62	3,507.70	2,029.92	553.76	2,953.94
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	230,611.90	3,472.85	227,139.05	922.45	2,550.40
	Stage 2	5,524.79	2,862.14	2,662.65	22.10	2,840.04
	Stage 3	5,537.62	3,507.70	2,029.92	553.76	2,953.94
	Subtotal	241,674.31	9,842.69	231,831.62	1,498.31	8,344.37

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(21) Disclosure on accounts subjected to restructuring

For year ended March 31, 2024
No loans have been restructured during the year ended March 31, 2024.

For year ended March 31, 2023
No loans have been restructured during the year ended March 31, 2023.

(22) Disclosure of complaint

(1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No.		Particulars	March 31, 2024	March 31, 2023
	Complaints received by NBFC from its customers			
1.		No. of complaints pending at the beginning of the year	2	32
2.		No. of complaints received during the year	675	267
3.		No. of complaints disposed during the year	672	297
	3.1	Of which No. of complaints rejected by the NBFC	0	4
4.		No. of complaints pending at the end of the year	5	2
	Maintainable complaints received by the NBFC from the office of the ombudsman			
5.		No. of maintainable complaints received by the NBFC from Office of Ombudsman	74	152
	5.1	Of 5, No. of complaints resolved in favour of the NBFC by Office of Ombudsman	7	45
	5.2	Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	54	107
	5.3	Of 5, No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	13	8
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	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
1	2	3	4	5	6
Year ended March 31, 2024					
Account related issues	2	461	455%	1	0
Repayment Delay Related	0	143	134%	4	0
General issue	0	0	-100%	0	0
Non customer issue	0	56	115%	0	0
Transaction related issue	0	9	-71%	0	0
Product Related Issue	0	6	50%	0	0
Fraudulent Recovery Issue	0	0	-100%	0	0
Others	0	0	0%	0	0
Total	**2**	**675**		**5**	**0**
Year ended March 31, 2023					
Account related issues	4	83	26%	2	0
Repayment Delay Related	1	61	-2%	0	0
General issue	3	61	0%	0	0
Non customer issue	0	26	13%	0	0
Transaction related issue	1	31	138%	0	0
Product Related Issue	0	4	0%	0	0
Fraudulent Recovery Issue	1	1	0%	0	0
Others	22	0	-100%	0	0
Total	**32**	**267**		**2**	**0**

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(23) Exposure

(1) Exposure to real estate sector
Not applicable

(2) Exposure to capital market
Not applicable

(3) Sectoral exposure

Sectors	As on March 31, 2024			As on March 31, 2023		
	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	Not applicable					
2. Industry				Not Applicable		
Manufacturing*	3,089.61	24.64	0.80%	Not Applicable		
3. Services				Not Applicable		
Other services*	16,535.31	163.79	0.99%	Not Applicable		
4. Personal Loans						
i) Unsecured	462,381.56	10,864.12	2.35%	241,674	5,538	2.29%
ii) Secured	Not applicable					
4. Loan against Property						
i) Unsecured	Not Applicable					
ii) Secured	354.67	-	0.00%	Not Applicable		

**All loans classified under manufacturing and other services are MSME loans*

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ASC & ASSOCIATES * NEW DELHI * Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP		Independent Directors		Relatives of Independent director		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Repayment of Borrowings	-	11,371.07	-	-	-	-	-	-	-	-	-	-	-	-	-	11,371.07
Non-convertible debentures (Outstanding)	-	-	-	-	-	-	100.39	20.07	210.76	100.43	-	-	-	-	311.15	120.50
Issue of Non - covertible debentures(NCD)	-	-	-	-	-	-	500.00	20.00	210.00	100.00	-	-	-	-	710.00	120.00
Redemption of NCD	-	-	-	-	-	-	420.00	110.00	120.00	150.00	-	-	-	-	540.00	260.00
Interest paid	-	536.73	-	-	-	-	51.89	11.15	31.80	17.27	-	-	-	-	83.69	565.15
Shares issued (including premium)	2,263.04	-	-	-	-	-	-	-	-	-	-	-	-	-	2,263.04	-
Defeciency recovery expenses	-	-	2,670.27	-	-	-	-	-	-	-	-	-	-	-	2,670.27	-
Rent cross charge	-	-	741.67	-	-	-	-	-	-	-	-	-	-	-	741.67	-
Sitting fees	-	-	-	-	-	-	-	-	-	-	42.00	18.90	-	-	42.00	18.90
Loan issued	-	-	-	-	-	-	-	-	-	-	-	-	1.60	-	1.60	-
Interest income on loan	-	-	-	-	-	-	-	-	-	-	-	-	0.13	-	0.13	-
Repayment of loan	-	-	-	-	-	-	-	-	-	-	-	-	0.86	-	0.86	-
Closing balance of loan receivables	-	-	-	-	-	-	-	-	-	-	-	-	0.75	-	0.75	-
Trade mark usage fees	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	0.70	-
Trade mark	0.55	-	-	-	-	-	-	-	-	-	-	-	-	-	0.55	-
Dividend paid	3,018.47	-	-	-	-	-	-	-	-	-	-	-	-	-	3,018.47	-
Buy-back of shares	-	-	-	-	-	-	-	-	-	587.40	-	-	-	-	-	587.40
Reimbursement of ESOP expense	21.34	-	-	-	-	-	-	-	-	-	-	-	-	-	21.34	-
Share based expense during the year	-	241.49	-	-	-	-	-	-	-	-	-	-	-	-	-	241.49
Sale of services	-	-	-	8,525.99	-	-	-	-	-	-	-	-	-	-	-	8,525.99
Business support Service (Income)	-	-	103.05	140.00	-	-	-	-	-	-	-	-	-	-	103.05	140.00





(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP		Independent Directors		Relatives of independent director		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Purchase of services	-	-	30,414.02	20,041.47	-	-	-	-	-	-	-	-	-	-	30,414.02	20,041.47
Business support Service (expense)	-	-	158.06	186.25	-	-	-	-	-	-	-	-	-	-	158.06	186.25
Corporate gurantee fees	-	-	440.38	225.30	-	-	-	-	-	-	-	-	-	-	440.38	225.30
Remuneration and expense reimbursements	-	-	-	-	-	-	230.57	147.70	-	-	-	-	-	-	230.57	147.70
Corporate gurantee given during the year	-	-	30,500.00	113,594.47	-	-	-	-	-	-	-	-	-	-	30,500.00	113,594.47
Corporate gurantee on outstanding balance of debt	-	-	29,258.51	78,090.58	-	-	-	-	-	-	-	-	-	-	29,258.51	78,090.58
Trade and other receivables	-	-	1,217.67	2,666.40	-	-	-	-	-	-	-	-	-	-	1,217.67	2,666.40
Trade and other payables	-	-	7,769.17	510.66	-	-	-	0.09	-	-	-	-	-	-	7,769.17	510.75

(25) Breach of covenant
No covenants have been breached during the year.

(26) Divergence in asset classification and provisioning
The Company's asset classification policy is in accordance with RBI's asset classification norms.

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

(27) Disclosure relating to Securitization^

1 (i) Outstanding amount of Securitised assets as per books of the SPVs #

		As at March 31, 2024	As at March 31, 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator (Count)	3	1
2	Total amount of securitised assets as per books of the SPEs	18,870.55	477.09
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		-
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	17,294.47	355.48
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss		-
	Others	1,576.08	121.60
	(ii) Exposure to third party securitisations	-	
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	17,981.01	3,199.35
	Gain/loss on sale on account of securitisation		-
6	Form and quantum of services provided:		
	(i) Servicer fee	2.00	1.00
7	Performance of facility provided.		
	(a) Credit enhancement	4,214.41	710.97
	(b) Servicer fee	2.00	1.00
8	Average default rate of portfolios observed in the past		
	- Personal loans	3.55%*	5.8%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Note: As per internal estimates of PAR90

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(28) Details of penalties imposed by RBI and other regulators

Year ended March 31, 2024:
There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2023-24.

Year ended March 31, 2023:
The Reserve Bank of India ("RBI") vide its press release dated 03rd February, 2023 imposed a monetary penalty of Rs. 42.48 lakhs on the Company for non-compliance with certain provisions of the directions issued by the Reserve Bank of India on "Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs" and "Fair Practices Code for applicable NBFCs". The Company has duly paid the same on February 16, 2023. This penalty does not have a material impact on the Company. No other penalty has been levied by the RBI or any other regulators.

(29) Others

(a) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(b) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(c) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(d) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(e) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(g) Registration obtained from other financial sector regulators - None.

(h) Remuneration of non executive directors - Nil.

(i) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(j) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(k) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(l) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no overseas assets owned by the Company.

(m) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.

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ASC & ASSOCIATES NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PRIVATE LIMITED

A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)
F-7, Lajpat Nagar-III, New Delhi-110024
Phones : 29835500-01 , 41715991
ascassociates92@gmail.com

Independent Auditors' Report on the Ind AS Financial Statements

To the Members of KrazyBee Services Private Limited

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "the financial statement").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Ind AS financial Statements in accordance with the standards on auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.



Key audit matters	How our audit addressed the key audit matter
Impairment of loans and advances to customers Charge: Rs 24,853.22 Lacs for the year ended March 31, 2023 Provision: Rs 9,842.69 Lacs at March 31, 2023	
Subjective estimate Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instrument, allowance for loan loss is determined using expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater level of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: a. Data inputs- The application of ECL model requires several data inputs. This increases the risk that the data that has been used to derive assumptions in the model, which are used for ECL calculations, may not be complete and accurate. b. Model estimations- Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. c. Economic scenarios- Ind AS 109 requires the Company to measure ECLs on an unbiased forward- looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.	Our audit procedures included the following: a. Performed end to end process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance process. b. Assessed the design and implementation of controls in respect of the Company's impairment loss process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management. c. Testing of review controls over measurement of impairment allowances and disclosures in financial statements. d. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standard and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. e. Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied. f. Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. g. Model calculations testing through re-performance where possible. h. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance on the

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Key audit matters	How our audit addressed the key audit matter
d. Qualitative adjustments- In the absence of time tested historical data for certain loan products, management has used surrogate industry estimates or derived inputs using regulatory guidance. Management believes that these estimates though address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts.	financial statements are appropriate and sufficient.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

   Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. 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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind

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AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

8. 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



9. 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.

10. 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 Ind AS financial statements for the financial year ended March 31, 2023 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.

Report on Other Legal and Regulatory Requirements

11. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2023, and 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



i. The Company does not have any pending litigations which would impact its financial position subject to Note no. 44 of financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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;

b) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **ASC & ASSOCIATES**
Chartered Accountants
ICAI Firm Registration Number: 001863N



Dinesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2023
UDIN: 23097345BGZDPK1405

A S C & ASSOCIATES
CHARTERED ACCOUNTANTS
(Formerly known as Arun Singh & Co.)
F-7, Lajpat Nagar-III, New Delhi-110024
Phones : 29835500-01 , 41715991
ascassociates92@gmail.com

Annexure 1 referred to in paragraph 11 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. The Company is regular in depositing with Provident fund except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income-tax, goods & service tax, cess, provident fund and employees' state insurance which have not been deposited on account of any dispute. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, 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 government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.



(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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 reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any Non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.



(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **ASC & ASSOCIATES**
Chartered Accountants
(CA Firm Registration Number: 011863N



Denesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2023
UDIN: 23097345BGZDPK1405

A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)
F-7, Lajpat Nagar-III, New Delhi-110024
Phones : 29835500-01 , 41715991
ascassociates92@gmail.com

Annexure '2' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

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

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.



Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2023, 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.

For **ASC & ASSOCIATES**
Chartered Accountants
ICAI Firm Registration Number: 011863N



Dinesh Singh
Partner
Membership Number: 097345
Place of Signature: New Delhi
Date: May 29, 2023
UDIN: 23097345BGZIPK1405

KRAZYBEE SERVICES PRIVATE LIMITED

Balance Sheet

(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2023	As at March 31, 2022
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(I)	28,179.96	7,616.12
(b)	Bank balance other than (a) above	3(II)	4,805.21	1,179.30
(c)	Trade receivables	4	2,666.40	9,540.55
(d)	Loans	5	2,31,831.62	1,11,496.77
(e)	Investments	6	13,193.16	6,197.98
(f)	Other financial assets	7	5,670.55	4,551.42
	Sub-Total - Financial Assets		**2,86,346.90**	**1,40,582.14**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	8	1,351.38	654.45
(b)	Deferred tax assets (net)	9	2,417.75	2,323.29
(c)	Property, plant and equipment	10	73.68	60.35
(d)	Right of use asset		319.84	165.04
(e)	Intangible assets	11	4.78	2.75
(f)	Other non-financial assets	12	2,202.88	319.39
	Sub-Total - Non-Financial Assets		**6,370.31**	**3,525.27**
	Total assets		**2,92,717.21**	**1,44,107.41**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Trade payables	13		
	(i) total outstanding dues of micro enterprises and small enterprises		195.42	40.70
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,884.21	680.06
(b)	Debt securities	14	66,114.94	26,799.76
(c)	Borrowings (other than debt securities)	15	63,244.33	53,570.33
(d)	Other financial liabilities	16	662.66	241.20
	Sub-Total - Financial Liabilities		**1,32,101.56**	**81,332.05**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	-	800.89
(b)	Provisions	18	236.72	113.08
(c)	Other non-financial liabilities	19	1,324.96	1,210.45
	Sub-Total - Non-Financial Liabilities		**1,561.68**	**2,124.42**
(3)	**EQUITY**			
(a)	Equity share capital	20(a)	111.79	112.38
(b)	Instruments entirely equity in nature	20(b)	70,136.82	-
(c)	Other equity	21	88,805.36	60,538.56
	Sub-Total - Equity		**1,59,053.97**	**60,650.94**
	Total liabilities and equity		**2,92,717.21**	**1,44,107.41**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Dinesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

UDIN: 23097345BGZDPK1405

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of profit and loss

(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
	Revenue from operations			
(i)	Interest income	22	47,774.98	17,500.34
(ii)	Fees and commission income	23	23,474.21	15,969.40
(iii)	Net gain/(loss) on fair value changes	24	451.60	189.71
1	**Total revenue from operations**		71,700.79	33,659.45
2	Other income	25	207.11	27.92
3	**Total income (1+2)**		71,907.90	33,687.37
	Expenses			
(i)	Finance costs	26	16,425.09	7,532.88
(ii)	Fees and commission expense	27	14,373.25	1,679.41
(iii)	Impairment on financial instruments	28	24,853.22	16,183.78
(iv)	Employee benefits expenses	29	3,680.02	2,562.77
(v)	Depreciation and amortization expense	30	165.15	267.43
(vi)	Other expenses	31	3,661.40	1,322.57
4	**Total expenses**		63,158.13	29,548.84
5	**Profit before tax (3-4)**	32	8,749.77	4,138.53
	Tax expense:			
	(1) Current tax		2,247.31	2,056.35
	(2) Deferred tax (credit) / charge		(89.74)	(859.67)
	(3) Tax in respect of earlier years		83.35	62.91
6	**Total tax expense**		2,240.92	1,259.59
7	**Profit for the year (5-6)**		6,508.85	2,878.94
8	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss		(18.77)	22.55
	Gain/(Loss) on remeasurement of defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		4.72	(5.68)
	Other comprehensive income		(14.05)	16.87
9	**Total comprehensive income for the year (7+8)**		6,494.80	2,895.81
10	**Earnings per equity share**			
	Basic (Rs.)		579.22	261.43
	Diluted (Rs.)		532.55	261.43

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Dinesh Singhal
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

UDIN: 23097345BGXZDP1405

Madhusudan Ekamberam
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities:		
Profit before tax	8,749.77	4,138.53
Adjustments for:		
Interest income	(47,275.83)	(17,196.23)
Depreciation and amortization expense	165.15	267.43
Interest income from investments	(499.15)	(304.11)
Net gain on sale of investments	(451.60)	(206.96)
Impairment on financial instruments	24,853.22	16,183.78
Share based payment expense	241.49	316.30
Finance cost	15,352.56	7,131.10
Unrealized foreign exchange loss	-	359.11
Interest income on security deposits	(5.83)	(7.44)
Interest on lease liability	37.09	42.67
Cash inflow from interest on loans	50,001.92	17,137.14
Cash outflow towards finance cost	(14,405.93)	(6,331.27)
Cash generated from operations before working capital changes	**36,762.86**	**21,530.05**
Working capital changes:		
(Increase) in loans	(1,47,951.82)	(62,809.89)
(Increase) / Decrease in trade receivables	6,874.15	(9,540.55)
(Increase) / Decrease in other financial assets	(1,063.21)	3,929.92
(Increase) in other non-financial assets	(1,896.09)	(255.21)
Increase / (Decrease) in trade payables	1,358.87	(868.92)
Increase in provisions	104.87	57.55
Increase in other financial liabilities	274.51	12.90
Increase in other non-financial liabilities	152.16	131.08
Cash (used in) operations	**(1,05,383.70)**	**(47,813.07)**
Income tax paid (net of refunds)	(3,828.48)	(2,031.16)
Net cash flows (used in) operating activities (A)	**(1,09,212.18)**	**(49,844.23)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(40.66)	(2.99)
(Purchase) of mutual funds (net)	(6,543.58)	(2,479.77)
Net investments in fixed deposits	(3,625.91)	(807.58)
Interest received on investments	449.06	315.27
Net cash flow (used in) investing activities (B)	**(9,761.09)**	**(2,975.07)**
Cash flow from financing activities:		
Net proceeds from issue of CCPS	92,390.85	-
Buy back of equity shares (including related income tax)	(714.11)	-
Debt securities issued (net)	38,441.50	14,395.74
Borrowings other than debt securities raised (net)	9,601.06	21,548.43
Payment towards lease liabilities	(172.19)	(231.73)
Net cash flow generated from financing activities (C)	**1,39,837.11**	**35,712.44**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	20,563.84	(17,106.86)
Cash and cash equivalents at the beginning of the year	7,616.12	24,722.98
Cash and cash equivalents at the end of the year*	**28,179.96**	**7,616.12**

**Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances*

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Danesh Singhal Acc
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan **Krishnaswamy**
Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

UDIN: 23097345BGHZDPK1405

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of changes in equity

(All amounts are in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
(A) Equity share capital				
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	**11,23,852**	**112.38**	**10,70,233**	**107.02**
Add: Issued during the year	-	-	53,619	5.36
Less: Buyback of equity shares	5,899	0.59	-	-
Balance at the end of the year	**11,17,953**	**111.79**	**11,23,852**	**112.38**
(B) Instruments entirely equity in nature				
0.001% Non-cumulative Compulsorily Convertible Preference Shares (CCPS) of Rs. 18,000 each issued, subscribed and fully paid				
Balance at the beginning of the year	-	-	-	-
Add: Issued during the year	3,89,649	70,136.82	-	-
Balance at the end of the year	**3,89,649**	**70,136.82**	-	-

(C) Other equity

For the year ended March 31, 2023

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital redemption reserve	Remeasurement of defined benefit liability	
Balance as at March 31, 2022	**1,937.56**	**50,364.67**	**626.90**	**7,599.53**	-	**9.90**	**60,538.56**
Profit for the year	-	-	-	6,508.85		-	6,508.85
Other comprehensive income (net of tax)	-	-	-	-	-	(14.05)	(14.05)
Total comprehensive income	**1,937.56**	**50,364.67**	**626.90**	**14,108.38**	-	**(4.15)**	**67,033.36**
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	1,301.77	-	-	(1,301.77)	-	-	-
Transfer to Capital Redemption reserve	-	(0.59)	-	-	0.59	-	-
Transactions with owners in their capacity as owners:							
Issue of CCPS, net of transaction cost	-	22,254.03	-	-	-	-	22,254.03
Buy back of equity shares*		(723.52)	-	-	-	-	(723.52)
Employee stock option expense	-	-	241.49	-	-	-	241.49
Balance as at March 31, 2023	3,239.33	71,894.59	**868.39**	**12,806.61**	**0.59**	**(4.15)**	**88,805.36**

Including tax on buy-back of Rs. 136.70 lakhs.

KRAZYBEE SERVICES PRIVATE LIMITED

Statement of changes in equity

(All amounts are in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2022

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital Redemption	Remeasurement of defined benefit liability	
Balance as at March 31, 2021	1,361.77	46,681.04	310.60	5,296.38	-	(6.97)	53,642.82
Profit for the year	-	-	-	2,878.94		-	2,878.94
Other comprehensive income (net of tax)	-	-	-	-		16.87	16.87
Total comprehensive income	1,361.77	46,681.04	310.60	8,175.32	-	9.90	56,538.63
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	575.79	-	-	(575.79)		-	-
Transactions with owners in their capacity as owners:							
Premium on issue of shares	-	3,683.63	-	-		-	3,683.63
Employee stock option expense	-	-	316.30	-		-	316.30
Balance as at March 31, 2022	1,937.56	50,364.67	626.90	7,599.53	-	9.90	60,538.56

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Denesh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023
UDIN: 23097345BGIZDPK1405

Madhusudan Ekambaram
Director
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Place: Bengaluru
Date: May 29, 2023

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Director
DIN: 07449376
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56711
Place: Bengaluru
Date: May 29, 2023

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

1 General information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ('RBI') with effect from May 25, 2017, with Registration No. N-02.00281. The Company is engaged in the business of consumer lending. The Company is a non-deposit taking NBFC and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions'), notification for implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI notification for implementation of Ind AS') and other applicable RBI circulars/notifications.

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on May 29, 2023.

(a) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

S R ASSOCIATES NEW DELHI Chartered Accountants
KRAZYBEE SERVICES PVT. LTD. Bangalore

2.2 Property, plant and equipment (contd.)

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other income'/'Other expenses'.

Depreciation methods, useful lives end residual values are reviewed periodically at each financial year end and adjusted prospectively, as apropriate.

2.3 Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization perind and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year and at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfor the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

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

Level 1 – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.





2.5 Fair value measurement (contd.)

Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.6 Revenue recognition

(a) Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired , the company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

The effective interest rate method:

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the asset is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges) if expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

(b) Other revenue from operations:

The Company recognises 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 recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

Fees that are not an integral part of the effective interest rate of a financial instrument are also accounted for in accordance with Ind AS 115. This includes loan syndication fees received by the Company for arranging a loan and retaining a part of it at the same effective interest rate for comparable risk as other co-lending partners.

(i) Services fees:

The Company receives service fees towards rendering of services to its customers and recognizes revenue on satisfactory completion of these services. Fees on value added services and products are recognised on rendering of services and products to the customer.

(ii) Delayed payment charges:

Delayed payment charges (penal interest and the like) levied on customers for delay in repayments/non payment of contractual cash flows is recognised on realisation.

(iii) Fees and commission income:

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

(iv) Business support services:

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 Dividend income

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.





2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determided using tax rates (and laws) that have been enacted or substantially enacted by the end of the year end 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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.
Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value loss costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provition for decommissioning costs. Decommissioning costs are previded at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual previsions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.





(i) (c) Day 1 profit and loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in not gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or less (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including propayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Given the short term nature of the loans, the Company does not discount the cash flows receivable on the financial assets.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.





Impairment of financial assets (contd.)

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In the Balance Sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has used probability weights for various economic scenarios based on management's as well as professional judgement. The probability weights is roviewed periedically and amended based on tha forward-looking information as available from time to time. Any change to the probability weights is approved by the Risk Management function of the Company.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) **Write-off**

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously writtan off are credited to the income statement.

(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

The measurement of financial liabilities depends on their classificatien, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated emhedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amorttzed cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

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(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract-with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a not basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the and of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vesred employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Componsated absences: Accumulated compansated absences, which are expected to be availed or encasned within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year and.

Accumulated compansated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.





2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 35.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.

(d) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.





(e) Leases

The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

(ii) Judgements

(a) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely payments of principal and interest (SPPI)and the business model test . The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. 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.

(b) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises 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 and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults, Exposure at defaults and Loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.





(e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is contidered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:
i. changes during the period in operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.
Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.20 Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to meximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 Derivative financial instrument and 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 specified 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 entity will assess the effectiveness of changes in the hadging 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 ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.





2.22 Derivative financial instrument and hedge accounting (contd.)

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Cash flow hedge:

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 recognited 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 or 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 net gain/loss on fair value changes in the profit and loss statement.

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 the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a bedging instrument expires, is sold, terminated, exercised, or when a hodge no longer meets the criteria for bedge accounting, any cumulative gain or loss that has been recognisod in OCI at that time re-mains 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 immodiately transferred to the statement of profit and loss.

The Company did not have any fair value bedges.

2.23 De-recognition of property, plant and equipment and intangible assets

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 determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognisod on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.24 Share based payment transaction

The stock options of the Parent Company is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognisod as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses aftor the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

2.25 Financial guarantees

As issuer of financial guarantees

Financial guarantees are initially recognised in the financial statements (within 'other liabilities') at fair value, being the premium received. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

As beneficiary of financial guarantees

The Company avails financial guarantees from its parent and fellow subsidiaries towards borrowings availed from various lenders.The fair value of the consideration has been expensed off as per Ind AS.

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KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

		March 31, 2023	March 31, 2022
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		12,374.19	7,616.12
Balances with banks in escrow accounts		4,405.77	-
Fixed deposits with original maturity of less than three months		11,400.00	-
Total	(I)	28,179.96	7,616.12
(ii) Bank balances other than cash and cash equivalents			
Balances with Banks in fixed deposit accounts with original maturity of more than three months		4,805.21	1,179.30
Total bank balances other than cash and cash equivalents	(II)	4,805.21	1,179.30
Total cash and bank balances	(I+II)	32,985.17	8,795.42

Notes:

(a) Fixed deposits aggregating to Rs. 2,100 (March 31, 2022: Rs. 300) placed with Banks have a lien for term loan facilities availed by the Company.

(b) Fixed deposits aggregating to Rs. 11.2 (March 31, 2022: Rs. 11.2) placed with Banks have a lien for a credit card facility availed by the Company.

(c) Fixed deposits aggregating to Rs. 1,500 (March 31, 2022: Rs. 1,500) placed with Banks have a lien for the overdraft facility availed by the Company.

(d) Fixed deposits aggregating to Rs. 355.48 (March 31, 2022: Rs. Nil) are provided as collateral for Securitized Liabilities of the Company.

(e) Fixed deposits aggregating to Rs. 25 (March 31, 2022: Rs. Nil) placed with Banks have a lien for Bank Guarantees provided by the Company.

(f) Fixed deposits aggregating to Rs. 625 (March 31, 2022: Rs. Nil) placed with Banks have a lien for working capital loans availed by the Company.

(g) Balance with banks in current accounts is net of overdraft balances.

(h) The overdraft facility availed by the Company has been secured by way of a Lien from a fellow subsidiary, Finnovation Tech Solutions Private Limited.

(i) Balance with banks in escrow accounts do not include balances of the Company's colending partners as these funds are in the nature of float balances for daily disbursements as well as collections from end-customers pending settlement to colending partners.

(j) Also refer Note 44 to these Financial Statements.

4 Trade receivables		
Considered good -Secured	-	-
Considered good -Unsecured	2,666.40	9,540.55
	2,666.40	9,540.55
Less: Allowance for impairment loss	-	-
Total trade receivables	2,666.40	9,540.55
Trade receivables include debts due by:		
i) Private company in which director is a director or a member (Refer Note 37)	234.63	6,688.09
ii) Trade receivables include (Refer Note 37)		
Receivables from Finnovation Tech Solutions Private Limited	234.63	6,688.09
Receivables from Kartbee Technologies Private Limited	2,431.77	2,852.46

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4 Trade receivables (contd.)

Trade Receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of					
	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	234.63	-	2,431.77	-	-	2,666.40
(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 Receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of					
	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	5,967.55	3,573.00	-	-	-	9,540.55
(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	-	-	-	-	-	-

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
5 Loans		
Unsecured, considered good (carried at amortised cost)		
Loan to customer	2,41,674.31	1,21,281.95
Less: Impairment loss allowance (Refer Note 40)	(9,842.69)	(9,785.18)
Total	**2,31,831.62**	**1,11,496.77**
(A)		
(i) Term loans	2,41,674.31	1,21,281.95
(ii) Others	-	-
Less: Impairment loss allowance (Refer Note 40)	(9,842.69)	(9,785.18)
Total (A)	2,31,831.62	1,11,496.77
(B)		
(i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government guarantee	-	-
(iv) Unsecured	2,41,674.31	1,21,281.95
Less: Impairment loss allowance (Refer Note 40)	(9,842.69)	(9,785.18)
Total (B)	**2,31,831.62**	**1,11,496.77**
(C)		
Loans outside India	-	-
Loans in India		
(i) Public sector	-	-
(ii) Others		
(a) Retail	2,41,674.31	1,21,281.95
(a) Corporate	-	-
Less: Impairment loss allowance (Refer Note 40)	(9,842.69)	(9,785.18)
Total (C)	**2,31,831.62**	**1,11,496.77**
6 Investments		
Investments carried at fair value through profit or loss		
Liquid mutual funds, quoted	13,193.16	6,197.98
Total	**13,193.16**	**6,197.98**
Liquid mutual funds, quoted		
DSP Overnight Fund - Growth 3,71,182.68 units of Rs. 1,200.65 each (March 31, 2022: 4,08,987.55 units of Rs. 1,138.38 each)	4,456.60	4,655.83
Nippon Overnight Fund - Growth 5,07,043.23 units of Rs. 120.36 each (March 31, 2022: 9,05,226.23 units of Rs. 114.12 each)	610.30	1,033.04
Baroda BNP Paribas Over Night Fund - Growth 3,50,399.07 units of Rs. 1,177.26 each (March 31, 2022: 45,680.60 units of Rs. 1,114.51 each)	4,125.09	509.11
SBI Overnight Fund Direct Growth 1,09,643.72 units of Rs. 3,649.25 each (March 31, 2022: Rs. Nil)	4,001.17	-
All the above investments are in India.		
7 Other financial assets		
Security deposit	112.47	96.58
Receivables from intermediaries*	4,882.18	4,440.71
Other Advances	500.00	-
Others receivables	175.90	14.13
Total	**5,670.55**	**4,951.42**

*Note (a): The amount represents balance of loans repaid by borrowers, which as at the balance sheet date is pending settlement by the intermediary e-wallet/platform/payment gateways to the Company and is generally settled on a Transaction plus one/two (T+1/T+2) banking days basis.

*Note (b): Also refer Note 44 to these Financial Statements.

8 Current tax assets (net)		
Advance income tax	1,351.38	654.45
Total	**1,351.38**	**654.45**
9 Deferred tax assets (net)		
Deferred tax assets	2,417.75	2,323.29
Total	**2,417.75**	**2,323.29**

Note: Refer Note 32 for the reconciliation of income tax expenses for the year.

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

10 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2022	Additions	Deductions	As at March 31, 2023	As at April 1, 2022	For the year	On deductions	As at March 31, 2023	As at March 31, 2022
Owned assets									
Furniture and fixtures	36.55	1.38	-	37.93	8.96	3.62	-	12.58	25.35
Office equipment's	26.43	3.72	2.39	27.76	12.41	5.70	1.58	16.53	11.23
Computers	186.13	32.79	-	218.92	167.39	14.43	-	181.82	37.10
Total	249.11	37.89	2.39	284.61	188.76	23.75	1.58	210.93	73.68

	Gross block				Depreciation				Net block
	As at April 1, 2021	Additions	Deductions	Up to March 31, 2022	As at April 1, 2021	For the year	On deductions	Up to March 31, 2022	As at March 31, 2022
Owned assets									
Furniture and fixtures	36.55	-	-	36.55	5.36	3.60	-	8.96	27.59
Office equipment's	23.44	2.99	-	26.43	7.83	4.58	-	12.41	14.02
Computers	186.13	-	-	186.13	119.03	48.36	-	167.39	18.74
Total	246.12	2.99	-	249.11	132.22	56.54	-	188.76	60.35

11 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2022	Additions	Deductions	As at March 31, 2023	As at April 1, 2022	For the year	On deductions	As at March 31, 2023	As at March 31, 2023
Computer software	34.25	3.58	-	37.83	31.50	1.55	-	33.05	4.78
Total	34.25	3.58	-	37.83	31.50	1.55	-	33.05	4.78

	Gross block				Amortization				Net block
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year	On deductions	As at March 31, 2022	As at March 31, 2022
Computer software	34.25	-	-	34.25	20.86	10.64	-	31.50	2.75
Total	34.25	-	-	34.25	20.86	10.64	-	31.50	2.75

KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(All amounts are in Rs. Lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
12 Other non-financial assets		
Prepaid expenses	138.61	50.56
Advance to suppliers	26.55	34.53
Debt prepayments	1,002.41	234.30
Capital advances	6.00	-
GST input tax credit	122.34	-
Others	906.97	-
Total	**2,202.88**	**319.39**

13 Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	195.42	40.70
(b) Total outstanding dues creditors other than micro enterprises and small enterprises	1,884.21	680.06
Total	**2,079.63**	**720.76**

Trade payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(I) MSME	195.42	-	-	-	195.42
(II) Others	1,861.33	21.57	1.31	-	1,884.21
(III) Disputed dues - MSME	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(I) MSME	40.70	-	-	-	40.70
(II) Others	677.51	0.60	1.95	-	680.06
(III) Disputed dues - MSME	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	March 31, 2023	March 31, 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	195.42	40.70
Interest	3.85	0.64
Total		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	3.85	0.64
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	3.85	0.64

Trade payables include (Refer Note 37):		
Payable to Finnovation Tech Solutions Private Limited	374.60	186.88
Payable to Kartbee Technologies Private Limited	-	55.13

	March 31, 2023	March 31, 2022
14 Debt securities		
At amortized cost		
Secured		
Privately placed redeemable non-convertible debentures	66,114.94	26,799.76
Total	66,114.94	26,799.76
*All the Debt securities are in India		

Notes:

I. Terms of repayment of privately placed redeemable non-convertible debentures

Year ended	Terms of debt	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2023	Interest rate: 11.40% to 15% Repayment terms: Bullet repayments of various frequencies, equated monthly installments & monthly repayments of principal and interest (total 69 installments)	53,384.75	12,730.19	-	66,114.94
March 31, 2022	Interest rate: 11.95% to 15% Repayment terms: Bullet repayments of various frequencies & equated monthly installments of principal and interest (total 66 installments)	19,252.51	7,547.25	-	26,799.76

II All the above non-convertible debentures are secured by way of hypothecation of the loan receivables of the Company. Minimum security cover of 1:1 is required to be maintained throughout the term of the debentures.

III Rs. 38,790.97 of the non-convertible debentures are guaranteed by a fellow subsidiary, Finnovation Tech Solutions Private Limited.

	March 31, 2023	March 31, 2022
15 Borrowings (other than debt securities)		
At amortized cost, secured		
Term loans		
i. From Banks	10,698.73	6,583.80
ii. From others	38,210.51	33,112.27
Working capital loans	7,926.46	2,503.19
External commercial borrowings	-	11,371.07
Securitization liabilities	472.67	-
Commercial Papers	5,935.96	-
Total	63,244.33	53,570.33
Borrowings in India	63,244.33	42,199.26
Borrowings outside India	-	11,371.07

Notes:

I. Terms of repayment of term loans:

Year ended	Terms of borrowings	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2023	Interest rate: 9.05% to 14.85% Repayment terms: Bullet repayments of various frequencies, equated monthly installments & monthly repayments of principal and interest (total of 207 installments)	54,497.41	2,338.29		56,835.70
March 31, 2022	Interest rate: 9.70% to 13.50% Repayment terms: Bullet repayments of various frequencies, equated monthly installments & monthly repayments of principal and interest (total of 129 installments)	40,575.33	1,623.93	-	42,199.26





15 Borrowings (other than debt securities) (contd.)

ii. Terms of repayment of external commercial borrowings:

Year ended	Terms of borrowings	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2023	Interest rate: 6 month Libor plus 4.5% Repayment terms: Bullet repayment	-	-	-	-
March 31, 2022	Interest rate: 6 month Libor plus 4.5% Repayment terms: Bullet repayment	11,371.07	-	-	11,371.07

iii. Terms of repayment of commercial papers:

Year ended	Terms of borrowings	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2023	Interest rate: 12.25% Repayment terms: Bullet repayment	5,935.96	-	-	5,935.96

iv. Terms of repayment of securitisation liabilities:

Tenure (from the date of the balance sheet)	Rate of Interest	Repayment Details	Amount
0 to 2 Month	11.00%	Equated Monthly Installments (total of 2 installments)	472.67

v. Nature of Security:

i. Term loans are secured with a Fixed Deposit of Rs. 355.48 and hypothecation of specific loan receivables of the Company.

ii. The borrowings have not been guaranteed by directors or others.

iii. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

iii. All the above term loans are secured by hypothecation of portfolio of the Company. Minimum security cover of 1:1 is required to be maintained throughout the term of the loan.

iv. Rs. 39,610.29 of the term loans and working capital loan are guaranteed by fellow subsidiary, Finnovation Tech Solutions Private Limited.

v. There are no defaults as on balance sheet date in repayment of any dues of any term loans, external commercial borrowings, commercial papers and securitization liabilities.

vi. The Company has been sanctioned working capital limits of Rs. 10,500 from banks on the basis of security of current assets of the Company. The Company has also filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement.

	March 31, 2023	March 31, 2022
16 Other financial liabilities		
Employee benefits payable	52.45	45.00
Director fees payable	-	1.50
Lease liability	338.60	191.65
Others	271.61	3.05
Total	662.66	241.20
***Others include**		
Payable to related party - Finnovation Tech Solutions Private Limited	136.04	-
17 Current tax liabilities (net)		
Current tax liabilities	-	800.89
Total	-	800.89
18 Provisions		
Provision for gratuity	137.93	55.87
Provision for compensated absences	98.79	57.21
Total	236.72	113.08
19 Other non-financial liabilities		
Statutory dues	375.61	223.44
Interest received but not due	949.35	987.01
Total	1,324.96	1,210.45

ASG & ASSOCIATES Chartered Accountants NEW DELHI
KRAZYBEE SERVICES PVT. LTD.

20(a) Equity share capital

The Company has only one class of equity share capital having a par value of Rs. 10 per share, referred to herein as equity shares.

	March 31, 2023	March 31, 2022
Authorized		
30,00,000 equity shares of Rs. 10 each (March 31, 2022: 15,00,000 equity shares of Rs. 10 each)	300.00	150.00

20(b) Instruments entirely equity in nature

The Company has only one class of preference share capital having a per value of Rs. 18,000 per share, referred to herein as preference shares.

Authorized		
5,60,000, 0.001% Non-cumulative compulsorily convertible preference shares (CCPS) of Rs. 18,000 each	1,00,800.00	-
	1,01,100.00	**150.00**
Issued, subscribed and paid up share capital		
11,17,953 equity shares of Rs. 10 each (March 31, 2022: 11,23,852 equity shares of Rs. 10 each)	111.80	112.38
3,89,649 0.001% Non-cumulative compulsorily convertible preference shares of Rs. 18,000 each (March 31, 2022: Nil)	70,136.82	-
Total	**70,248.62**	**112.38**

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

	March 31, 2023		March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning of the year	11,23,852	112.38	10,70,233	107.02
Add: Issued during the year	-	-	53,619	5.36
Less: Buy back of equity shares	5,899	0.59	-	-
Outstanding at the end of the year	**11,17,953**	**111.79**	**11,23,852**	**112.38**
Compulsorily Convertible Preference Shares				
At the beginning of the year	-	-	-	-
Add: Issued during the year	3,89,649	70,136.82	-	
Outstanding at the end of the year	**3,89,649**	**70,136.82**	-	-

(b) Rights, preferences and restrictions attached to shares

Equity shares:
The Company has only one class of equity shares having per value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will he in proportion to the number of equity shares held by the shareholders.

Compulsorily Convertible Preference Shares:

Terms of Series D Compulsorily Convertible Preference Shares ("Series D CCPS")

1. **Voting:** Each holder of Series D CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As if Converted Basis".

2. **Dividend:** Each Series D CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the Series D CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other Preference Shares, prior, and in preference, te any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the Equity Shares. In a case where dividends on any other class of shares of the Company are higher than the Series D CCPS dividend rate, such higher rate of dividends shall also he paid to the Series D CCPS holders.

20 Equity share capital (contd.):

3. Conversion: Each Series D CCPS shall convert into Equity shares on a 1:1 basis. The Series D CCPS can be converted at the option of the holder of the Series D CCPS by serving a prior written notice to the Company. The Series D CCP will mandatorily convert in Equity Shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company.

4. Valuation Protection: The Series D CCPS holders are entitled to a valuation protection over the subscription price.

5. Liquidation Preference: The Series D CCPS carry a liquidation preference in preference to holders of Equity shares of the Company in the following manner (a) the relevant subscription price in respect of each Series D Preference Share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the Series D CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each Series D CCPS held.

	March 31, 2023	March 31, 2022
(c) Shares held by holding company (Number of shares)		
Finnov Private Limited	11,17,952	11,17,952

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of Rs. 10 each fully paid up				
Finnov Private Limited	11,17,952	100.00%	11,17,952	99.48%
Compulsorily Convertible Preference Shares of Rs. 10 each fully paid				
Wiseanya Limited	2,03,507	52.23%	-	-
PI Opportunities Fund I	66,350	17.03%	-	-
India business Excellence Fund IV	53,418	13.71%	-	-
MUFG Bank Ltd.	24,202	6.21%	-	-
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	22,492	5.77%	-	-
Mirae Asset Late Stage Opportunities Fund	19,680	5.05%	-	-
Total	**3,89,649**	**100.00%**	-	-

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company (contd.):
As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) There are no shares reserved for issue under options or contracts and commitments.

(g) The Board of Directors at its meeting held on March 15, 2023, approved a proposal to buy-back upto 5,899 equity shares of the Company for an aggregate amount not exceeding Rs. 587.40 lakhs, being less than 10% of total number of paid up equity share capital at Rs. 9,957.69 per equity share. A Letter of Offer was made to all eligible shareholders. The Company extinguished the equity shares on March 24, 2023 and created a capital redemption reserve to the extent of share capital extinguished.

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

20 Equity share capital (contd.):
(h) Details of shareholding of promoters in the Company:

Name of the promoter	March 31, 2023		
	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	11,17,952	100.00%	0.52%
Madhusudan Ekambaram*	1	0.00%	(0.52%)
Karthikeyan Krishnaswamy*	-	0.00%	(0.00%)

Name of the promoter	March 31, 2022		
	Number of shares	% of holding in the class	% Change during the year
Finnov Private Limited	11,17,952	99.48%	0.03%
Madhusudan Ekambaram	5,890	0.52%	(0.03%)
Karthikeyan Krishnaswamy	10	0.00%	(0.00%)

** The % of holding in the class is lower than the decimals disclosed by the Company.*

	March 31, 2023	March 31, 2022
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	1,937.55	1,361.76
Add: Transferred during the year	1,301.77	575.79
Closing balance	**3,239.32**	**1,937.55**
(b) Securities premium account		
Opening balance	50,364.67	46,681.04
Add: Received during the year on issue of CCPS	22,254.03	3,683.63
Add: Buy-back of equity shares	(723.52)	-
Closing balance	**71,895.18**	**50,364.67**
(c) Share options outstanding account		
Opening balance	626.90	310.60
Add: Transferred during the year	241.49	316.30
Less: Transfer to equity	-	-
Closing balance	**868.39**	**626.90**
(d) Retained earnings		
Opening balance	7,609.43	5,289.41
Add: Net Profit for the year	6,508.85	2,878.94
Add: Other comprehensive income	(14.05)	16.87
Add: Transfer to statutory reserves	(1,301.77)	(575.79)
Closing balance	**12,802.46**	**7,609.43**
Total reserves and surplus	**88,805.35**	**60,538.55**

Nature and purpose of reserves:

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934
The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium account
The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account
The Company provide share based payment scheme to its employees. The shares of the parent company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings
Retained earnings represents the surplus in Profit and Loss Account. 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 actuarial gains and losses on defined benefit plans.

(e) Capital Redemption Reserve
As per Companies Act, 2013, Capital Redemption Reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to Capital Redemption Reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.





	Year ended March 31, 2023	Year ended March 31, 2022
22 Interest income		
At amortized cost		
Interest on loans	47,270.00	17,187.98
Interest on deposits with Banks	499.15	304.11
Other interest income	5.83	8.25
Total	**47,774.98**	**17,500.34**
23 Fees and commission income		
Fees from platform	1,898.36	2,715.57
Service Fees	15,172.02	-
Recovery of deficiency	6,403.83	13,253.83
Total	**23,474.21**	**15,969.40**
Also refer Note 38 for additional disclosures.		
24 Net gain/(loss) on fair value changes		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Investments	451.60	206.96
- remeasurement gain/(loss)	-	(17.25)
Total	**451.60**	**189.71**
Fair value changes:		
- realised	423.79	107.48
- unrealised	27.81	82.23
Total	**451.60**	**189.71**
25 Other income		
Income from business support services	140.00	-
Interest on Income Tax Refund	65.46	-
Miscellaneous income	1.65	27.92
Total	**207.11**	**27.92**
26 Finance costs		
On financial liabilities measured at amortized cost		
Interest on borrowings	8,474.85	4,062.25
Interest on debt securities	6,862.67	2,844.75
Interest on lease liability	37.09	42.67
Interest on shortfall of advance tax	15.04	224.10
Applicable net (gain) / loss on foreign currency transactions and translation	1,035.44	359.11
Total	**16,425.09**	**7,532.88**
(i) Expenditure in foreign currency		
Interest expenses	536.73	641.50
27 Fees and commission expense		
Commission to platforms	12,867.25	818.13
Commission to payment gateways	68.41	22.75
Credit assessment charges	1,437.59	838.53
Total	**14,373.25**	**1,679.41**

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

		Year ended March 31, 2023	Year ended March 31, 2022
28	**Impairment on financial instruments**		
	On financial instruments measured at amortised cost		
	Loans	24,853.22	16,183.78
	Total	24,853.22	16,183.78
29	**Employee benefit expenses**		
	Salaries and wages	3,170.54	2,073.52
	Gratuity expense	63.30	30.07
	Leave benefits expense	50.17	32.92
	Contribution to provident and other funds	134.65	106.19
	Share based payments to employees	241.49	306.93
	Staff welfare expenses	19.87	13.14
	Total	3,680.02	2,562.77
30	**Depreciation and amortization expense**		
	on tangible assets	23.75	56.54
	on right of use asset	139.85	200.25
	on intangible assets	1.55	10.64
	Total depreciation and amortization expense	165.15	267.43
31	**Other expenses**		
a)	Rent, rates and taxes	588.20	218.85
	Director's fees, allowances and expenses	18.90	14.40
	Auditor's fees and expenses	14.26	12.08
	Legal and Professional charges	203.88	129.96
	Loss on sale of fixed asset	0.35	-
	Business support services	186.25	-
	Bank charges	62.06	12.81
	Technical expenses	1,775.52	469.11
	Sales promotion expenses	167.89	-
	Collection charges	234.49	182.10
	Office expenses	284.62	211.36
	Expenditure towards Corporate Social Responsibility (CSR) activities	103.66	70.10
	Other expenditure	21.32	1.80
	Total	3,661.40	1,322.57

Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax)

b)	**As auditor:**		
	For statutory audit	13.50	12.00
	For certificates	0.76	0.08
	Total	14.26	12.08

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c) **Corporate Social Responsibility (CSR)**

Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.

	Year ended March 31, 2023	Year ended March 31, 2022
Gross amount required to be spent	95.26	70.09
Excess/(Shortfall) amount spent in previous financial year carried forward	-	-
Amount spent during the year		
i. construction/acquisition of any asset		
- under control of the Company for future use	-	-
- not under control of the Company for future use	-	-
ii. On purpose other than (i) above	103.66	70.10
iii. Excess/(Shortfall) at the end of the year	8.40	-
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		
Education & Medical	-	35.10
Medical	20.00	20.00
Assistance and relief in Emergency Situations fund	8.66	15.00
Education	40.00	-
Project of gurukul based educational institute at sunpura: Jharcha: oosar: shahada: bhamer in India	20.00	-
Women empowerment	5.00	-
Skill development and capacity building training	4.00	-
Promotion of education	2.00	-
Food distribution & cloths distribution	4.00	-
Total	103.66	70.10

32 **Income tax**

(A) **Deferred tax relates to the following:**

Deferred tax assets		
On provision for employee benefits	54.86	34.13
On income taxable u/s 43D	-	-
On ESOP expenses	-	-
On expected credit loss	2,358.93	2,354.51
On leases	4.72	6.70
On depreciation and amortisation	7.19	8.75
On others	-	29.84
	2,425.70	2,433.93
Deferred tax liabilities		
On depreciation and amortisation	-	-
On borrowings	-	84.68
On others	7.00	20.28
	7.00	104.96
Deferred tax asset, net (excluding OCI)	2,418.70	2,328.97

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(B) Reconciliation of deferred tax assets/(liabilities) (net):	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance at the beginning of the year	**2,323.29**	**1,469.30**
Tax liability recognized in Statement of Profit and Loss:		
On borrowings	84.68	(30.88)
On others	(29.83)	(17.41)
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	20.72	14.49
On property plant and equipment	(1.56)	9.77
On income taxable u/s 43D	-	(74.23)
On others	11.31	11.74
On ESOP expenses	-	(78.18)
On expected credit loss	4.42	1,024.37
Total deferred tax assets/(liabilities) (net excluding OCI)	**89.74**	**859.67**
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	4.72	(5.68)
Closing balance at the end of the year	**2,417.75**	**2,323.29**

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Tax asset/(liability)	54.85	(48.29)
Amounts recognised in Statement of Profit and Loss account	34.89	907.96
	89.74	**859.67**

(D) Income tax expense		
- Current tax	2,247.31	2,056.35
- Adjustments in respect of current income tax of previous year	83.35	62.91
- Deferred tax (credit)/ charge	(89.74)	(859.67)
Income tax expense reported in the statement of profit or loss	**2,240.92**	**1,259.59**

(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	4.72	(5.68)
Income tax charged to OCI	**4.72**	**(5.68)**

(F) Reconciliation of tax charge		
Profit before tax	**8,749.77**	**4,138.53**
Applicable income tax rate	25.17%	25.17%
Income tax expense	**2,202.14**	**1,041.59**
Tax effects of:		
Taxes pertaining to earlier periods	-	62.91
Non-deductible expenses under the Income Tax Act, 1961	40.61	74.53
Others	(1.83)	80.56
Income tax expense	**2,240.92**	**1,259.59**

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33 Earnings per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Net profit attributable to equity holders	6,508.85	2,878.94
Weighted average number of equity shares for basic EPS	11,23,723	11,01,229
Weighted average number of equity shares for diluted EPS	12,22,204	11,01,229
Basic earnings per share (Rs.)	579.22	261.43
Diluted earnings per share (Rs.)	532.55	261.43

34 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	134.65	106.19

(B) Other plans provisions

a) Defined benefit plan: Gratuity payable to employees	137.93	55.87
b) Other long term benefits: Compensated absences for Employees	98.79	57.21

Defined benefit plan: Gratuity plan

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions

Discount rate (per annum)	7.20%	5.15%
Rate of increase in salary	10.00%	10.00%
Rate of attrition	30.00%	30.00%

ii) Changes in the present value of defined benefit obligation

Present value of obligation at the beginning of the year	55.87	48.43
Interest cost	2.87	2.70
Current service cost	60.42	27.37
Benefit directly paid by employer	-	(0.08)
Actuarial (gain)/ loss on obligations	18.77	(22.55)
Present value of obligation at the end of the year*	137.93	55.87

*included in provision for employee benefits

iii) Expense recognized in the Statement of Profit and Loss

Current service cost	60.42	27.37
Interest cost	2.87	2.70
Total expense recognized in the Statement Profit and Loss*	63.29	30.07

*Included in Employee benefits expense (Refer Note 29). Actuarial gain of Rs. 18.77 (March 31, 2022: Acturial loss of Rs. 22.55) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet:

Present value of unfunded obligation as at the end of the year	137.93	55.87
Unfunded net (asset) / liability recognized in Balance Sheet*	137.93	55.87

*Included in provision for employee benefits

v) Expected contribution to the fund in the next year

Gratuity





34 Employee benefits (contd.)	March 31, 2023	March 31, 2022
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(4.34)	(2.18)
1% decrease	4.65	2.34
Change in Rate of Salary increase:		
1% increase	4.35	2.20
1% decrease	(4.19)	(2.09)
Change in Rate of Employee Turnover:		
1% increase	(2.29)	(1.52)
1% decrease	2.36	1.58
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	15.33	3.87
2nd Following Year	28.80	4.83
3rd Following Year	26.22	11.93
4th Following Year	22.58	10.73
5th Following Year	20.53	9.02
Sum of Years 6 To 10	49.86	21.93
Sum of Years 11 and above	17.36	7.92

35 Employee Stock Option Scheme (ESOP)

The Parent Company's Board approved ESOP 2016 & ESOP plan 2020 for granting Employee Stock Options in form of equity shares linked to the complution of a minimum perled of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors of parent Company. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, end movements in, share options during the year.

	March 31, 2023		March 31, 2022	
Particulars	**Number**	**WAEP (INR)**	**Number**	**WAEP (INR)**
Options outstanding at beginning of year	53,18,867	-	35,81,886	-
Add:				
Options granted during the year	47,271	-	3,43,905	-
Option transferred	-	-	13,96,498	-
Less:				
Options exercised during the year	-	-	1,945	-
Options Lapsed during the year	-	-	1,477	-
Options outstanding at the end of year	**53,66,138**	**-**	**53,18,867**	**-**
Option exercitable at the end of year	-	-	-	-

In accordance with the above mentioned ESOP Scheme, Rs. 241.49 (March 31, 2022: Rs. 306.93) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended March 31, 2023 as Employee Stock Option Scheme Compensation.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

	March 31, 2023	March 31, 2022
Weighted average fair value of the options at the grant dates (INR)	1.45	1.40
Dividend yield (%)	0%	0%
Risk free interest rate (%)	5.71%	4.82% - 5.71%
Expected life of share options (years)	0.39	2.92
Expected volatility (%)	63.81%	60.37% - 67.24%
Weighted average share price (INR)	1.45	1.40

36 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 and 36 months, which include both cancellable and non-cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(Ia) Details of right-of-use assets are as follows:

Particulars	Category of ROU asset	
	Premises	
	March 31, 2023	March 31, 2022
Opening Balance at the start of the year	165.04	86.95
Additions	294.65	278.34
Amortization (refer Note 30)	139.85	200.25
Closing balance at the end of the year	319.84	165.04

(Ib) Lease liabilities

Particulars	Category of Lease Liability	
	Premises	
Opening Balance at the start of the year	191.65	92.97
Additions	282.05	287.74
Lease payments	(172.19)	(231.73)
Interest on lease liabilities (refer Note 26)	37.09	42.67
Closing balance at the end of the year	338.60	191.65

(II) Maturity analysis of lease liabilities

Particulars		
Upto one year	156.10	103.47
More than one year upto 5 years	182.50	88.18
Total	338.60	191.65

(III) Amounts recognised in Statement of Profit and Loss account

Particulars		
Interest on lease liabilities (refer Note 26)	37.09	42.67

(Iv) Amounts recognised in Statement of Cash Flows

Particulars		
Total cash outflow for leases	172.19	231.73

37 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Finnov Private Limited, Singapore

Other related parties

(a) Fellow subsidiary
Finnovation Tech Solutions Private Limited
Kartbee Technologies Private Limited

(b) Key Management Personnel (KMP)
Madhusudan Ekambaram, Director
Karthikeyan Krishnaswamy, Director
Vivek Veda, Director

(c) Relatives of KMP
Nutan Soudagar (spouse of Madhusudan Ekambaram)
Anil Veda (father of Vivek Veda)
Vibha Veda (mother of Vivek Veda)
Vani Jain (wife of Vivek Veda)

	March 31, 2023	March 31, 2022
37 Related Party Disclosures (contd.)		
(B) Details of transactions with related party in the ordinary course of business for the year ended:		
(i) Particulars		
A) Transactions during the year:		
Sale of services		
Finnovation Tech Solutions Private Limited	8,902.03	13,132.09
Kartbee Technologies Private Limited	(376.04)	2,831.89
Business support Service (income)		
Finnovation Tech Solutions Private Limited	140.00	-
Purchase of services		
Finnovation Tech Solutions Private Limited (Refer note (d))	20,057.95	809.09
Kartbee Technologies Private Limited	(16.48)	9.04
Business support Service (expenses)		
Finnovation Tech Solutions Private Limited	186.25	-
Reimbursement of expenses		
Vivek Veda	4.70	2.17
Share based payment expenses		
Finnov Private Limited	241.49	306.93
Remuneration to directors		
Vivek Veda	143.00	81.70
Non-executive/independent Director sitting fees		
Abhishek Singvi	6.60	4.50
Adesh Gupta	7.20	5.70
Gopalakrishna Gurrappa	5.10	4.20
Share issued during the year (refer Note 23(a) and 23(b))		
Finnov Private Limited	-	5.36
Securities premium on the shares issued	-	3,683.63
Buy-back of equity shares		
Madhusudan Ekambaram	586.41	-
Karthikeyan Krishnaswamy	1.00	-
Corporate gurantee fees		
Finnovation Tech Solutions Private Limited	225.30	-
Finance cost		
Finnov Private Limited	536.73	641.49
Madhusudan Ekambaram	8.98	13.11
Nutan Soudagar	8.04	6.89
Anil Veda	1.08	-
Vani Jain	5.99	8.74
Vibha Veda	2.17	2.77
Vivek Veda	2.17	2.77
Issue of non-convertible debentures		
Madhusudan Ekambaram	-	90.00
Nutan Soudagar	70.00	70.00
Anil Veda	10.00	-
Vani Jain	-	60.00
Vibha Veda	20.00	-
Vivek Veda	20.00	-
Redemption of non-convertible debentures		
Madhusudan Ekambaram	90.00	90.00
Nutan Soudagar	70.00	40.00
Vani Jain	60.00	60.00
Vivek Veda	20.00	-
Vibha Veda	20.00	-





	March 31, 2023	March 31, 2022
37 Related Party Disclosures (contd.)		
B) Balances as at year end:		
Receivables		
Finnovation Tech Solutions Private Limited	234.63	6,501.21
Kartbee Technologies Private Limited	2,431.77	2,797.33
Payables		
Finnovation Tech Solutions Private Limited	374.60	186.88
Kartbee Technologies Private Limited	-	55.13
Finnov Private Limited	0.02	0.02
Vivek Veda	0.09	-
Director fees	-	1.50
Other Payable		
Finnovation Tech Solutions Private Limited	136.04	-
Borrowings		
Finnov Private Limited	-	11,371.07
Non-convertible debentures (including accrued interest):		
Madhusudan Ekambaram	-	90.39
Nutan Soudagar	70.33	70.31
Anil Veda	10.03	60.26
Vibha Veda	20.07	20.23
Vivek Veda	20.07	20.23

(c) **Terms and conditions of transactions with related parties:**
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(d) Rs. 8,029.95 is in the nature of transaction costs which are included in the "Effective Interest Rate" of the loan receivables of the Company. Accordingly, the same have been classified under "Interest Income" in Note 22 and of this amount, Rs. 4,596.48 has been recognized as income during the year.

(e) Finnovation Tech Solutions Private Limited, a fellow subsidiary has issued Corporate Guarantee's aggregating to Rs. 78,090.58 (March 31, 2022: Rs. 49,598.87) in favour of the Company for its business requirements.

(f) The Bank overdraft availed by the Company aggregating to Rs. 1,983.73 (March 31, 2022: Rs. 1,500) has been secured by way of liens on fixed deposit balances of a fellow subsidiary Finnovation Tech Solutions Private Limited.

38 Revenue from contracts with customers	March 31, 2023	March 31, 2022
Types of services:		
Fees from platform	1,898.36	2,715.57
Service Fees	15,172.02	-
Recovery of deficiency	6,403.83	13,253.83
Total	23,474.21	15,969.40
Geographical markets:		
In India	23,474.21	15,969.40
Outside India	-	-
Total	23,474.21	15,969.40
Timing of revenue recognition:		
Services transferred at a point in time	-	-
Services transferred over time	23,474.21	15,969.40
Total	23,474.21	15,969.40
Contract balances:		
Fees, commission and other receivables	-	-
Total	-	-





39 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Additionally, the Company operates only in India, hence, no separate segment information has been furnished herewith.

40 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital. Market risk is monitored by assessments of fluctuation in the equity price, unhedged foreign exchange exposures, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities. This risk is managed by the Company's treasury team under the guidance of the Asset-Liability Committee.

(i) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates on borrowings at variable interest rates.

Interest rate risk exposure

	March 31, 2023	March 31, 2022
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	53,573.56	50,211.90

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on External Commercial Borrowings:

	Increase/(decrease) in basis points	Effect on profit before tax
March 31, 2023		
Rs.	+50	267.87
Rs.	-50	(267.87)
March 31, 2022		
Rs.	+50	251.06
Rs.	-50	(251.06)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowing.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to Rs. at closing rate, is as follows:

	March 31, 2023	March 31, 2022
Financial liabilities (in USD Million)	-	15.00
External Commercial Borrowing	-	11,371.07
Net exposure to foreign currency risk (liabilities)	-	11,371.07

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company does not have exposure to any other foreign currencies.

	Increase/(decrease) in basis points	Effect on profit before tax
March 31, 2023		
INR	+100	-
INR	-100	-
March 31, 2022		
INR	+100	113.71
INR	-100	(113.71)

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KRAZYBEE SERVICES PVT. LTD. Bangalore

40 Financial risk management objectives and policies (contd):

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance & product mix and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as installment default rate, overdue position, EMI moratorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non-performing loans etc. are used as leading indicators to assess credit risk.

The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators, including a watch over the spread of COVID-19 infection and coverage of vaccination across its geographic spread.

Macro Economic Variables:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:

1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.

Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforeseen distortion of customers' financial position and volatile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

The Company provides for expected credit loss based on the following:

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss

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40 Financial risk management objectives and policies (contd):

	March 31, 2023	March 31, 2022
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	28,179.96	7,616.12
Bank balances other than above	4,805.21	1,179.30
Trade receivables	2,666.40	9,540.55
Loans to customers*	2,30,611.90	1,13,676.67
Investments	13,193.16	6,197.98
Other financial assets	5,670.55	4,551.42
Moderate credit risk		
Loans to customers*	5,524.79	4,214.74
High credit risk		
Loans to customers*	5,537.62	3,390.54

* Represents gross values of the financial assets

Cash & cash equivalents and Bank deposits

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments

For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables

Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries and others miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(ii) Expected credit losses for financial assets other than loans:

The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.
- For investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.
- For Trade receivables - Credit risk is considered low because these balances are with group companies with strong financial resources and the balances are held for shorter periods.
- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

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40 Financial risk management objectives and policies (contd):

(III) Expected credit loss for loans

Credit default risk

Considering the nature of advances given - small ticket size, short term and retail - the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has imbibed the qualitative aspect in the categorization of the asset portfolio (i.e. first time borrowers and repeat borrowers as well as customer repeatability) which considers the qualitative aspects of definition of default. The Company has therefore set out the following definition of default for all loan products:

Days Past Due: Exposures that have one or more installment(s) past due for 90 days or more.

Event driven defaults: This will be based on the customer specific factors such as declaration of bankruptcy by the customer, death of borrower and other customer specific factors. This will be applied on a case by case basis.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when dues past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of less given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1, or Stage 2 or even Stage 3 asset.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. All the loans of the Company are of unsecured nature. The management believes that the LGDs depicted basis the historical data is not representative of the future for certain products with low vintage and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages for these specific products so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Quantitatively, accounts whose overdue days have exceed 180 days are written-off. The outstanding contractual amounts of such assets written off during the year ended March 31, 2023 was Rs. 24,795.71 (March 31, 2022: Rs. 11,897.69). However, collection efforts continue on such accounts as these are legally due to the Company.

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40 Financial risk management objectives and policies (contd):

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the loan portfolio:

As at March 31, 2023				
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	2,30,611.90	5,524.79	5,537.62	2,41,674.31
Less: Allowance for ECL	3,472.85	2,862.14	3,507.70	9,842.69
Net carrying value	2,27,139.05	2,662.65	2,029.92	2,31,831.62
ECL Coverage Ratio	1.51%	51.81%	63.34%	4.07%

As at March 31, 2022				
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	1,13,676.67	4,214.74	3,390.54	1,21,281.95
Less: Allowance for ECL	4,805.08	2,507.21	2,472.89	9,785.18
Net carrying value	1,08,871.59	1,707.53	917.65	1,11,496.77
ECL Coverage Ratio	4.23%	59.49%	72.93%	8.07%

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors forecasts of the liquidity position and cash & 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 policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The following represents the maturity profile of the Company's liabilities:

March 31, 2023	Less than 1 year	1 to 3 years	Total
Debt Securities	53,384.75	12,730.19	66,114.94
Borrowings other than debt securities	60,906.04	2,338.29	63,244.33
Trade payables	2,056.75	22.88	2,079.63
Other financial liabilities	480.16	182.50	662.66
	1,16,827.70	15,273.86	1,32,101.56
March 31, 2022			
Debt Securities	19,252.51	7,547.25	26,799.76
Borrowings other than debt securities	51,946.40	1,623.93	53,570.33
Trade payables	718.21	2.55	720.76
Other financial liabilities	153.02	88.18	241.20
	72,070.14	9,261.91	81,332.05

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40 Financial risk management objectives and policies (contd):

(D) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

(E) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2022	1,13,676.67	4,805.08	4,214.74	2,507.21	3,390.54	2,472.89	1,21,281.95	9,785.18
Transfers during the year							-	-
- To Stage 1	-	-	-	-	-	-	-	-
- To Stage 2	(60.18)	(1.77)	60.18	1.77	-	-	-	-
- To Stage 3	(15,847.29)	(1,515.72)	(3,099.67)	(1,795.66)	18,946.95	3,311.38	-	-
	(15,907.47)	(1,517.49)	(3,039.48)	(1,793.89)	18,946.95	3,311.38	-	-
Impact of changes in credit risk on account of stage movements	-	-	-	31.04	-	16,405.08	-	16,436.12
Changes in opening credit exposures	(97,414.74)	(3,282.48)	(1,091.86)	(712.56)	(785.91)	(712.48)	(99,292.51)	(4,707.48)
New credit exposures during the year (net of repayments)	2,30,257.44	3,467.71	5,441.39	2,830.34	15,127.84	13,172.64	2,50,826.67	19,470.68
Amounts written-off	-	-	-	-	(31,141.80)	(31,141.80)	(31,141.80)	(31,141.80)
As at March 31, 2023	2,30,611.90	3,472.85	5,524.79	2,862.14	5,537.62	3,507.70	2,41,674.31	9,842.69

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41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and 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.

		March 31, 2023	March 31, 2022
Total equity	(i)	1,59,053.97	60,650.94
Debt securities	(ii)	66,114.94	26,799.76
Borrowings other than debt securities	(iii)	63,244.33	53,570.33
Total debt	**(iv)=(ii)+(iii)**	**1,29,359.27**	**80,370.09**
Less: Cash and bank balances & liquid investments	(v)	46,178.33	14,993.40
Net debt	**(vi) = (iv)-(v)**	**83,180.94**	**65,376.69**
Overall financing	(vii)=(i)+(vi)	2,42,234.91	1,26,027.63
Gearing ratio	**(vi)/(vii)**	**0.34**	**0.52**

No changes were made in the objectives, policies or processes for managing capital during the years presented.

42 Change in liabilities arising from financing activities

Particulars	March 31, 2022	Net Cash flows	Non-cash adjustments	March 31, 2023
Debt securities	26,799.76	39,315.18	-	66,114.94
Borrowings other than debt securities	53,570.33	9,674.00	-	63,244.33
Deposits	-	-	-	-
Total liabilities from financing activities	**80,370.09**	**48,989.18**	**-**	**1,29,359.27**

Particulars	March 31, 2021	Net Cash flows	Non-cash adjustments*	March 31, 2022
Debt securities	11,717.74	15,082.02	-	26,799.76
Borrowings other than debt securities	35,116.45	21,783.76	(3,329.88)	53,570.33
Deposits	-	-	-	-
Total liabilities from financing activities	**46,834.19**	**36,865.78**	**(3,329.88)**	**80,370.09**

**Non-Cash Adjustment includes Conversion of External Commercial Borrowings of USD 5 Million to Equity.*

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KRAZYBEE SERVICES PVT. LTD. Bangalore

ASC & ASSOCIATES Chartered Accountants NEW DELHI

43 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows:

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2023					
Financial assets					
Cash and cash equivalents	-	-	28,179.96	28,179.96	28,179.96
Bank balances other than above	-	-	4,805.21	4,805.21	4,805.21
Trade receivables	-	-	2,666.40	2,666.40	2,666.40
Loans	-	-	2,31,831.62	2,31,831.62	2,31,831.62
Investments	13,193.16	-	-	13,193.16	13,193.16
Other financial assets	-	-	5,670.55	5,670.55	5,670.55
Total financial assets	13,193.16	-	2,73,153.74	2,86,346.90	2,86,346.90
Financial liabilities					
Trade payables	-	-	2,079.63	2,079.63	2,079.63
Debt securities	-	-	66,114.94	66,114.94	66,114.94
Borrowings (other than debt securities)	-	-	63,244.33	63,244.33	63,244.33
Other financial liabilities	-	-	662.66	662.66	662.66
Total financial liabilities	-	-	1,32,101.56	1,32,101.56	1,32,101.56
As at March 31, 2022					
Financial assets					
Cash and cash equivalents	-	-	7,616.12	7,616.12	7,616.12
Bank balances other than above	-	-	1,179.30	1,179.30	1,179.30
Trade receivables	-	-	9,540.55	9,540.55	9,540.55
Loans	-	-	1,11,496.77	1,11,496.77	1,11,496.77
Investments	6,197.98	-	-	6,197.98	6,197.98
Other financial assets	-	-	4,551.42	4,551.42	4,551.42
Total financial assets	6,197.98	-	1,34,384.16	1,40,582.14	1,40,582.14
Financial liabilities					
Trade payables	-	-	720.76	720.76	720.76
Debt securities	-	-	26,799.76	26,799.76	26,799.76
Borrowings (other than debt securities)	-	-	53,570.33	53,570.33	53,570.33
Other financial liabilities	-	-	241.20	241.20	241.20
Total financial liabilities	-	-	81,332.05	81,332.05	81,332.05

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2023:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	13,193.16	-	-	13,193.16

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2022:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	6,197.98	-	-	6,197.98

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43 Financial instruments and fair value disclosures (contd.)

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.

	March 31, 2023	March 31, 2022
44 Contingencies and commitments:		
Loan commitments*	-	30,218.12
	-	30,218.12

** Represents undrawn credit lines contractually provided by the Company to its customers for various products.*

Note:

As a part of industry wide investigation carried by an investigation agency ("Agency") on the digital lending applications and the financial institutions lending on such applications, cash and bank balances of Rs. 3,305.31 lakhs and Rs. 1,606.53 lakhs of balances pending settlement from intermediaries of the Company has been frozen. The Company has fully cooperated with the Agency and based on the advice taken from a reputed law firm, the Company is confident that it has not violated any law. Further, as advised by the reputed law firm it is taking appropriate actions for getting the investigation closed and the amounts unblocked. Accordingly, as per the Management's assessment, there is no need to create any provision in the Financial Statements.

45 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021:

(i) The Company does not own any immovable property as at March 31, 2023.

(ii) The Company does not own any investment property as at March 31, 2023.

(iii) The Company has not revalued its Property, Plant and equipment during the year ended March 31, 2023.

(iv) The Company has not revalued its intangible assets during the year ended March 31, 2023.

(v) The Company has not granted any loans or advances 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
(b) without specifying any terms or period of repayment

(vi) The Company does not have any capital work-in-progress as at March 31, 2023.

(vii) The Company does not have any intangible assets under development as at March 31, 2023.

(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ix) The Company has taken borrowings from banks on the basis of security of its loan receivables. The Company has filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement and no discrepancies are noted with the books of accounts & financial statements of the Company.

(x) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof.

(xi) The Company has not had any transaction with the companies struck off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956.

(xii) The Company has not defaulted in registration or satisfaction of charges with the Registrar of Companies.

(xiii) The Company does not have a subsidiary and hence has complied with the number of investment layers prescribed under section 2(87) of the Companies Act, 2013.

(xiv) The Company has not entered into any scheme of arrangement during the year.

(xv) The Company has neither advanced, loaned, invested or received directly or indirectly any funds to/from any entity with the understanding that such funds will be transferred to another person, i.e ultimate beneficiaries/ultimate funding parties.

(xvi) The Company has disclosed all incomes appropriately as per the Indian Accounting Standards and no adjustments are required to be made due to any tax assessments or other requirements of the Income Tax Act, 1961.

(xvii) The Company has not traded or invested in crypto currencies or virtual currencies during the year.

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46 The Code on Social Security 2020 ("the Code") relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 Disclosures pursuant to the RBI notification no. RBI/DNBR/2016-17/45 - Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 - Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the "Master Direction") (as amended from time to time) have been provided in the "Annexures to the Financial Statements". These disclosures have been prepared based on this Ind-AS complaint Financial Statements of the Company.

48 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

CA Dinesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 29, 2023

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN:07442577
Place: Bengaluru
Date: May 29, 2023

Karthikeyan Krishnaswamy
Director
DIN: 07449375
Place: Bengaluru
Date: May 29, 2023

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 29, 2023

UDIN: 23097345BGZDPK1405

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

Annexures to the Financial Statements

Schedule to the Balance sheet

Particulars			March 31, 2023		March 31, 2022	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
		Debentures:				
	(a)	Secured	66,114.94	-	26,799.76	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	48,909.24	-	39,696.07	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	5,935.96	-	-	-
	(f)	Public Deposits	-	-	-	-
	(f)	Other Loans - External commercial borrowings	-	-	11,371.07	-
		- Securitisation liabilities	472.67	-	-	-
		- Working capital loans	7,926.46	-	2,503.19	-
(2)	Break-up of (1)(f) above (Outstanding public deposits 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	-	-	-	-
	(c)	Other public deposits	-	-	-	-

Assets side				March 31, 2023	March 31, 2022
(3)	Break-up of Loans and Advances including bills receivables (other than those included				
	(a)	Secured		-	-
	(b)	Unsecured		2,31,831.62	1,11,496.77
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset				
	(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 asset financing 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	-	-
		(iii)	Units of mutual funds	13,193.16	6,197.98
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-





				March 31, 2023	March 31, 2022
2	Unquoted				
	(i)	Shares			
		(a) Equity		-	-
		(b) Preference		-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of mutual funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others (please specify)		-	-
Long Term Investments					
1	Quoted				
	(i)	Share			
		(a) Equity		-	-
		(b) Preference		-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of mutual funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others (please specify)		-	-
2	Unquoted				
	(i)	Shares			
		(a) Equity		-	-
		(b) Preference		-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of mutual funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others - Fixed Deposit		-	-

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

Category			As on March 31, 2023 Amount net of provisions			As on March 31, 2022 Amount net of provisions		
			Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties **							
	(a)	Subsidiaries	-	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-	-
	(c)	Other related parties	-	-	-	-	-	-
2	Other than related parties		-	2,31,831.62	2,31,831.62	-	1,11,496.77	1,11,496.77
Total			-	2,31,831.62	2,31,831.62	-	1,11,496.77	1,11,496.77

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

Category			March 31, 2023 Market Value / Break up or fair value or NAV	March 31, 2023 Book Value (Net of Provisions)	March 31, 2022 Market Value / Break up or fair value or NAV	March 31, 2022 Book Value (Net of Provisions)
1	Related Parties **					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		13,193.16	13,193.16	6,197.98	6,197.98
Total			13,193.16	13,193.16	6,197.98	6,197.98

(8) Other Information

Particulars			March 31, 2023	March 31, 2022
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	5,537.62	3,390.54
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	2,029.92	917.65
(iii)	Assets acquired in satisfaction of debt		-	-

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(9)

Capital to Risk Assets Ratio	March 31, 2023	March 31, 2022
CRAR %	60.16%	40.55%
CRAR - Tier I Capital (%)	58.91%	39.35%
CRAR - Tier II Capital (%)	1.25%	1.20%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

(10) Investments

Particulars	March 31, 2023	March 31, 2022
1) Value of Investments		
i) Gross value of investments		
- In India	13,193.16	6,197.98
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- In India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	13,193.16	6,197.98
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(11)

Particulars	March 31, 2023	March 31, 2022
Unsecured Advances	2,31,831.62	1,11,496.77

(12) Ratings assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Programme	Ratings assigned	Migration during the year
Acuite Ratings & Research	Bank Loan Ratings	Acuite BBB+ Positive	On September 2, 2022, Acuite has revised the outlook to "Positive" from "Stable"
	Bank Loan Ratings	Acuite A (CE) Positive	On September 2, 2022, Acuite has revised the outlook to "Positive" from "Stable"
	Commercial Paper	Acuite A2+	Nil
	Non Convertible Debentures	PP-MLD Acuite BBB+ Positive	On September 2, 2022, Acuite has revised the outlook to "Positive" from "Stable"
	Non Convertible Debentures	Acuite BBB+ Positive	On September 2, 2022, Acuite has revised the outlook to "Positive" from "Stable"
Crisil Ratings	Bank Loan Ratings	Crisil BBB+ Stable	New Rating
	Commercial Paper	Crisil A2+	New Rating
	Non Convertible Debentures	Crisil PPMLD BBB+/Stable	New Rating
	Non Convertible Debentures	Crisil BBB+ Stable	New Rating
ICRA	Market Linked Debentures	PP-MLD ICRA BBB+ (Positive)	Rating withdrawn

(13) Provisions and Contingencies

Particulars	March 31, 2023	March 31, 2022
Provision for depreciation on investment	-	-
Provision towards non performing assets*	3,507.70	2,472.89
Provision for standard assets**	6,334.98	7,312.29
Provision towards income tax	2,247.31	2,056.35
Provision for compensated absences	98.79	57.21
Provision for gratuity	137.93	55.87

* Represents provision on Stage 3 advances.
** Represents provision on Stage 1 and Stage 2 advances.

(14) a) Concentration of assets

I. Concentration of Advances

Particulars	March 31, 2023	March 31, 2022
Total Advances to twenty largest borrowers	101.26	114.59
Percentage of Advances of twenty largest borrowers to Total Advances of the Company	0.04%	0.09%

II. Concentration of exposures

Particulars	March 31, 2023	March 31, 2022
Total exposure to twenty largest borrowers	101.26	114.59
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers	0.04%	0.09%

III. Concentration of NPA

Particulars	March 31, 2023	March 31, 2022
Total Exposure to top four NPA accounts	15.03	9.36

iv. Sector wise distribution of credit impaired loans

Sector	Percentage of impairment loss to Total Advances in that sector	
	March 31, 2023	March 31, 2022
Agriculture and allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	2.29%	2.80%
Auto Loans	-	-
Other Personal Loans	-	-
Total	2.29%	2.80%

b) Concentration of liabilities

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

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
4	30,928.93	N/A	23.14%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits)

The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

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

Amount	% of Total Borrowings
57,755.13	44.65%

(iv) Funding Concentration based on significant instrument/product

Name of the instrument	Amount	% of Total Liabilities
Equity	1,59,053.97	119.00%
Borrowings	63,244.33	47.32%
Debt Securities	66,114.94	49.46%

(14) b) Concentration of liabilities (contd.)

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	4.59%	4.44%	2.03%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	51.11%	49.46%	22.59%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	3.33%	3.22%	1.47%

(vi) Institutional set-up for liquidity risk management: Refer Note 42(C).

(15) Movement of credit impaired loans

Particulars	March 31, 2023	March 31, 2022
(i) Net NPAs to Net Advances (%)	0.85%	0.77%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	3,390.54	4,710.29
(b) Additions during the year	26,942.79	10,577.96
(c) Reductions during the year	(24,795.71)	(11,897.71)
(d) Closing balance	5,537.62	3,390.54
(iii) Movement of Net NPAs		
(a) Opening balance	917.64	1,238.12
(b) Additions during the year	1,112.27	(320.48)
(c) Reductions during the year	-	-
(d) Closing balance	2,029.90	917.64
(iv) Movement of Provision for NPAs		
(a) Opening balance	2,472.90	3,472.17
(b) Impairment loss allowance made during the year	25,830.53	10,898.44
(c) Write off / write back of excess allowance	(24,795.71)	(11,897.71)
(d) Closing balance	3,507.72	2,472.90

(16) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated 29 September 2016.

Particulars	March 31, 2023	March 31, 2022
a. Persons involved		
Customers	-	5.30
Total	-	5.30
b. Type of fraud		
Others	-	5.30
Total	-	5.30

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(17) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2023	March 31, 2022
(i) The notional principal of swap agreements (USD)	-	-
(ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
(iii) collateral required by the Bank upon entering into swaps	-	-
(iv) concentration of credit risk arising from the swaps	-	-
(v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2023		March 31, 2022	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	15.00	-

* Pertains to cross currency interest rate swap

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(17) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2023	March 31, 2022
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2023		March 31, 2022	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	15.00	-

* Pertains to cross currency interest rate swap

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(19) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020:

As on March 31, 2023

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	2,30,611.90	3,472.85	2,27,139.05	922.45	2,550.40
	Stage 2	5,524.79	2,862.14	2,662.65	22.10	2,840.04
Subtotal		**2,36,136.69**	**6,334.98**	**2,29,801.70**	**944.55**	**5,390.44**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	5,537.62	3,507.70	2,029.92	553.76	2,953.94
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**5,537.62**	**3,507.70**	**2,029.92**	**553.76**	**2,953.94**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	2,30,611.90	3,472.85	2,27,139.05	922.45	2,550.40
	Stage 2	5,524.79	2,862.14	2,662.65	22.10	2,840.04
	Stage 3	5,537.62	3,507.70	2,029.92	553.76	2,953.94
	Subtotal	**2,41,674.31**	**9,842.69**	**2,31,831.62**	**1,498.31**	**8,344.38**

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(19) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020 (contd.)

As on March 31, 2021

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	1,13,676.67	4,805.08	1,08,871.59	435.49	4,369.59
	Stage 2	4,214.74	2,507.21	1,707.53	6.83	2,500.38
Subtotal		**1,17,891.41**	**7,312.29**	**1,10,579.12**	**442.32**	**6,869.97**
(b) Non performing assets (NPA)						
(I) Sub standard	Stage 3	3,390.54	2,472.89	917.65	339.05	2,133.83
(II) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(III) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**3,390.54**	**2,472.89**	**917.65**	**339.05**	**2,133.83**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	1,13,676.67	4,805.08	1,08,871.59	435.49	4,369.59
	Stage 2	4,214.74	2,507.21	1,707.53	6.83	2,500.38
	Stage 3	3,390.54	2,472.89	917.65	339.05	2,133.83
	Subtotal	**1,21,281.95**	**9,785.18**	**1,11,496.77**	**781.37**	**9,003.80**

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(20) Disclosure on accounts subjected to restructuring

For year ended March 31, 2023
No loans have been restructured during the year ended March 31, 2023.

For year ended March 31, 2022

Sl. No	Type of Restructuring → / Asset Classification → / Details ↓		Under CDR Mechanism					Under SME Debt Restructuring					Others					Total				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	56.00	45,643.00	-	-	45,699.00	56.00	45,643.00	-	-	45,699.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	5.35	1,299.34	-	-	1,304.69	5.35	1,299.34	-	-	1,304.69
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.80	337.24	-	-	338.04	0.80	337.24	-	-	338.04
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	6,208.00	6,208.00	-	-	-	6,208.00	6,208.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	369.87	369.87	-	-	-	369.87	369.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	184.93	184.93	-	-	-	184.93	184.93
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Write- offs/ Recovery/Sale of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	56.00	45,643.00	-	6,208.00	51,907.00	56.00	45,643.00	-	6,208.00	51,907.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	5.35	1,299.34	-	369.87	1,674.56	5.35	1,299.34	-	369.87	1,674.56
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(21) Disclosure of complaints

(1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No.		Particulars	March 31, 2023	March 31, 2022
	Complaints received by NBFC from its customers			
1.		No. of complaints pending at the beginning of the year	32	8
2.		No. of complaints received during the year	267	236*
3.		No. of complaints disposed during the year	297	212
	3.1	Of which No. of complaints rejected by the NBFC	4	0
4.		No. of complaints pending at the end of the year	2	32
	Maintainable complaints received by the NBFC from the office of the ombudsman			
5.		No. of maintainable complaints received by the NBFC from Office of Ombudsman	152	26
	5.1	Of 5, No. of complaints resolved in favour of the NBFC by Office of Ombudsman	45	11
	5.2	Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	107	15
	5.3	Of 5, No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	8	0
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

(2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	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
1	2	3	4	5	6
Year ended March 31, 2023					
Account related issues	3	83	26%	2	0
Agent related issue	4	61	(2%)	0	0
General issue	3	61	369%	0	0
Non customer issue	0	31	35%	0	0
Transaction related issue	0	26	160%	0	0
Others	22	5	(92%)	0	0
Total	32	267		2	0
Year ended March 31, 2022					
Account related issues	3	66	(95%)	3	0
Agent related issue	2	62	(78%)	2	0
General issue	1	61	(56%)	17	13
Non customer issue	1	23	92%	0	0
Transaction related issue	1	13	(92%)	8	0
Others	1	11	(95%)	2	0
Total	9	236*		32	13

* As per the Financial Statements for the year ended March 31, 2022, the Company has reported a total number of 437 complaints, however, certain complaints have been re-classified as "Queries" based on the nature and current classification requirements of the Company. Accordingly, based on the current reporting practice being followed by the Company, the number stands revised to 236.

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(22) Exposure

(1) Exposure to real estate sector
Not applicable

(2) Exposure to capital market
Not applicable

(3) Sectoral exposure

Sectors	As on March 31, 2023			As on March 31, 2022		
	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	Not applicable					
2. Industry	Not applicable					
3. Services	Not applicable					
4. Personal Loans						
i) Unsecured	2,41,674.31	5,537.62	2.29%	1,21,281.95	3,390.54	2.80%
ii) Secured	Not applicable					

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(23) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings (Outstanding)	-	11,371.07	-	-	-	-	-	-	-	-	-	11,371.07
Repayment of Borrowings	11,371.07	-	-	-	-	-	-	-	-	-	11,371.07	-
NCD (Outstanding)	-	-	-	-	-	-	20.07	110.62	100.43	150.80	120.50	261.42
Issue of NCD	-	-	-	-	-	-	20.00	90.00	120.00	70.00	140.00	160.00
Redemption of NCD	-	-	-	-	-	-	110.00	90.00	150.00	100.00	260.00	190.00
Interest paid	536.73	641.49	-	-	-	-	11.15	15.88	17.27	18.40	565.15	675.77
Shares issued (including premium)	-	3,688.99	-	-	-	-	-	-	-	-	-	3,688.99
Buy-back of shares	-	-	-	-	-	-	-	-	587.40	-	587.40	-
Share based payments	241.49	306.93	-	-	-	-	-	-	-	-	241.49	306.93
Sale of services	-	-	8,525.99	15,963.98	-	-	-	-	-	-	8,525.99	15,963.98
Business support Service (income)	-	-	140.00	-	-	-	-	-	-	-	140.00	-
Purchase of services	-	-	20,041.47	818.13	-	-	-	-	-	-	20,041.47	818.13
Business support Service (expense)	-	-	186.25	-	-	-	-	-	-	-	186.25	-
Corporate gurantee fees	-	-	225.30	-	-	-	-	-	-	-	225.30	-
Remuneration and expense reimbursements	-	-	-	-	-	-	147.70	83.87	-	-	147.70	83.87
Trade receivables	-	-	2,666.40	9,298.54	-	-	-	-	-	-	2,666.40	9,298.54
Trade and other payables	-	-	510.75	243.53	-	-	-	-	-	-	510.75	243.53

(24) Breach of covenant

No covenants have been breached during the year.

(25) Divergence in asset classification and provisioning

The Company's asset classification policy is in accordance with RBI's asset classification norms.

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(26) Disclosure relating to Securitization

		As at March 31, 2023	As at March 31, 2022
1	No of SPEs holding assets for securitisation transactions originated by the originator (Count)	1	-
2	Total amount of securitised assets as per books of the SPEs	477.09	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		-
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	355.48	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss		-
	Others	121.60	-
	(ii) Exposure to third party securitisations	-	
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	3,199.35	-
	Gain/loss on sale on account of securitisation		
6	Form and quantum of services provided:		-
	(i) Servicer fee	1.00	
7	Performance of facility provided.		
	(a) Credit enhancement	710.97	-
	(b) Servicer fee	1.00	-
8	Average default rate of portfolios observed in the past		-
	- Personal loans	5.8%	
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints		
	(a) Directly/indirectly received	-	-
	(b) Complaints outstanding	-	-

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(27) Details of penalties imposed by RBI and other regulators

Year ended March 31, 2023:
The Reserve Bank of India ("RBI") vide its press release dated 03rd February, 2023 imposed a monetary penalty of Rs. 42.48 lakhs on the Company for non-compliance with certain provisions of the directions issued by the Reserve Bank of India on "Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs" and "Fair Practices Code for applicable NBFCs". The Company has duly paid the same on February 16, 2023. This penalty does not have a material impact on the Company. No other penalty has been levied by the RBI or any other regulators.

Year ended March 31, 2022:
Nil

(28) Others

(a) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(b) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(c) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(d) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(e) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(g) Registration obtained from other financial sector regulators - None.

(h) Remuneration of non executive directors - Nil.

(i) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(j) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(k) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(l) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no oversoas assets owned by the Company.

(m) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.

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A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)

F-7, Lajpat Nagar-III, New Delhi-110024

Phones : 29835500-01, 41715991

ascassociates92@gmail.com

Independent Auditors' Report on the Ind AS Financial Statements

To the Members of KrazyBee Services Private Limited

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statement").

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

Basis for opinion

3. We conducted our audit of the Ind AS financial Statements in accordance with the standards on auditing (SAs), as specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Ind AS 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. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of loans and advances to customers Charge: Rs 11,897.71 Lacs for the year ended March 31, 2022 Provision: Rs 9,785.18 Lacs at March 31, 2022	
Subjective estimate Recognition and measurement of impairment of loans and advances involve significant management judgement. Under Ind AS 109, Financial Instrument, allowance for loan loss is determined using expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater level of management judgement and therefore	Our audit procedures included the following: a. Performed end to end process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance process. b. Assessed the design and implementation of controls in respect of the Company's impairment loss process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance



Key audit matters	How our audit addressed the key audit matter
increased levels of audit focus in the Company's estimation of ECLs are: a. Data inputs- The application of ECL model requires several data inputs. This increases the risk that the data that has been used to derive assumptions in the model, which are used for ECL calculations, may not be complete and accurate. b. Model estimations- Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposure at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. c. Economic scenarios- Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19. d. Qualitative adjustments- In the absence of time tested historical data for certain loan products, management	process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management. c. Testing of review controls over measurement of impairment allowances and disclosures in financial statements. d. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standard and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. e. Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied. f. Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data. g. Model calculations testing through re-performance where possible. h. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance on the



Key audit matters	How our audit addressed the key audit matter
has used surrogate industry estimates or derived inputs using regulatory guidance. Management believes that these estimates though address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19. e. Restructuring- the Company has restructured eligible personal loans in the current year on account of COVID-19 vide Resolution Framework- 2.0: Resolution of COVID-19 related stress of individuals and small businesses (RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22), dated May 5, 2021. This has resulted in increased management estimation over determination of losses for such restructured loans. Refer note 21 to the annexure to the Ind AS financial statements for further information.	financial statements are appropriate and sufficient.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

6. 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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Ind AS 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 Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

8. 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

10. 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 Ind AS financial statements for the financial year ended March 31, 2022 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.

Report on Other Legal and Regulatory Requirements

11. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

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

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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



iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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;

b) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, 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; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

For **ASC & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 011863N

CA Denesh Singh
Partner
Membership Number: 097345
UDIN: 22097345AJXPQH5401

Place of Signature: New Delhi
Date: May 25, 2022

A S C & ASSOCIATES
CHARTERED ACCOUNTANTS
(Formerly known as Arun Singh & Co.)
F-7, Lajpat Nagar-III, New Delhi-110024
Phones : 29835500-01, 41715991
ascassociates92@gmail.com

Annexure 1 referred to in paragraph 11 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.



(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. The Company is regular in depositing with Provident fund except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income-tax, goods & service tax, cess, provident fund and employees' state insurance which have not been deposited on account of any dispute. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, 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 government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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 reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any Non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.



(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

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

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For ASC & ASSOCIATES
Chartered Accountants
Firm Registration Number: 011863N

CA Dinesh Singh
Partner
Membership Number: 097345
UDIN:22097345AJXPQH5401

Place of Signature: New Delhi
Date: May 25, 2022

A S C & ASSOCIATES

CHARTERED ACCOUNTANTS

(Formerly known as Arun Singh & Co.)
F-7, Lajpat Nagar-III, New Delhi-110024
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Annexure '2' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

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

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

5. Because of the inherent limitations of internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2022, 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.

For ASC & ASSOCIATES
Chartered Accountants
Firm Registration Number: 011863N



CA Denesh Singh
Partner
Membership Number: 097345
UDIN:22097345AJXPQH5401

Place of Signature: New Delhi
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED

Balance Sheet

(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2022	As at March 31, 2021
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(I)	7,616.12	24,722.98
(b)	Bank balance other than (a) above	3(II)	1,179.30	371.72
(c)	Trade receivables	4	9,540.55	-
(d)	Loans	5	1,11,496.77	64,114.48
(e)	Investments	6	6,197.98	3,511.25
(f)	Other financial assets	7	4,785.72	8,485.06
	Sub-Total - Financial Assets		**1,40,816.44**	**1,01,205.49**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	8	654.45	654.45
(b)	Deferred tax assets (net)	9	2,323.29	1,469.30
(c)	Property, plant and equipment	10	60.35	113.90
(d)	Right of use asset		165.04	86.95
(e)	Intangible assets	11	2.75	13.39
(f)	Other non-financial assets	12	85.09	54.78
	Sub-Total - Non-Financial Assets		3,290.97	2,392.77
	Total assets		**1,44,107.41**	**1,03,598.26**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Trade payables	13		
	(i) total outstanding dues of micro enterprises and small enterprises		40.70	22.16
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		680.06	1,567.52
(b)	Debt securities	14	26,113.48	11,717.74
(c)	Borrowings (other than debt securities)	15	53,335.00	35,116.45
(d)	Other financial liabilities	16	1,162.81	251.40
	Sub-Total - Financial Liabilities		81,332.05	48,675.27
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	800.89	712.79
(b)	Provisions	18	113.08	78.08
(c)	Other non-financial liabilities	19	1,210.45	382.28
	Sub-Total - Non-Financial Liabilities		2,124.42	1,173.15
(3)	**EQUITY**			
(a)	Equity share capital	20	112.38	107.02
(b)	Other equity	21	60,538.56	53,642.82
	Sub-Total - Equity		60,650.94	53,749.84
	Total liabilities and equity		**1,44,107.41**	**1,03,598.26**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

CA Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Profit and Loss
(All amounts are in INR Lakhs, unless otherwise stated)

S.No	Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
	Revenue from operations			
(i)	Interest income	22	17,500.34	14,374.28
(ii)	Fees and commission income	23	15,969.40	8,075.76
(iii)	Net gain/(loss) on fair value changes	24	189.71	(110.89)
1	**Total revenue from operations**		33,659.45	22,339.15
2	Other income	25	27.92	38.40
3	Total income (1+2)		33,687.37	22,377.55
	Expenses			
(i)	Finance costs	26	7,532.88	6,104.06
(ii)	Fees and commission expense	27	1,679.41	1,105.92
(iii)	Impairment on financial instruments	28	16,183.78	9,666.61
(iv)	Employee benefits expenses	29	2,562.77	1,018.75
(v)	Depreciation and amortization expense	30	267.43	211.83
(vi)	Other expenses	31	1,322.57	641.18
4	Total expenses		29,548.84	18,748.35
5	**Profit before tax (3-4)**		4,138.53	3,629.20
	Tax expense:	32		
	(1) Current tax		2,056.35	1,028.15
	(2) Deferred tax (credit) / charge		(859.67)	(201.09)
	(3) Tax in respect of earlier years		62.91	-
6	**Total tax expense**		1,259.59	827.06
7	**Profit for the year (5-6)**		2,878.94	2,802.14
8	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss Gain/(Loss) on remeasurement of defined benefit plans		22.55	(14.02)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(5.68)	3.53
	Other comprehensive income		16.87	(10.49)
9	**Total comprehensive income for the year (7+8)**		2,895.81	2,791.65
10	**Earnings per equity share** Basic and diluted (INR) (Nominal value per share - INR 10)	33	261.43	367.98
	Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash flow from operating activities:		
Profit before tax	4,138.53	3,629.20
Adjustments for:		
Interest income	(17,196.23)	(13,897.98)
Depreciation and amortization expense	267.43	211.83
Interest income from investments	(304.11)	(476.30)
Gain on sale of investments	(206.96)	(18.00)
Impairment on financial instruments	16,183.78	9,666.61
Share based payment expense	316.30	206.16
Finance cost	7,131.10	6,455.85
Net gain on fair value changes	-	128.89
Unrealized foreign exchange loss	359.11	92.78
Interest income on security deposits	(7.44)	(2.09)
Interest on lease liability	42.67	24.45
Cash inflow from interest on loans	17,137.14	10,887.73
Cash outflow towards finance cost	(6,331.27)	(6,575.70)
Cash generated from operations before working capital changes	**21,530.05**	**10,328.43**
Working capital changes:		
Decrease /(Increase) in loans	(62,809.89)	20,557.11
Decrease / (Increase) in trade receivables	(9,540.55)	1,103.73
Decrease / (Increase) in other financial assets	3,695.62	(5,729.00)
Decrease / (Increase) in other non-financial assets	(20.91)	69.06
Increase / (decrease) in trade payables	(868.92)	584.64
Increase in provisions	57.55	33.88
Increase / (Decrease) in other financial liabilities	12.90	5.32
Increase / (Decrease) in other non-financial liabilities	131.08	(197.24)
Cash generated from / (used in) operations	**(47,813.07)**	**26,755.93**
Income tax paid (net of refunds)	(2,031.16)	(302.96)
Net cash flows generated from / (used in) operating activities (A)	**(49,844.23)**	**26,452.97**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(2.99)	(0.81)
Purchase of mutual funds	(2,479.77)	(3,499.83)
Redemption of investment in mutual fund	-	2,509.53
Redemption of investment in corporate bond	-	41.20
Net proceeds from / (investment in) fixed deposits	(807.58)	415.20
Interest received on investments	315.27	494.47
Net cash flow (used in) investing activities (B)	**(2,975.07)**	**(40.24)**
Cash flow from financing activities:		
Issue of equity share capital (including securities premium)	-	21,062.70
Debt securities issued / (repaid) (net)	14,395.74	(10,489.40)
Borrowings other than debt securities raised / (repaid) (net)	21,548.43	(21,103.11)
Deposits repaid	-	(100.00)
Payment towards lease liabilities	(231.73)	(149.11)
Net cash flow from / (used in) financing activities (C)	**35,712.44**	**(10,778.92)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(17,106.86)**	**15,633.81**
Cash and cash equivalents at the beginning of the year	24,722.98	9,089.17
Cash and cash equivalents at the end of the year	**7,616.12**	**24,722.98**

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 014853N

Denesh Singh
Partner
Membership No: 092345
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Changes in Equity
(All amounts are in INR Lakhs, unless otherwise stated)

(A) Equity share capital

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	10,70,233	107.02	7,56,333	75.63
Add: Issued during the year	53,619	5.36	3,13,900	31.39
Balance at the end of the year	11,23,853	112.38	10,70,233	107.02

(B) Other equity

For the year ended March 31, 2022

Particulars	Reserve and surplus				Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Remeasurement of defined benefit liability	
Balance as at March 31, 2021	1,361.77	46,681.04	310.60	5,296.38	(6.97)	53,642.82
Profit for the year	-	-	-	2,878.94	-	2,878.94
Other comprehensive income (net of tax)	-	-	-	-	16.87	16.87
Total comprehensive income	1,361.77	46,681.04	310.60	8,175.32	9.90	56,538.63
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	575.79	-	-	(575.79)	-	-
Premium on issue of shares	-	3,683.63	-	-	-	3,683.63
Share based payments	-	-	316.30	-	-	316.30
Balance as at March 31, 2022	1,937.56	50,364.67	626.90	7,599.53	9.90	60,538.56

For the year ended March 31, 2021

Particulars	Reserve and surplus				Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Remeasurement of defined benefit liability	
Balance as at March 31, 2020	801.34	25,649.73	104.44	3,054.67	3.52	29,613.70
Profit for the year	-	-	-	2,802.14	-	2,802.14
Other comprehensive income (net of tax)	-	-	-	-	(10.49)	(10.49)
Total comprehensive income	801.34	25,649.73	104.44	5,856.81	(6.97)	32,405.35
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	560.43	-	-	(560.43)	-	-
Premium on issue of shares	-	21,031.31	-	-	-	21,031.31
Share based payments	-	-	206.16	-	-	206.16
Balance as at March 31, 2021	1,361.77	46,681.04	310.60	5,296.38	(6.97)	53,642.82

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011863N

Dinesh Singh
Partner
Membership No: 093343
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442572
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR Lakhs, unless otherwise stated)

1 General Information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ('RBI') with effect from May 25, 2017, with Registration No. N-02.00281. The Company became non-deposit taking systematically important non-banking financial company as on quarter ended June 30, 2019. The Company is engaged in the business of consumer lending.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees in lakhs.

(a) **Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time).

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on May 25, 2022.

(a) **Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

(b) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years





Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.
Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.
Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.
The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.

Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.





2.6 Revenue recognition

The effective interest rate method

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the asset is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges)If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired , the company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

Revenue from contracts with customers:

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.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when the Company satisfies a performance obligation.

Fees and commission income

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

Business support services

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 Dividend income

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.





(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year 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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(c) Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:
When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").





2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) **Date of recognition**

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) (c) Day 1 profit and loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).





Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost .

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

With the view of the short term nature of the loans, Company is not performing discounting on the loans.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has decided to use probability weights for each scenario based on management expert judgement. The probability weights should be reviewed periodically and amended based on the forward-looking information (i.e. a period of reduced growth forecasts may result in putting more weightage on a worst case scenario or in future once more data is available the Company can use statistical approach etc.). Any change to the probability weighting will need to be approved by the Risk Management Committee.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.





(v) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.





(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 38.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.





(c) Defined benefit plans (gratuity benefits and leave encashment)
The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 37.

(d) Useful life and expected residual value of assets
Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Leases
The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

Judgements

(a) **Business model assessment**
Classification and measurement of financial assets depends on the results of the Solely payments of principal and interest (SPPI)and the business model test . The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. 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.

(b) **Fair value of financial instruments**
The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) **Effective Interest Rate (EIR) method**
The Company's EIR methodology, recognises 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 and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) **Impairment of financial asset**
The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:
- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.





(e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Ind AS estimates as at 1 April 2019 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

(i) Impairment of financial assets based on expected credit loss model.
(ii) Effective interest rate used in calculation of security deposit.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is considered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.20 Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 Derivative financial instrument and 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 specified 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 entity will 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 ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.





Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:
Cash flow hedge:
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 or 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 net gain/loss on fair value changes in the profit and loss statement.

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 the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

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 re-mains 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.

The Company did not have any fair value hedges.

2.23 De-recognition of property, plant and equipment and intangible assets

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 determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.24 Share based payment transaction

The stock options of the Parent Company is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

2.25 Financial guarantees

As issuer of financial guarantees

Financial guarantees are initially recognised in the financial statements (within 'other liabilities') at fair value, being the premium received. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.
Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

As beneficiary of financial guarantees

The Company avails financial guarantees from its parent and fellow subsidiaries towards borrowings availed from various lenders. The Company does not account for such financial guarantees received in the capacity of beneficiary.





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR Lakhs, unless otherwise stated)

		March 31, 2022	March 31, 2021
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		7,616.12	3,647.96
Fixed deposits with original maturity of less than three months		-	21,075.02
Total	(I)	7,616.12	24,722.98
(II) Bank balance other than cash and cash equivalent			
Balances with Banks in fixed deposit accounts with original maturity of more than three months		1,179.30	371.72
Total other bank balances	(II)	1,179.30	371.72
Total cash and bank balances	(I+II)	8,795.42	25,094.70

Note

The fixed deposit aggregating to INR 300 (March 31, 2021: INR 200) placed with Banks has a lien for the financial arrangement availed by the Company.

The fixed deposit aggregating to INR 11.2 (March 31, 2021: INR 11.2) placed with Banks has a lien for the credit card facility availed by the Company.

Balance with bank in current account is net of overdraft balances.

The overdraft facility availed by the Company from the Bank has been secured by way of a Lien from a fellow subsidiary, Finnovation Tech Solutions Private Limited.

4 Trade receivables		
Considered good -Unsecured	9,540.55	-
	9,540.55	-
Less: Allowance for impairment loss	-	-
Total trade receivables	9,540.55	-
Trade receivables include debts due by:		
i) Private company in which director is a director or a member (Refer Note 37)	6,688.09	-
ii) Trade receivables include (Refer Note 37)		
Receivables from Finnovation Tech Solutions Private Limited	6,688.09	-
Receivables from Kartbee Technologies Private Limited	2,852.46	-

Trade Receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,967.55	3,573.00	-	-	-	9,540.55
(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	-	-	-	-	-	-





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR Lakhs, unless otherwise stated)

	March 31, 2022	March 31, 2021
5 Loans		
Unsecured (carried at amortised cost)		
Loan to customer	1,16,156.30	65,244.12
Interest accrued	5,125.65	4,369.47
Less: Impairment loss allowance	(9,785.18)	(5,499.11)
Total	**1,11,496.77**	**64,114.48**
6 Investments		
Investments carried at fair value through profit or loss		
Liquid mutual funds, quoted	6,197.98	3,511.25
Total	**6,197.98**	**3,511.25**
Liquid mutual funds, quoted		
DSP Overnight Fund - Growth 4,08,987.55 units of INR 1138.38 each (March 31, 2021: 2,27,839 units of INR 1097.21 each)	4,655.83	2,511.21
Nippon Overnight Fund - Growth 9,05,226.23 units of INR 114.12 each (March 31, 2021: 9,05,226 units of INR 110.46 each)	1,033.04	1,000.04
Baroda BNP Paribas Over Night Fund - Growth 45,680.60 units of INR 1114.51 each	509.11	-
All the above investments are in India.		
7 Other financial assets		
Security deposit	96.58	197.16
Receivables from intermediaries*	4,440.71	8,029.32
Others receivables	248.43	258.58
Total	**4,785.72**	**8,485.06**

*Note : The amount represents balance of loans repaid by borrower, which as at the balance sheet date is pending settlement by the intermediary e- wallet/ platform to the Company, this in-line with common business practices of settlement of amounts on a Transaction plus one/ two (T+1/ T+2) banking days basis.

Other receivables include (Refer note 37)		
Receivable from related party - Kartbee Technologies Private Limited	-	36.33
8 Current tax assets (net)		
Advance income tax	654.45	654.45
Total	**654.45**	**654.45**

Note: Pertains to income tax receivables for the financial year 2019-20

9 Deferred tax assets (net)		
Deferred tax assets (Refer note 32)	2,323.29	1,469.30
Total	**2,323.29**	**1,469.30**





KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(Amount in INR Lakhs, unless otherwise stated)

10 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year	On deductions	As at March 31, 2022	As at March 31, 2022
Owned assets									
Furniture and fixtures	36.55	-	-	36.55	5.36	3.60	-	8.96	27.59
Office equipment's	23.44	2.99	-	26.43	7.83	4.58	-	12.41	14.02
Computers	186.13	-	-	186.13	119.03	48.36	-	167.39	18.74
Total	246.12	2.99	-	249.11	132.22	56.54	-	188.76	60.35

	Gross block				Depreciation				Net block
	As at April 1, 2020	Additions	Deductions	Up to March 31, 2021	As at April 1, 2020	For the year	On deductions	Up to March 31, 2021	As at March 31, 2021
Owned assets									
Furniture and fixtures	36.55	-	-	36.55	1.89	3.47	-	5.36	31.19
Office equipment's	22.68	0.76	-	23.44	3.18	4.65	-	7.83	15.61
Computers	186.13	-	-	186.13	59.50	59.53	-	119.03	67.10
Total	245.36	0.76	-	246.12	64.57	67.65	-	132.22	113.90

11 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2021	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	For the year	On deductions	As at March 31, 2022	As at March 31, 2022
Computer software	34.25	-	-	34.25	20.86	10.64	-	31.50	2.75
Total	34.25	-	-	34.25	20.86	10.64	-	31.50	2.75

	Gross block				Amortization				Net block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year	On deductions	As at March 31, 2021	As at March 31, 2021
Computer software	34.20	0.05	-	34.25	9.95	10.91	-	20.86	13.39
Total	34.20	0.05	-	34.25	9.95	10.91	-	20.86	13.39





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amounts in INR Lakhs, unless otherwise stated)

		March 31, 2022	March 31, 2021
12	**Other non-financial assets**		
	Prepaid expenses	50.56	54.76
	Advance to suppliers	34.53	0.02
	Total	85.09	54.78
13	**Payables**		
(I)	Trade payables		
(a)	Total outstanding dues of micro enterprises and small enterprises	40.70	22.16
(b)	Total outstanding dues creditors other than micro enterprises and small enterprises	680.06	1,567.52
	Total	720.76	1,589.68

Trade payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) MSME	40.70	-	-	-	40.70
(ii) Others	677.51	0.60	1.95	-	680.06
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-

Trade payables ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
(i) MSME	22.05	-	0.11	-	22.16
(ii) Others	1,524.68	40.75	2.09	-	1,567.52
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - others	-	-	-	-	-

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars		
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	40.70	22.16
Interest	0.64	-
Total		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.64	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	0.64	-

Trade payables include (Refer Note 37):		
Payable to Finnovation Tech Solutions Private Limited	186.88	1,258.47
Payable to Kartbee Technologies Private Limited	55.13	100.88





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amounts in INR Lakhs, unless otherwise stated)

	March 31, 2022	March 31, 2021
14 Debt securities		
At amortized cost		
Secured		
Privately placed reedeemable non-convertible debentures	26,113.48	11,717.74
Total	**26,113.48**	**11,717.74**

*All the Debt securities are in India

Notes:

i. Terms of repayment of privately placed redeemable non-convertible debentures

Year ended	Terms of debt	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2022	Interest rate: 11.95% to 15% Repayment terms: Bullet repayments, Bullet (interest monthly/quarterly payable) and equated monthly installments (total 66 installments)	18,715.20	7,398.28	-	26,113.48
March 31, 2021	Interest rate: 13.50% to 16% Repayment terms: Bullet repayments and equated monthly installments (total 68 installments)	11,048.28	669.46	-	11,717.74

ii All the above non-convertible debentures are secured by hypothecation of portfolio of the Company. Minimum security cover of 1:1 is required to be maintained throughout the term of the debenture.

iii The non-convertible debentures are guaranteed by fellow subsidiary, Finnovation Tech Solutions Private Limited.

15 Borrowings (other than debt securities)		
At amortized cost, secured		
Term loans		
i. From Banks	9,039.13	8,164.97
ii. From others	32,924.80	12,250.54
External commercial borrowings	11,371.07	14,700.94
Total	**53,335.00**	**35,116.45**
Borrowings in India	41,963.93	20,415.51
Borrowings outside India	11,371.07	14,700.94

Notes:

i. Terms of repayment of term loans:

Year ended	Terms of borrowings	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2022	Interest rate: 9.70% to 13.5% Repayment terms: Bullet repayments (monthly interest payable), Bullet repayment (Roll over facility), Monthly interest and semi-annually/quraterly Principal repayment and Equated monthly installments (total of 129 installments)	40,340.00	1,623.93	-	41,963.93
March 31, 2021	Interest rate: 7.75% to 17% Repayment terms: Bullet repayments and Equated monthly installments (total of 112 installments)	16,952.54	3,462.97	-	20,415.51

Borrowings (other than debt securities)

ii. Terms of repayment of external commercial borrowings:

Year ended	Terms of borrowings	0 - 1 Year	1 - 3 Years	3 - 5 Years	Total
March 31, 2022	Interest rate: 6 month Libor plus 4.5% Repayment terms: Bullet repayment	11,371.07	-	-	11,371.07
March 31, 2021	Interest rate: 6 month Libor plus 4.5% Repayment terms: Bullet repayment	-	14,700.94	-	14,700.94

iii. All the above term loans and external commercial borrowings are secured by hypothecation of portfolio of the Company. Minimum security cover of 1:1 is required to be maintained throughout the term of the loan.

iv. The term loans are guaranteed by fellow subsidiary, Finnovation Tech Solutions Private Limited.

v. There are no defaults as on balance sheet date in repayment of borrowings and interest thereon.

vi. External commercial borrowing has been raised from Holding Company, Finnov Private Limited, Singapore.

vii. The Company has been sanctioned working capital limits of INR 2,500 from banks on the basis of security of current assets of the Company. The Company has also filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement.

		March 31, 2022	March 31, 2021
16	**Other financial liabilities**		
	Interest accrued but not due on borrowings	921.61	121.78
	Employee benefits payable	45.00	29.84
	Director fees payable	1.50	-
	Lease liability	191.65	92.97
	Others	3.05	6.81
	Total	**1,162.81**	**251.40**
17	**Current tax liabilities (net)**		
	Current tax liabilities	800.89	712.79
	(Net of advance income tax of INR 1,308.15, 2021: INR 315.35)		
	Total	**800.89**	**712.79**
18	**Provisions**		
	Provision for gratuity	55.87	48.43
	Provision for compensated absences	57.21	29.65
	Total	**113.08**	**78.08**
19	**Other non - financial liabilities**		
	Statutory dues	223.44	92.36
	Interest received but not due	987.01	289.92
	Total	**1,210.45**	**382.28**





	March 31, 2022	March 31, 2021
20 Equity share capital		
The Company has only one class of share capital having a par value of INR 10 per share, referred to herein as equity shares.		
Authorized		
15,00,000 equity shares of INR 10 each (March 31, 2021:15,00,000 equity shares of INR 10 each)	150.00	150.00
Issued, subscribed and paid up share capital		
11,23,852 equity shares of INR 10 each (March 31, 2021: 10,70,233 equity shares of INR 10 each)	112.38	107.02
Total	**112.38**	**107.02**

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

	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	10,70,233	107.02	7,56,333	75.63
Add: Issued during the year	53,619	5.36	3,13,900	31.39
Outstanding at the end of the year	**11,23,852**	**112.38**	**10,70,233**	**107.02**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

(c) Shares held by holding company

Finnov Private Limited		
11,17,952 (31 March 2021: 10,64,333) equity shares of INR 10 each fully paid	11,17,952	10,64,333

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	March 31, 2022		March 31, 2021	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Finnov Private Limited	11,17,952	99.48%	10,64,333	99.45%

*As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) There are no shares reserved for issue under options or contracts and commitments.

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(h) Details of shareholding of promoters in the company:

Name of the promoter	March 31, 2022		
	Number of shares	% of holding in the class	% Change during the year
Madhusudan Ekambaram	5,890	0.52%	-0.03%
Karthikeyan Krishnaswamy	10	0.00%	0.00%

Name of the promoter	March 31, 2021		
	Number of shares	% of holding in the class	% Change during the year
Madhusudan Ekambaram	5,890	0.55%	-0.23%
Karthikeyan Krishnaswamy	10	0.00%	0.00%





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amounts in INR Lakhs, unless otherwise stated)

	March 31, 2022	March 31, 2021
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	1,361.77	801.34
Add: current year transfer	575.79	560.43
Closing balance	1,937.56	1,361.77
(b) Securities premium account		
Opening balance	46,681.04	25,649.73
Add : securities premium credited on share issue	3,683.63	21,031.31
Closing balance	50,364.67	46,681.04
(c) Share options outstanding account		
Opening balance	310.60	104.44
Add: Transferred during the year	316.30	206.16
Less: Transfer to equity	-	-
Closing balance	626.90	310.60
(d) Retained earnings		
Opening balance	5,289.41	3,058.19
Add: Net Profit for the current year	2,878.94	2,802.14
Add: Other comprehensive income	16.87	(10.49)
Less: Transfer to statutory reserves	575.79	560.43
Closing balance	7,609.43	5,289.41
Total reserves and surplus	60,538.56	53,642.82

Nature and purpose of reserves

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934

The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

The Company provide share based payment scheme to its employees. The shares of the parent company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings

Retained earnings represents the surplus in Profit and Loss Account
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 actuarial gains and losses on defined benefit plans.





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amounts in INR Lakhs, unless otherwise stated)

	March 31, 2022	March 31, 2021
22 Interest income		
At amortized cost		
Interest on loans	17,187.98	13,885.45
Interest income from investments	-	3.34
Interest on deposits with Banks	304.11	472.96
Other interest income	8.25	12.53
Total	17,500.34	14,374.28
23 Fees and commission income		
Fees from platform	2,715.57	1,040.02
Income from deficiency	13,253.83	7,035.74
Total	15,969.40	8,075.76
24 Net gain/(loss) on fair value changes		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- derivatives	-	(128.89)
- investments	206.96	18.00
- remeasurement gain/(loss)	(17.25)	-
Total net gain/(loss) on fair value changes	189.71	(110.89)
Fair value changes:		
- realised	107.48	(122.31)
- unrealised	82.23	11.42
Total net gain/(loss) on fair value changes	189.71	(110.89)
25 Other income		
Income from business support services	-	36.33
Miscellaneous income	27.92	2.07
Total	27.92	38.40
26 Finance costs		
On financial liabilities measured at amortized cost		
Interest on borrowings	4,062.25	4,012.70
Interest on debt securities	2,844.75	2,443.15
Interest on lease liability	42.67	24.45
Interest on shortfall of advance tax	224.10	-
Applicable net (gain) / loss on foreign currency transactions and translation	359.11	(376.24)
Total	7,532.88	6,104.06
(i) Expenditure in foreign currency (for ECB)		
Interest expenses	641.50	791.54
27 Fees and commission expense		
Commission to platforms	818.13	851.36
Commission to payment gateways	22.75	1.86
Credit assessment charges	838.53	252.70
Total	1,679.41	1,105.92
28 Impairment on financial instruments		
On financial instruments measured at amortised cost		
Loans	16,183.78	9,666.61
Total	16,183.78	9,666.61
29 Employee benefit expenses		
Salaries and wages	2,073.52	705.59
Gratuity expense	30.07	16.15
Leave benefits expense	32.92	18.29
Contribution to provident and other funds	106.19	43.43
Share based payments to employees	306.93	230.96
Staff welfare expenses	13.14	4.33
Total	2,562.77	1,018.75





	March 31, 2022	March 31, 2021
30 Depreciation and amortization expense		
on tangible assets	56.54	67.65
on right of use asset	200.25	133.27
on intangible assets	10.64	10.91
Total depreciation and amortization expense	**267.43**	**211.83**
31 Other expenses		
a) Rent, rates and taxes	218.85	166.74
Director's fees, allowances and expenses	14.40	7.90
Auditor's fees and expenses	13.08	15.50
Legal and Professional charges	128.96	164.98
Bank charges	12.81	25.41
Technical expenses	469.11	72.76
Collection charges	182.10	12.79
Office expenses	186.87	95.03
Expenditure towards Corporate Social Responsibility (CSR) activities	70.10	50.55
Other expenditure	26.29	29.52
Total	**1,322.57**	**641.18**
Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax)		
b) As auditor:		
For statutory audit	12.00	7.00
For tax audit	1.00	1.00
For certificates	0.08	7.50
Total	**13.08**	**15.50**

c) Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.

Gross amount required to be spent	70.09	50.55
Amount spent during the year		
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	70.10	50.55
iii. Shortfall at the end of the year	-	-
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		
Education & Medical	35.10	20.00
Medical	20.00	-
Assistance and relief in Emergency Situations fund	15.00	30.55
Total	**70.10**	**50.55**

32 Income tax

(A) Deferred tax relates to the following:

Deferred tax assets		
On provision for employee benefits	34.13	19.65
On income taxable u/s 43D	-	74.23
On ESOP expense	-	78.18
On expected credit loss	2,354.51	1,330.14
On leases	6.70	1.52
On depreciation and amortisation	8.75	-
On others	29.84	23.27
	2,433.93	**1,526.99**
Deferred tax liabilities		
On depreciation and amortisation	-	1.02
On borrowings EIR	84.68	53.80
On others	20.28	2.86
	104.96	**57.69**
Deferred tax asset, net	**2,328.97**	**1,469.30**

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amounts in INR Lakhs, unless otherwise stated)

	March 31, 2022	March 31, 2021
32 Income tax (contd):		
(B) Reconciliation of deferred tax assets/(liabilities) (net):		
Opening balance at the beginning of the year	1,469.30	1,264.68
Tax liability recognized in Statement of Profit and Loss:		
On borrowings EIR	(30.88)	90.57
On property plant and equipment	-	3.67
On others	(17.41)	(3.65)
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	14.49	12.06
On property plant and equipment	9.77	-
On income taxable u/s 43D	(74.23)	25.01
On others	11.74	0.03
On ESOP expense	(78.18)	51.89
On derivative instrument	-	32.44
On expected credit loss	1,024.37	(7.40)
Total deferred tax assets/(liabilities) (net)	859.67	204.62
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	(5.68)	-
Closing balance at the end of the year	2,323.29	1,469.30
(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Tax liability	(48.29)	90.60
Amounts recognised in Statement of Profit and Loss account	907.96	114.02
	859.67	204.62
(D) Income tax expense		
- Current tax	2,056.35	1,028.15
- Adjustments in respect of current income tax of previous year	62.91	-
- Deferred tax (credit)/ charge	(859.67)	(201.09)
Income tax expense reported in the statement of profit or loss	1,259.59	827.06
(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	(5.68)	3.53
Income tax charged to OCI	(5.68)	3.53
(F) Reconciliation of tax charge		
Profit before tax	4,138.53	3,629.20
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expense	1,041.59	913.47
Tax effects of:		
Taxes pertaining to earlier periods	62.91	-
Non tax deductible expenses	74.53	15.33
Others	80.56	(101.74)
Income tax expense	1,259.59	827.06

ASC & ASSOCIATES NEW DELHI Chartered Accountants

KRAZYBEE SERVICES PVT LTD BANGALORE

	March 31, 2022	March 31, 2021
33 Earnings per share		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Net profit attributable to equity holders	2,878.94	2,802.14
Weighted average number of equity shares for basic EPS (face value of INR 10 each)	11,01,229	7,61,493
Basic and diluted earnings per share (INR)	261.43	367.98

34 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	106.19	43.43

(B) Other plans provisions

a) Defined benefit plan: Gratuity payable to employees	55.87	48.43
b) Other long-term benefits: Compensated absences for Employees	57.21	29.65

Defined benefit plan: Gratuity plan

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions		
Discount rate (per annum)	5.15%	5.58%
Rate of increase in salary	10.00%	10.00%
Rate of attrition	30.00%	20.00%
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	**48.43**	**18.26**
Interest cost	2.70	1.23
Current service cost	27.37	14.92
Benefit directly paid by employer	(0.08)	-
Actuarial (gain)/ loss on obligations	(22.55)	14.02
Present value of obligation at the end of the year*	**55.87**	**48.43**
*Included in provision for employee benefits		
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	27.37	14.92
Interest cost	2.70	1.23
Total expenses recognized in the Statement Profit and Loss*	**30.07**	**16.15**

*Included in Employee benefits expense (Refer Note 29). Actuarial gain of INR 22.55 (March 31, 2021: loss of INR 14.02) is included in other comprehensive income.

iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	55.87	48.43
Unfunded net (asset) / liability recognized in Balance Sheet*	**55.87**	**48.43**
*Included in provision for employee benefits		
v) Expected contribution to the fund in the next year		
Gratuity	-	-
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(2.18)	(3.08)
1% decrease	2.34	3.37
Change in Rate of Salary Increase:		
1% increase	2.20	3.20
1% decrease	(2.09)	(2.94)
Change in Rate of Employee Turnover:		
1% increase	(1.52)	(1.82)
1% decrease	1.58	1.95





	March 31, 2022	March 31, 2021
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	3.87	1.60
2nd Following Year	4.83	1.82
3rd Following Year	11.93	3.85
4th Following Year	10.73	7.29
5th Following Year	9.02	7.42
Sum of Years 6 To 10	21.93	25.61
Sum of Years 11 and above	7.92	26.70

35 Employee Stock Option Scheme (ESOP)

The Parent Company's Board approved ESOP plan 2016 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors of parent Company. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

Particulars	March 31, 2022		March 31, 2021	
	Number	WAEP (INR)	Number	WAEP (INR)
Options outstanding at beginning of year	35,81,886	-	6,08,141	-
Add:				
Options granted during the year	3,43,905	-	1,82,246	-
Option transferred#	13,96,498		28,06,705	
Less:				
Options exercised during the year	1,945	-	-	-
Options Lapsed during the year	1,477	-	15,206	-
Options outstanding at the end of year	53,18,867	-	35,81,886	-
Option exercisable at the end of year	-	-	-	-

Pertains to options of the employees transferred from Group entity.

In accordance with the above mentioned ESOP Scheme, INR 306.93 (Previous Year INR 230.96) has been charged to the Statement of Profit and Loss in relation to the options granted during the year ended 31 March 2022 as Employee Stock Option Scheme Compensation.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

Weighted average fair value of the options at the grant dates (INR)	1.40	1.15
Dividend yield (%)	0%	0%
Risk free interest rate (%)	4.82% - 5.71%	4.40% - 5.59%
Expected life of share options (years)	2.92	3.48
Expected volatility (%)	60.37% - 67.24%	62.67% - 63.41%
Weighted average share price (INR)	1.40	1.15

36 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 months and 36 months, which include both cancellable and non cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(ia) Details of right-of-use assets are as follows:

Particulars	Category of ROU asset: Premises	
	March 31, 2022	March 31, 2021
Opening Balance at the start of the year	86.95	220.22
Additions	278.34	-
Amortization (refer Note 30)	200.25	133.27
Closing balance at the end of the year	165.04	86.95





(ib) **Lease liabilities**

Particulars	Category of Lease Liability: Premises	
	March 31, 2022	March 31, 2021
Opening Balance at the start of the year	92.97	217.63
Additions	287.74	-
Lease payments	(231.73)	(149.11)
Interest on lease liabilities (refer Note 26)	42.67	24.45
Closing balance at the end of the year	191.65	92.97

(ii) **Maturity analysis of lease liabilities**

Particulars		
Upto one year	103.47	65.03
More than one year upto 5 years	88.18	27.94
Total	191.65	92.97

(iii) **Amounts recognised in Statement of Profit and Loss**

Particulars		
Interest on lease liabilities (refer Note 26)	42.67	24.45

(iv) **Amounts recognised in Statement of Cash Flows**

Particulars		
Total cash outflow for leases	231.73	149.11

37 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company for the years ended March 31, 2022 and March 31, 2021:

Holding Company
Finnov Private Limited, Singapore

Other related parties

(a) **Fellow subsidiary**
Finnovation Tech Solutions Private Limited
Kartbee Technologies Private Limited

(b) **Key Management Personnel (KMP)**
Madhusudan Ekambaram, Director
Karthikeyan Krishnaswamy, Director

Vivek Veda, Director

(c) **Relatives of KMP**
Nutan Soudagar (spouse of Madhusudan Ekambaram)
Vibha Veda (mother of Vivek Veda)
Vani Jain (wife of Vivek Veda)





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

	March 31, 2022	March 31, 2021
(B) Details of transactions with related party in the ordinary course of business for the year ended:		
(i) Particulars		
A) Transaction during the year		
Sale of services:		
Finnovation Tech Solutions Private Limited	13,132.09	6,645.56
Kartbee Technologies Private Limited	2,831.89	1,466.47
Purchase of services:		
Finnovation Tech Solutions Private Limited	809.09	403.28
Kartbee Technologies Private Limited	9.04	448.08
Reimbursement of expenses:		
Vivek Veda	2.17	-
Remuneration to directors:		
Vivek Veda	81.70	40.75
Non-executive/Independent Director sitting fees:		
Abhishek Singvi	4.50	4.55
Adesh Gupta	5.70	3.05
Gopalakrishna Gurrappa	4.20	0.30
Share issued during the year (refer Note 20(a) and 21(b)):		
Finnov Private Limited (Equity share of INR 10 each)	5.36	31.39
Securities premium on the shares issued	3,683.63	21,031.31
Finance cost		
Finnov Private Limited	641.49	791.54
Krishnaswamy Bhanumathi	-	3.89
Madhusudan Ekambaram	13.11	7.64
Nutan Soudagar	6.89	5.17
Shanmuga Nursing Home	-	4.64
Krishnamurthy Ekambaram	-	1.95
Latha	-	1.96
Manjula	-	1.95
Sreenidhi Sattanathan	-	3.89
Vani Jain	8.74	7.68
Vibha Veda	2.77	0.23
Vivek Veda	2.77	0.23
Issue of non-convertible debentures		
Madhusudan Ekambaram	90.00	90.00
Nutan Soudagar	70.00	40.00
Vani Jain	60.00	60.00
Vibha Veda	-	20.00
Vivek Veda	-	20.00
B) Balance as at year end		
Receivable (Net of Payables)		
Finnovation Tech Solutions Private Limited	6,501.21	-
Kartbee Technologies Private Limited	2,797.33	-
Payable		-
Finnovation Tech Solutions Private Limited	-	1,258.47
Kartbee Technologies Private Limited	-	64.55
Finnov Private Limited	0.02	0.02
Director fees	1.50	-
Borrowings		
Finnov Private Limited	11,371.07	14,700.94
Non-convertible debentures (incl. accrued interest)		
Madhusudan Ekambaram	90.39	90.85
Nutan Soudagar	70.31	40.38
Vani Jain	60.26	60.57
Vibha Veda	20.23	20.22
Vivek Veda	20.23	20.22





37 Related Party Disclosures:

(C) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(D) Finnovation Tech Solutions Private Limited, a fellow subsidiary has issued Corporate Guarantee's aggregating to INR 46,503.84 (2021: INR 21,496.08) in favour of the company for its business requirements.

(E) The Bank overdraft availed by the Company aggregating to INR 1,500 (March 31, 2021: INR 1,000) has been secured by way of liens on fixed deposit balances of a fellow subsidiary Finnovation Tech Solutions Private Limited.

38 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

39 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital.

(i) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates through borrowings at variable interest rates.

	March 31, 2022	March 31, 2021
Interest rate risk exposure		
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	49,441.52	14,700.94

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on External Commercial Borrowings:

	Increase/(decrease) in basis points	Effect on profit before tax
2022		
INR	+50	247.21
INR	-50	(247.21)
2021		
INR	+50	73.50
INR	-50	(73.50)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowing.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to INR at closing rate, is as follows:

Financial liabilities (in USD Million)	15.00	20.00
External Commercial Borrowing	11,371.07	14,700.94
Net exposure to foreign currency risk (liabilities)	11,371.07	14,700.94

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company does not have exposure to any other foreign currencies .

	Increase/(decrease) in basis points	Effect on profit before tax
2022		
INR	+100	113.71
INR	-100	(113.71)
2021		
INR	+100	147.01
INR	-100	(147.01)

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39 **Financial risk management objectives and policies:**

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various matrics such as EMI default rate, overdue position, EMI moritorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non performing loans etc. are used as leading indicators to assess credit risk.

The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators, including a watch over the spread of COVID-19 infection and coverage of vaccination across its geographic spread.

MACRO ECONOMIC VARIABLES:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:
1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.
Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforseen distortion of customers' financial position and volitile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

The Company provides for expected credit loss based on the following:

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss

	March 31, 2022	March 31, 2021
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	7,616.12	24,722.98
Bank balances other than above	1,179.30	371.72
Trade receivables	9,540.55	-
Loans to customers*	1,13,739.16	64,903.31
Investments	6,197.98	3,511.25
Other financial assets	4,785.72	8,485.06
Moderate credit risk		
Loans to customers*	4,216.27	-
High credit risk		
Loans to customers*	3,326.52	4,710.28

* Represents gross values of the financial assets





39 **Financial risk management objectives and policies:**

Cash & cash equivalents and Bank deposits

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments

For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables

Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries, monies held by fintech platforms in escrow for onward disbursements to customers and others miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(ii) **Expected credit losses for financial assets other than loans:**

The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.

- For investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.

- For Trade receivables - Credit risk is considered low because these balances are with group companies with strong financial resources and the balances are held for shorter periods.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

Expected credit loss for loans

Credit default risk

Considering the nature of advances given - small ticket size, short term and retail - the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has imbibed the qualitative aspect in the categorization of the asset portfolio (i.e. first time borrowers and repeat borrowers) which considers the qualitative aspects of definition of default. The Company has therefore set out the following definition of default for all loan products:

Default: Exposures that have one or more installment(s) past due for 90 days or more.

Event driven defaults: This will be based on the customer specific factors such as declaration of bankruptcy by the customer, death of borrower and other customer specific factors. This will be applied on a case by case basis.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).





39 Financial risk management objectives and policies:

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when dues past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1 asset, or Stage 2 or even Stage 3.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. All the loans of the Company are of unsecured nature. The management believes that the LGDs depicted basis the historical data is not representative of the future as the Company is currently in the initial growth phase and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Quantitatively, accounts whose overdue days have exceed 180 days are written-off. The outstanding contractual amounts of such assets written off during the year ended March 31, 2022 was INR 11,897.69 (March 31, 2021 INR 9,946.00). However, collection efforts continue on such accounts as these are legally due to the Company.

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the

As at March 31, 2022 Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying value	1,13,739.16	4,216.27	3,326.52	1,21,281.95
Less: Allowance for ECL	4,805.07	2,507.21	2,472.90	9,785.18
Net carrying value	1,08,934.09	1,709.06	853.62	1,11,496.77
ECL Coverage Ratio	4.22%	59.47%	74.34%	8.07%

As at March 31, 2021 Particulars	Stage 1 & 2	Stage 3	Total
Gross carrying value	64,903.31	4,710.28	69,613.59
Less: Allowance for ECL	2,026.95	3,472.16	5,499.11
Net carrying value	62,876.36	1,238.12	64,114.48
ECL Coverage Ratio	3.12%	73.71%	7.90%

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors forecasts of the liquidity position and cash & 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 policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

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39 Financial risk management objectives and policies:

(C) Liquidity risk :

March 31, 2022	Less than 1 year	1 to 3 years	Total
Debt Securities	18,715.20	7,398.28	26,113.48
Borrowings other than debt securities	51,711.07	1,623.93	53,335.00
Trade payables	718.21	2.55	720.76
Other financial liabilities	1,074.63	88.18	1,162.81
	72,219.11	9,112.94	81,332.05
March 31, 2021			
Debt Securities	11,048.28	669.46	11,717.74
Borrowings other than debt securities	16,952.54	18,163.91	35,116.45
Trade payables	1,546.73	42.95	1,589.68
Other financial liabilities	223.46	27.94	251.40
	29,771.01	18,904.26	48,675.27

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and 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.

		March 31, 2022	March 31, 2021
Total equity	(i)	60,650.94	53,749.84
Debt securities	(ii)	26,113.48	11,717.74
Borrowings other than debt securities	(iii)	53,335.00	35,116.45
Total debt	(iv)=(ii)+(iii)	79,448.48	46,834.19
Less: Cash and bank balances & liquid investments	(v)	14,993.40	28,605.95
Net debt	(vi) = (iv)-(v)	64,455.08	18,228.24
Overall financing	(vii)=(i)+(vi)	1,25,106.02	71,978.08
Gearing ratio	(vi)/(vii)	0.52	0.25

No changes were made in the objectives, policies or processes for managing capital during the years presented.

41 Change in liabilities arising from financing activities

Particulars	March 31, 2021	Net Cash flows	Non-cash adjustments	March 31, 2022
Debt securities	11,717.74	14,395.74	-	26,113.48
Borrowings other than debt securities	35,116.45	21,548.43	(3,329.88)	53,335.00
Total liabilities from financing activities	46,834.19	35,944.17	(3,329.88)	79,448.48

Non- Cash Adjustment includes Conversion of External Commercial Borrowing of USD 5mn to Equity in the current year.

Particulars	March 31, 2020	Net Cash flows	Non-cash adjustments	March 31, 2021
Debt securities	22,207.14	(10,489.40)	-	11,717.74
Borrowings other than debt securities	56,126.77	(20,634.08)	(376.24)	35,116.45
Deposits	100.00	(100.00)	-	-
Total liabilities from financing activities	78,433.91	(31,223.48)	(376.24)	46,834.19





42 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows :-

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2022					
Financial assets					
Cash and cash equivalents	-	-	7,616.12	7,616.12	7,616.12
Bank balances other than above	-	-	1,179.30	1,179.30	1,179.30
Trade receivables	-	-	9,540.55	9,540.55	9,540.55
Loans	-	-	1,11,496.77	1,11,496.77	1,11,496.77
Investments	6,197.98	-	-	6,197.98	6,197.98
Other financial assets	-	-	4,785.72	4,785.72	4,785.72
Total financial assets	6,197.98	-	1,34,618.46	1,40,816.44	1,40,816.44
Financial liabilities					
Trade payables	-	-	720.76	720.76	720.76
Debt securities	-	-	26,113.48	26,113.48	26,113.48
Borrowings (other than debt securities)	-	-	53,335.00	53,335.00	53,335.00
Other financial liabilities	-	-	1,162.81	1,162.81	1,162.81
Total financial liabilities	-	-	81,332.05	81,332.05	81,332.05
As at March 31, 2021					
Financial assets					
Cash and cash equivalents	-	-	24,722.98	24,722.98	24,722.98
Bank balances other than above	-	-	371.72	371.72	371.72
Loans	-	-	64,114.48	64,114.48	64,114.48
Investments	3,511.25		-	3,511.25	3,511.25
Other financial assets	-	-	8,485.06	8,485.06	8,485.06
Total financial assets	3,511.25	-	97,694.24	1,01,205.49	1,01,205.49
Financial liabilities					
Trade payables	-	-	1,589.68	1,589.68	1,589.68
Debt securities	-	-	11,717.74	11,717.74	11,717.74
Borrowings (other than debt securities)	-	-	35,116.45	35,116.45	35,116.45
Other financial liabilities	-	-	251.40	251.40	251.40
Total financial liabilities	-	-	48,675.27	48,675.27	48,675.27

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

42 Financial instruments and fair value disclosures:

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2022:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	6,197.98	-	-	6,197.98

The following table shows the levels within the hierarchy of financial assets measured at fair value as at March 31, 2021:

Financial assets measured at fair value	Level 1	Level 2	Level 3	Total
Investments	3,511.25	-	-	3,511.25





42 **Financial instruments and fair value disclosures:**

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.

	March 31, 2022	March 31, 2021
43 **Contingencies and commitments:**		
Loan commitments*	30,218.12	-
	30,218.12	**-**

** Represents undrawn credit lines contractually provided by the Company to its customers for various products.*

44 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45 In accordance with the RBI notification no. RBI/DNBR/2016-17/45 - Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 - Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the 'Master Direction'). Refer Annexures for additional NBFC disclosures.

46 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For ASC & Associates
Chartered Accountants
Firm Registration No: 011663N

Denesh Singh
Partner
Membership No: 097345
Place: New Delhi
Date: May 25, 2022

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

MADHUSUDAN EKAMBARAM
Director
DIN:07442577
Place: Bengaluru
Date: May 25, 2022

KARTHIKEYAN KRISHNASWAMY
Director
DIN: 07449376
Place: Bengaluru
Date: May 25, 2022

PALLAVI LINGARAJU
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 25, 2022

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

Annexures to the Financial Statements

Additional RBI disclosures from Notes 1 to 23 have been prepared as per RBI Circulars / Directives based on Ind-AS Financial Statements.

Schedule to the Balance sheet (Rs. In Lakhs)

Particulars			March 31, 2022		March 31, 2021	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**					
		Debentures:				
	(a)	Secured	26,113.48	-	11,717.74	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	41,963.93	-	20,415.51	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	-	-	-	-
	(f)	Public Deposits	-	-	-	-
	(g)	Bank Overdraft	-	-	-	-
	(f)	Other Loans (External Commercial Borrowings)	11,371.07	-	14,700.94	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits 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				March 31, 2022	March 31, 2021
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]**				
	(a)	Secured		-	-
	(b)	Unsecured		1,11,496.77	64,114.48
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing 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 asset financing 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	-	-
		(iii)	Units of mutual funds	6,197.98	3,511.25
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-





KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs unless otherwise stated)

	Long Term Investments				
	1	Quoted			
		(i)	Share		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others - Fixed Deposit	-	-

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

Category			Amount net of provisions		
			Secured	Unsecured	Total
1	Related Parties **				
	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group	-	-	-
	(c)	Other related parties	-	-	-
2	Other than related parties		-	1,11,496.77	1,11,496.77
	Total		-	1,11,496.77	1,11,496.77

** As per Accounting Standard of ICAI (Please refer Note 3)

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

Category			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties **			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2	Other than related parties		6,197.98	6,197.98
	Total		6,197.98	6,197.98

(8) Other information

Particulars			March 31, 2022	March 31, 2021
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	3,326.52	4,710.28
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	853.62	1,238.12
(iii)	Assets acquired in satisfaction of debt		-	-

Notes:

1. As defined in point xxvii of paragraph 3 of Chapter - II of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as updated from time to time.
2. Provisioning norms shall be applicable as prescribed in the aforementioned Master Directions in point 1 above.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments is disclosed irrespective of whether they are classified as long term or current in (5) above.

KRAZYBEE SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs unless otherwise stated)

(9)

Capital to Risk Assets Ratio	March 31, 2022	March 31, 2021
CRAR %		
CRAR - Tier I Capital (%)	39.35%	63.48%
CRAR - Tier II Capital (%)	1.20%	1.12%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	-

(10) **Investments**

Particulars	March 31, 2022	March 31, 2021
1) Value of Investments		
i) Gross value of investments		
- In India	6,197.98	3,511.25
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- In India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	6,197.98	3,511.25
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(11)

Particulars	March 31, 2022	March 31, 2021
Unsecured Advances	1,11,496.77	64,114.48

(12) **Ratings assigned by credit rating agencies and migration of ratings during the year**

Rating Agency	Programme	Ratings assigned	Migration during the year
Acuite Ratings & Research	Bank Loan Ratings	Acuite BBB+ Stable	New Rating
	Bank Loan Ratings	Provisional Acuite A (CE) Stable	New Rating
	Commercial Paper	Acuite A2+	New Rating
	Non Convertible Debentures	PP-MLD Acuite BBB+ Stable	New Rating
	Non Convertible Debentures	Acuite BBB+ Stable	New Rating
ICRA	Term Loan	ICRA BBB- (Positive)	Rating withdrawn
	Commercial Paper	ICRA A3	Rating withdrawn
	Market Linked Debentures	PP-MLD ICRA BBB- (Positive)	Nil
Infomerics Ratings	Non Convertible Debentures	NA	Rating withdrawn

(13) **Provisions and Contingencies**

Particulars	March 31, 2022	March 31, 2021
Provision for depreciation on Investment	-	-
Provision towards non performing assets*	2,472.90	3,472.16
Provision for standard assets**	7,312.28	2,026.95
Provision towards income tax	2,056.35	1,028.15
Provision for compensated absences	57.21	29.65
Provision for gratuity	55.87	48.43

* Represents provision on Stage 3 advances.

** Represents provision on Stage 1 and Stage 2 advances.

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KRAZYBEE SERVICES PVT. LTD. * BANGALORE *

(14) a) Concentration of assets

i. Concentration of Advances

Particulars	March 31, 2022	March 31, 2021
Total Advances to twenty largest borrowers	114.59	120.28
Percentage of Advances of twenty largest borrowers to Total Advances of the Company**	0.10%	0.18%

** Represents the total principal outstanding as at the Balance Sheet date.

ii. Concentration of exposures

Particulars	March 31, 2022	March 31, 2021
Total exposure to twenty largest borrowers	114.59	84.04
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers **	0.09%	0.13%

** Represents the total principal outstanding and undrawn credit limits as at the Balance Sheet date.

iii. Concentration of NPA

Particulars	March 31, 2022	March 31, 2021
Total Exposure to top four NPA accounts	9.36	5.50

iv. Sector wise distribution of credit impaired loans

Sector	Percentage of Impairment loss to Total Advances in that sector	
	March 31, 2022	March 31, 2021
Agriculture and allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	0.70%	1.78%
Auto Loans	-	-
Other Personal Loans	-	-
Total	**0.70%**	**1.78%**

b) Concentration of liabilities

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

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
4	29,845.42	N/A	35.76%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(ii) Top 20 large deposits (amount in Rs. Lakhs and % of total deposits)

- The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

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

Amount	% of Total Borrowings
48,266.05	60.75%

(iv) Funding Concentration based on significant instrument/product

Name of the Instrument	Amount	% of Total Liabilities
Loans from NBFCs	32,924.80	39.45%
External commercial borrowings	11,371.07	13.63%
Term loan from banks	7,539.13	9.03%
Working capital/Overdraft loans from banks	1,500.00	1.80%
Debt Securities	26,113.48	31.29%

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KRAZYBEE SERVICES PVT LTD * BANGALORE

(14) a) Concentration of assets

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	-	-	-
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	23.56%	22.43%	12.99%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	5.04%	4.80%	2.78%

(vi) Institutional set-up for liquidity risk management: Refer Note 42(C).

(15) Movement of credit impaired loans

Particulars	March 31, 2022	March 31, 2021
(i) Net NPAs to Net Advances (%)	0.72%	1.87%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	4,710.29	3,433.24
(b) Additions during the year	10,513.94	11,223.04
(c) Reductions during the year	(11,897.71)	(9,945.99)
(d) Closing balance	**3,326.52**	**4,710.29**
(iii) Movement of Net NPAs		
(a) Opening balance	1,238.12	922.34
(b) Additions during the year	(384.50)	315.78
(c) Reductions during the year	-	-
(d) Closing balance	**853.62**	**1,238.12**
(iv) Movement of Provision for NPAs		
(a) Opening balance	3,472.17	2,510.90
(b) Impairment loss allowance made during the year	10,898.44	10,907.26
(c) Write off/ write back of excess allowance	(11,897.71)	(9,945.99)
(d) Closing balance	**2,472.90**	**3,472.17**

(16) Customer complaints

Particulars	March 31, 2022	March 31, 2021
(a) No. of complaints pending at the beginning of the year	8	21
(b) No. of complaints received during the year	437	2,198
(c) No. of complaints redressed during the year	413	2,211
(d) No. of complaints pending at the end of the year	32	8

(17) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. (Circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016):

Particulars	March 31, 2022	March 31, 2021
a. Persons involved		
Customers	5.30	-
Total	5.30	-
b. Type of fraud		
Others	5.30	-

(18) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2022	March 31, 2021
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2022		March 31, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	15.00	-	20.00	-

* Pertains to cross currency interest rate swap

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

(19) Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on March 31, 2022:

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to Customer)	17,916.66	5,644.32	9,526.77	18,149.45	13,388.47	30,724.11	16,634.06	845.69	3,326.77	-	1,16,156.30
3	Investments	-	-	-	-	6,197.98	-	-	-	-	-	6,197.98
	Total Inflows	**17,916.66**	**5,644.32**	**9,526.77**	**18,149.45**	**19,586.45**	**30,724.11**	**16,634.06**	**845.69**	**3,326.77**	**-**	**1,22,354.28**
4	Debt Securities	277.32	-	6,216.24	1,037.25	1,040.26	8,116.77	3,818.20	5,607.44	-	-	26,113.48
5	Borrowings (Other than Debt Securities)	4,104.76	612.85	2,097.50	3,222.90	3,811.24	15,120.63	11,371.80	1,622.25	-	-	41,963.93
6	Foreign Currency Liabilities	-	-	-	-	-	-	11,371.07	-	-	-	11,371.07
7	Loan Commitments pending disbursal*	2,014.54	2,014.54	2,014.54	-	-	-	-	-	-	-	6,043.62
	Total Outflows	**6,396.62**	**2,627.39**	**10,328.28**	**4,260.15**	**4,851.50**	**23,237.40**	**26,561.07**	**7,229.69**	**-**	**-**	**85,492.10**

* Based on the expected disbursals of the Company.

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KRAZYBEE SERVICES PVT. LTD. * BANGALORE

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020

As on March 31, 2022

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	1,13,739.16	4,805.07	1,08,934.09	1,899.82	2,905.25
	Stage 2	4,216.27	2,507.21	1,709.06	16.91	2,490.30
Subtotal		**1,17,955.43**	**7,312.28**	**1,10,643.15**	**1,916.73**	**5,395.55**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	3,326.52	2,472.90	853.62	332.65	2,140.25
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**3,326.52**	**2,472.90**	**853.62**	**332.65**	**2,140.25**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	1,13,739.16	4,805.07	1,08,934.09	1,899.82	2,905.25
	Stage 2	4,216.27	2,507.21	1,709.06	16.91	2,490.30
	Stage 3	3,326.52	2,472.90	853.62	332.65	2,140.25
	Subtotal	**1,21,281.95**	**9,785.18**	**1,11,496.77**	**2,249.38**	**7,535.80**





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020

As on March 31, 2021

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1 & 2	64,903.31	2,026.95	62,876.36	1,578.75	448.20
Subtotal		**64,903.31**	**2,026.95**	**62,876.36**	**1,578.75**	**448.20**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	4,710.28	3,472.16	1,238.12	471.03	3,001.13
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**4,710.28**	**3,472.16**	**1,238.12**	**471.03**	**3,001.13**
(c) Other items	Stage 1 & 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1 & 2	64,903.31	2,026.95	62,876.36	1,578.75	448.20
	Stage 3	4,710.28	3,472.16	1,238.12	471.03	3,001.13
	Subtotal	**69,613.59**	**5,499.11**	**64,114.48**	**2,049.78**	**3,449.33**





(21) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 (Resolution 1.0) & RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 (Resolution 2.0):

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A) #	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal loans	14,522.66	5.30	1,619.51	963.51	11,934.35
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

* As defined in Section 3(7) of the insolvency and Bankruptcy Code, 2016

Previous half-year ended September 30, 2021.





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(Amount in INR lakhs unless otherwise stated)

(22) Disclosure on accounts subjected to restructuring for the year ended March 31, 2022

(Amount in INR lakhs)

Sl. No.	Type of Restructuring → / Asset Classification → / Details ↓		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	56	45,643	-	-	45,699	56	45,643	-	-	45,699
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	5.35	1,299.34	-	-	1,304.69	5.35	1,299.34	-	-	1,304.69
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.80	337.24	-	-	338.04	0.80	337.24	-	-	338.04
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	6,208	6,208	-	-	-	6,208	6,208
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	369.87	369.87	-	-	-	369.87	369.87
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	184.93	184.93	-	-	-	184.93	184.93
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Write- offs/ Recovery/ Sale of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	56	45,643	-	6,208	51,907	56	45,643	-	6,208	51,907
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	5.35	1,299.34	-	369.87	1,674.56	5.35	1,299.34	-	369.87	1,674.56
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Restructured Accounts as on March 31 of the FY (closing figures)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-





(23) Others

(a) Disclosure relating to Securitization:
There are no such transactions during the current year and previous year.

(b) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction:
There are no such transactions during the current year and previous year.

(c) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(d) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(e) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(f) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(g) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(h) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(i) Registration obtained from other financial sector regulators - None.

(j) Disclosure of Penalties imposed by RBI and other regulators - None.

(k) Remuneration of non executive directors - INR 14.40 Lakhs.

(l) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(m) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(n) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(o) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no overseas assets owned by the Company.

(p) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.





No. CARE/HO/RL/2025-26/2079

Shri Vivek Veda
Chief Financial Officer
KrazyBee Services Private Limited
3rd Floor, No.128/9, Maruthi Sapphire,
Hal Old Airport Road, Murugeshpalya,
Bengaluru
Karnataka 560017

July 11, 2025

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed Non-convertible Debenture (NCD) issue aggregating to Rs. 700.00 crore of your Company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	700.00	CARE A; Stable	Assigned

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is July 11, 2025).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

[1]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Ltd.'s publications.

7. The rating report for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which will be shared separately. We request you to peruse the document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 14, 2025, we will proceed on the basis that you have no any comments to offer.

8. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

12. Our ratings are **not** recommendations to buy, sell or hold any securities.

13. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,



Pranjal Mulekar
Analyst
pranjal.mulekar@careedge.in

Jitendra Meghrajani
Associate Director
jitendra.meghrajani@careedge.in

Encl.: As above

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No. CARE/HO/RL/2025-26/2078

Shri Vivek Veda
Chief Financial Officer
KrazyBee Services Private Limited
3rd Floor, No.128/9, Maruthi Sapphire,
Hal Old Airport Road, Murugeshpalya,
Bengaluru
Karnataka 560017

July 11, 2025

Confidential

Dear Sir,

Credit rating for Non-Convertible Debenture issue

On the basis of recent developments including operational and financial performance of your Company for FY25 (Audited), our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures	150.00	CARE A; Stable	Reaffirmed
2.	Non Convertible Debentures	100.00	CARE A; Stable	Reaffirmed
3.	Non Convertible Debentures	300.00	CARE A; Stable	Reaffirmed
4.	Non Convertible Debentures	400.00	CARE A; Stable	Reaffirmed

2. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

[1]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Ltd.'s publications.

3. The rating report for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which will be shared separately. We request you to peruse the document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 14, 2025, we will proceed on the basis that you have no any comments to offer.

4. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

5. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

6. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

8. CARE Ratings Ltd. ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



CARE Ratings Limited

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KrazyBee Services Private Limited

July 14, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	600.00 (Enhanced from 400.00)	CARE A; Stable	Reaffirmed
Non-convertible debentures	700.00	CARE A; Stable	Assigned
Non-convertible debentures	150.00	CARE A; Stable	Reaffirmed
Non-convertible debentures	100.00	CARE A; Stable	Reaffirmed
Non-convertible debentures	300.00	CARE A; Stable	Reaffirmed
Non-convertible debentures	400.00	CARE A; Stable	Reaffirmed
Commercial Paper	700.00	CARE A1	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed ratings for bank facilities and debt instruments of KrazyBee Services Private Limited (KrazyBee) at 'CARE A; Stable/ CARE A1' and assigned rating to the non-convertible debentures (NCDs) at 'CARE A; Stable'. Ratings reflect the company's strong growth momentum, with assets under management (AUM) growing at a compound annual growth rate (CAGR) of 88% for FY21–FY25, reaching ₹10,102 crore as on March 31, 2025. Ratings also factor in consistent improvement in profitability driven by operating scale, with consolidated return on managed assets (ROMA) improving to 4.8% in FY25 from 4.1% in FY24, leading to increase in tangible net worth (TNW) from ₹2,537 crore as on March 31, 2024, to ₹3,107 crore as on March 31, 2025. KrazyBee has also secured incremental borrowings at improved rates.

Ratings continue to consider the company's comfortable capitalisation levels supported by regular capital raises, business potential of the technology-led business model, where end-to-end process is digital, and strong platform provided by the group company, which offers significant scalability of operations.

However, ratings are constrained by evolving nature of its products in the personal loan segment, which includes changes in ticket sizes and tenure, vulnerability to asset quality pressures due to the inherent risks associated with exposure to unsecured loan segments, moderate resource profile with improvement in proportion of bank funding, and regulatory risks associated with the digital lending space and evolving industry regulations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Sizable growth in scale of operations while maintaining profitability and asset quality parameters at comfortable levels.
- Significant equity raise and diversification in resource profile with improvement in cost of borrowings.

Negative factors: Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Decline in capitalisation levels with overall gearing of over 3.5x at consolidated level.
- AUM/NW exceeding 5x at consolidated level.
- Significant moderation in asset quality leading to decline in profitability with ROMA profit-after-tax (PAT)/average total assets (including off book) reducing below 2.75% on a sustained basis.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Analytical approach: Combined

CareEdge Ratings has taken a combined approach of KrazyBee and Finnovation Technology Solutions Private Limited, as both companies are integrated in terms of operations, infrastructure, and resources, including use of the technology platform, which forms the base for KrazyBee's end-to-end credit process. Shareholders are common in both entities holding equivalent proportion. List of companies combined is presented in Annexure-6.

Outlook: Stable

The stable outlook reflects likely continuation of a stable credit profile with healthy capitalisation levels.

Detailed description of key rating drivers:

Key strengths

Consistent increase in scale of operations with benefits derived from technological support by the group company and growth potential led by technology-led business model

KrazyBee primarily offers unsecured personal loans to young professionals, both through its own balance sheet and via co-lending arrangements. On co-lending, the company partnered with lenders, with whom it is fully integrated across loan origination, credit underwriting, risk assessment, and collections. Use of technology and quick loan accessibility have been key drivers of its robust growth.

The company's scale of operations has expanded significantly, with its AUM growing at a CAGR of 88% from FY21–FY25. In FY25, AUM grew by 32% year-on-year to ₹10,102 crore as on March 31, 2025, compared to ₹7,644 crore as on March 31, 2024. The off-book portfolio constituted 42% of the total AUM as on March 31, 2025 (38% in FY24).

While the personal loan segment remains the core business, it continues to evolve in terms of ticket sizes and loan tenures. From FY24 onwards, KrazyBee has also diversified into secured lending, in form of loans against property (LAP), which currently contribute 1.5% to the overall loan book. Business loan forms 6.8% of AUM as on March 31, 2025. CareEdge Ratings expects the growth rate to remain healthy, however, at a lower rate compared to earlier years.

Comfortable capitalisation levels supported by regular capital raise by company from private equity (PE) investors

Aided by regular capital infusions, the company has been able to maintain healthy capitalisation levels over s. Since inception, the group has raised ~₹2,100 crore in primary equity infusion. Till FY21, equity funding was raised in the erstwhile parent company, Finnov Private Limited, and eventually infused in the non-banking financial company (NBFC) and technology arm. The Series D investment in FY23 has been made directly in both subsidiaries. The company has strong PE investors such as Premji Invest, Advent International, MUFG Bank, TPG NewQuest Capital, Motilal Oswal Private Equity, and ICICI Bank, among others.
With healthy growth rate, the company's total capital adequacy ratio (CAR) continued to remain comfortable at 29.59% as on March 31, 2025 (33.89% as on March 31, 2024), aided by healthy internal accruals. On a combined basis, TNW (consolidated) stood at ₹3,107 crore as on March 31, 2025, against ₹2,537 crore as on March 31, 2024. Gearing (consolidated) remains comfortable at 1.16x as on March 31, 2025, against 1.08x as on March 31, 2024. AUM/NW stood at 3.25x as on March 31, 2025, against 3.01x as on March 31, 2024. CareEdge Ratings expects the current capital to support growth that is envisaged by the company in the medium term.

Adequate profitability levels

On a combined basis, in FY25, the company reported PAT of ₹473 crore on a total income of ₹2,712 crore against PAT of ₹285 crore on a total income of ₹1,948 crore in FY24. The group generates revenue from interest income on its own book and processing fees from each disbursement (Own book and partner book). With increase in scale of operations the operating expenses/ average total managed assets improved from 12.6% in FY24 to 9.6% in FY25. Opex decreased as a percentage of average total assets with increase in scale of operations and considering decrease in the sourcing cost. Consequently, the company reported 70% increase in pre-provision operating profit (PPOP) from ₹821 crore in FY24 to ₹1,396 crore in FY25. However, the company's credit cost stood higher at 7.7% in FY25 against 6.1% in FY24.The company reported ROMA of 4.8% in FY25 against 4.1% in FY24. Improvement in profitability was mainly supported by decline in opex cost with decline in overall sourcing expenses. CareEdge Ratings takes note of reduction in average lending rate undertaken by the company in line with the industry post September 2024. Going forward, control on credit costs and operational expenses becomes critical in maintaining the current profitability levels and will remain a key rating sensitivity.

Key weaknesses

Moderate asset quality metrics

With presence majorly in the unsecured personal loan segment, asset quality remains moderate with credit costs remaining higher. The company has an aggressive write-off policy of writing off at 180+ days past due (dpd). Credit cost (including off-book) stood at 7.7% in FY25 against 6.1% in FY24. With continued write-offs gross non-performing assets [GNPA] and net NPA [NNPA] stood at 2.8% and 0.7%, respectively, as on March 31, 2025 (2.3% and 0.7%, respectively, as on March 31, 2024). Provision coverage stood at 74% as on March 31, 2025, compared to 72% as on March 31, 2024. Credit cost remained high for the company due to inherent risks associated with exposure to unsecured loan segment. CareEdge Ratings notes that the company has tweaked its credit underwriting and has slowed down disbursements to lower ticket size loans. Additionally, the increase in average ticket size and loan tenor indicates a strategic shift towards lending to better quality customers, as reflected in the declining proportion of loans with a tenor of less than six months. Although 80% of disbursements are to repeat customers, the company does not allow concurrent loans or top-ups to the customers and does not provide loans to customers with loans in overdue status. CareEdge Ratings notes that while technology has demonstrated its capacity for easy growth, credit models' ability to keep a check on quality of loans sourced and disbursed is still evolving. The sustenance of asset quality while expansion in the loan portfolio amid high competition from banks and other financial technology (fintech) companies is yet to be seen.

Moderate resource profile with improvement in proportion of bank funding

Major funding continues to be through NCDs. On total borrowings, share of NCDs stood at 42% as on March 31, 2025 (37% as on March 31, 2024). Share of bank funding increased from 23% as on March 31, 2024, and stood at 29% as on March 31, 2025, while share of term loan from NBFCs reduced to 19% as on March 31, 2025, against 27% as on March 31, 2024. Pass-through certificate (PTC; 6.9%), commercial paper (CP; 2.6%), constitutes the remaining portion of the resource profile as on March 31, 2025. The company's ability to further improve its resource profile is critical for its future growth prospects.

Regulatory risk related to the digital lending space

Ratings also take note of the regulatory risk associated with entities operating in digital lending, as regulations are still evolving. Digital lending gaining momentum and size, and evolving industry regulations expose the industry to regulatory risk. Recent regulatory actions by the RBI—particularly in the unsecured lending segment—have impacted growth and yield profiles of several players, highlighting the sector's vulnerability to policy shifts. However, recent reversal of increased risk weights on unsecured loans by the regulator is viewed as a positive development for entities operating in this space.

Liquidity: Adequate

The company's liquidity profile stood adequate with no negative cumulative mismatches in any time bucket as on March 31, 2025. Inflow from advances stood at ₹4,946 crore for the next 12 months against schedule repayment for the next 12 months of ₹3,086 crore. The company also had free cash and cash equivalents amounting to ₹278 crore and had undrawn sanctioned lines of ₹372 crore as on March 31, 2025, on a consolidated basis.

Applicable criteria

Definition of Default
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Short Term Instruments
Non Banking Financial Companies
Criteria on Consolidation and Combined Approach

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

KrazyBee was incorporated on March 16, 2016, and received its non-banking finance company (NBFC) license from the RBI in May 2017. The company provides unsecured personal loans up to ₹500,000 for a maximum 48 months. The company commenced operations in June 2017 and moved into offering unsecured loans to young professionals in April 2018 under brand 'KreditBee'. Average ticket size for unsecured personal loans is ~₹30,000. Apart from lending through the NBFC 'KrazyBee', the company also

does co-lending with partners. KrazyBee has an overall AUM (including co-lending) of ₹10,102 crore as on March 31, 2025 (₹7,644 crore as on as on March 31, 2024). KrazyBee NBFC has its own book loan portfolio of ₹5,898 crore as on March 31, 2025 (₹4,742 crore as on March 31, 2024).

Combined financials:

Brief Financials (₹ crore)- Combined	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	1,268	1,948	2,712
PAT	93	285	473
Interest coverage (times)	1.8	2.6	2.7
Total assets	3,361	5,578	7,007
Net NPA/stage III (%)	0.9	0.7	0.7
ROMA (%)	2.4	4.1	4.8

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Commercial paper-Commercial paper (Standalone) (Proposed)	-	-	-	-	700.00	CARE A1
Fund-based-Long term	-	-	-	March 2027	359.00	CARE A; Stable
Fund-based-Long term (Proposed)	-	-	-	-	241.00	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07718	April 19, 2024	12.50%	October 19, 2025	32.95	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07726	April 26, 2024	9.84%	July 26, 2025	100.00	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07726	May 27, 2024	9.84%	July 26, 2025	55.00	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07718	August 26, 2024	12.50%	October 19, 2025	50.00	CARE A; Stable
Debentures-Non-convertible debentures (Proposed)	-	-	-	-	7.05	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07791	January 23, 2025	10.95%	July 23, 2026	320.00	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07791	February 5, 2025	10.95%	July 23, 2026	115.00	CARE A; Stable
Debentures-Non-convertible debentures	INE07HK07809	May 6, 2025	10.65%	November 6, 2026	200.00	CARE A; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non-convertible debentures	INE07HK07809	June 19, 2025	10.65%	November 6, 2026	70.00	CARE A; Stable
Debentures-Non-Convertible Debentures (Proposed)	-	-	-	-	700.00	CARE A; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Commercial paper-Commercial paper (Standalone)	ST	700.00	CARE A1	1)CARE A1 (09-Jul-25)	1)CARE A1 (15-Jan-25) 2)CARE A1 (09-Jan-25) 3)CARE A1 (05-Jul-24) 4)CARE A1 (16-May-24) 5)CARE A1 (18-Apr-24) 6)CARE A1 (04-Apr-24)	1)CARE A1 (12-Feb-24) 2)CARE A1 (27-Dec-23)	-
2	Fund-based-Long term	LT	600.00	CARE A; Stable	1)CARE A; Stable (09-Jul-25)	1)CARE A-; Stable (15-Jan-25) 2)CARE A-; Stable (09-Jan-25)	1)CARE A-; Stable (12-Feb-24)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
						3)CARE A-; Stable (05-Jul-24) 4)CARE A-; Stable (16-May-24) 5)CARE A-; Stable (18-Apr-24) 6)CARE A-; Stable (04-Apr-24)		
3	Debentures-Non-convertible debentures	LT	150.00	CARE A; Stable	1)CARE A; Stable (09-Jul-25)	1)CARE A-; Stable (15-Jan-25) 2)CARE A-; Stable (09-Jan-25) 3)CARE A-; Stable (05-Jul-24) 4)CARE A-; Stable (16-May-24) 5)CARE A-; Stable (18-Apr-24) 6)CARE A-; Stable	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
						(04-Apr-24)		
4	Debentures-Non-convertible debentures	LT	100.00	CARE A; Stable	1)CARE A; Stable (09-Jul-25)	1)CARE A-; Stable (15-Jan-25) 2)CARE A-; Stable (09-Jan-25) 3)CARE A-; Stable (05-Jul-24) 4)CARE A-; Stable (16-May-24)	-	-
5	Debentures-Non-convertible debentures	LT	300.00	CARE A; Stable	1)CARE A; Stable (09-Jul-25)	1)CARE A-; Stable (15-Jan-25) 2)CARE A-; Stable (09-Jan-25)	-	-
6	Debentures-Non-convertible debentures	LT	400.00	CARE A; Stable	1)CARE A; Stable (09-Jul-25)	1)CARE A-; Stable (15-Jan-25)	-	-
7	Debentures-Non-convertible debentures	LT	700.00	CARE A; Stable				

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial paper-Commercial paper (Standalone)	Simple
2	Debentures-Non-convertible debentures	Simple
3	Fund-based-Long term	Simple

Annexure-5: Lender details

To view the lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	KrazyBee Services Private Limited	Full	Operational and financial linkages
2	Finnovation Technology Solutions Private Limited	Full	Operational and financial linkages

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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Unique Doc. Reference	:	SUBIN-TNTN80050451147592417826X
Purchased by	:	KRAZYBEE SERVICES PRIVATE LIMITED
Description of Document	:	Article 5 Agreement
Property Description	:	Debenture Trustee Appointment Agreement
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	KRAZYBEE SERVICES PRIVATE LIMITED
Second Party	:	SBICAP TRUSTEE COMPANY LIMITED
Stamp Duty Paid By	:	KRAZYBEE SERVICES PRIVATE LIMITED
Stamp Duty Amount(Rs.)	:	500 (Five Hundred only)

Please write or type below this line

This stamp paper forms an integral part of the "Debenture Trustee Appointment Agreement" executed between Krazybee Services Private Limited and SBICAP Trustee Company Limited.

For KRAZYBEE SERVICES PVT. LTD.

Authorised Signatory

For SBICAP TRUSTEE COMPANY LIMITED

Authorised Signatory

GG0018946215

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3. In case of any discrepancy please inform the Competent Authority.

DEBENTURE TRUSTEE AGREEMENT

Dated August 06, 2025

BETWEEN

KRAZYBEE SERVICES PRIVATE LIMITED
(as the "**Company**")

AND

SBICAP TRUSTEE COMPANY LIMITED
(as the "**Debenture Trustee**")

KRAZYBEE SERVICES PVT. LTD.

For KRAZYBEE SERVICES PVT. LTD.

Authorised Signatory

SBICAP TRUSTEE COMPANY LIMITED

DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("Agreement") is made at Chennai, India on August 06, 2025 by and between:

KRAZYBEE SERVICES PRIVATE LIMITED ("Krazybee"), a company incorporated under the Companies Act, 2013 with CIN U65120KA2016PTC086950 and having its registered office at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore 560017 and having its branch office at KRD Gee Gee Crystal, No 91-92, 4th Floor, RK Salai, Mylapore, Chennai 600 004 (hereinafter referred to as the "**Company**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns);

AND

SBICAP TRUSTEE COMPANY LIMITED, a company incorporated under the provisions of the Companies Act, 1956, with CIN U65991MH2006PLC158386 and having its registered office at 4th Floor, Mistry Bhavan, 122 Dinshaw Vacha Road, Churchgate, Mumbai, Maharashtra - 400020, India and having its branch office at 3rd Floor, 34 College Rd, Subba Road Avenue, Nungambakkam, Chennai, Tamil Nadu 600 006 (hereinafter called the "**Debenture Trustee**" which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and assigns).

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**")

BACKGROUND:

(A) The Company, pursuant to the authority granted by the resolution of its board of directors under section 42 read with section 71, 179 and 180 of the Companies Act, 2013 held on June 25, 2025 read with resolution passed by the Finance Committee at its meeting held on July 30, 2025 and special resolution passed by the shareholders of the Company under section 42, 71 and 180 of the Companies Act, 2013 held on June 27, 2025, proposes to issue up to 47,500 (Forty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 475,00,00,000/- (Indian Rupees Four Hundred Seventy Five Crore Only) ("**Debentures**"/"**NCDs**") comprising of:

a. a base issue of 27,500 (Twenty Seven Thousand Five Hundred) senior, secured, listed, rated, taxable, transferable, redeemable, non convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 275,00,00,000/- (Indian Rupees Two Hundred Seventy Five Crore Only), and

b. a green shoe option of up to a base issue of 20,000 (Twenty Thousand) senior, secured, listed, rated, taxable, transferable, redeemable, non-convertible debentures of the face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each aggregating to INR 200,00,00,000/- (Indian Rupees Two Hundred Crore Only) ("**Green Shoe Option**"),

pursuant to the Disclosure Documents and in accordance with the terms of this debenture trust deed to be executed between the Company and the Debenture Trustee ("**Debenture Trust Deed**"), in dematerialized form, to certain identified investors on a private placement basis ("**Issue**") in accordance with the provisions of the Companies Act, 2013, Securities Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended, modified or restated from time to time ("**Debenture Trustee Regulations**"), SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Listing Regulations**"), as amended from time to time for the Purpose (defined hereinafter).

(B) The Debentures shall be listed on the wholesale debt market segment of the BSE Limited ("**BSE**") in accordance with the SEBI NCS Listing Regulations, as amended from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") as amended from time to time and other laws/regulations (if applicable).

(C) Pursuant to the Companies Act, 2013 ("**Act**"), the Company is required to appoint a debenture trustee for the

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For KRAZYBEE SERVICES PVT. LTD.

Authorised Signatory

SBICAP TRUSTEE COMPANY LIMITED

benefit of the debenture holders and the debenture trustee shall act as per the provisions of the Debenture Trustee Regulations. Accordingly, the Company has approached SBICAP TRUSTEE COMPANY LIMITED to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("**Debenture Holders**") and SBICAP TRUSTEE COMPANY LIMITED has agreed to act as the debenture trustee for the benefit of Debenture Holders on the terms and conditions agreed upon and hereinafter set out. The Debenture Trustee is registered with the Securities Exchange Board of India ("**SEBI**") as debenture trustee under the Debenture Trustee Regulations.

(D) The detailed terms and conditions in relation to the rights, duties and obligations of the Debenture Trustee and the terms and conditions of the Debentures, shall be more specifically set out in the debenture trust deed ("**Deed**") to be entered into by the Company and the Debenture Trustee and the Disclosure Document to be issued by the Company and circulated to potential investors.

(E) The Parties have agreed to enter into this Agreement to record the terms of appointment of the Debenture Trustee.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS: OPERATIVE TERMS:

1. DEFINITIONS

Unless otherwise defined herein, capitalised terms defined and references construed in the Deed shall have the same meaning and construction when used in this Agreement. In this Agreement, the following terms have the following meanings:

"**Debenture Holders**" has the meaning ascribed to it in Recital C above;

"**Disclosure Documents**" means, collectively, the general information document ("**GID**") and the key information document ("KID") as issued by the Company in respect of the Debentures.

"**Debenture Trustee Regulations**" has the meaning ascribed to it in Recital A above;

"**Debentures**" has the meaning ascribed to it in Recital A above;

"**Hypothecated Assets**" shall mean the receivables or liquid assets identified for creating first ranking, exclusive and continuing charge by way of hypothecation to be created pursuant to the agreement of hypothecation which shall be executed between the Company and the Debenture Trustee in order to maintain security cover of 1.1 times or 110% of the aggregate outstanding amounts payable under Debentures;

"**Information Utility**" means the National E-Governance Services Limited (NeSL) or any other entity registered as an information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017;

"**Laws**" shall mean all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any governmental or regulatory authority and any modifications or re-enactments thereof;

"**LODR Regulations**" has the meaning ascribed to it in Recital B above;

"**Master Circular for Debenture Trustee**" shall mean "*Master Circular for Debenture Trustees*" issued vide circular no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 and as amended from time to time;

"**Master Circular for Debentures**" means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, supplemented or restated from time to time;

"**SEBI**" has the meaning ascribed to it in Recital C above;

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For KRAZYBEE SERVICES PVT. LTD.

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"SEBI Listed Debentures Circulars and Regulations" means, collectively, Master Circular for Debenture Trustee, the Listed NCDs Master Circular, SEBI NCS Listing Regulations and the LODR Regulations (to the extent applicable);

"SEBI NCS Listing Regulations" has the meaning ascribed to it in Recital A above;

"Transaction Documents" shall mean to included (i) the Debenture Trust Deed, (ii) This Agreement, (iii) Hypothecation Agreement ("DOH") along with the Power of Attorney, (iv) Disclosure Documents, (v) resolutions, (vi) letters issued by the rating agency and the registrar, (vii) each tripartite agreement between the Company, the registrar and the relevant depository and (viii) any other document/s as maybe designated as Transaction Documents by the Debenture Trustee or Debenture Holders.

2. APPOINTMENT OF TRUSTEE, ROLES AND RESPONSIBILITIES

(a) The Company hereby appoints **SBICAP TRUSTEE COMPANY LIMITED** as the debenture trustee on behalf of and for the benefit of the Debenture Holders for the Debentures to be issued by the Company and the Debenture Trustee hereby agrees to act as debenture trustee for the benefit of the Debenture Holders.

(b) The Company shall pay to the Debenture Trustee so long as they hold the office of the Debenture Trustee, remuneration for their services in accordance with the consent letter bearing reference number 2864/STCL/DT/2025-26-CL-7303 dated August 06, 2025 in addition to all legal, traveling and other costs, charges and expenses including out of pocket expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Deed.

(c) The Debentures shall be secured by a first ranking exclusive charge over the Hypothecated Assets by way of Hypothecation Agreement to be executed between the Company and the Debenture Trustee within the time period prescribed by the Law.

(d) The Company shall comply with, and furnish such information on a regular basis as is required under, the provisions of the Debenture Trustee Regulations, SEBI NCS Listing Regulations, LODR Regulations, the Act, and other applicable Laws.

(e) The Company undertakes to promptly furnish all and any information as may be applicable and required by the Debenture Trustee from time to time in terms of the Act and the Deed on a regular basis as per requirements set out under SEBI Listed Debentures Circulars and Regulations.

(f) This Agreement is entered into in compliance with the provisions of Regulation 13 of the Debenture Trustee Regulations, SEBI NCS Listing Regulations, LODR Regulations, Act, and other Laws, and shall be effective on and from the date first hereinabove written and shall be in force till the monies in respect of the Debentures have been fully paid off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

(g) The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all reasonable expenses and out-of-pocket costs incurred by the Debenture Trustee. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement and/or any such amendment, supplement or waiver.

(h) All other the rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the

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SBICAP TRUSTEE COMPANY LIMITED

Company and the Debenture Trustee.

(i) Further, the Company shall execute the Debenture Trust Deed in Form SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014 or as near thereto as possible in favour of the Debenture Trustees within a period of 3 (three) days from the Deemed Date of Allotment of the issue in terms of clause 18(5) of The Companies (Share Capital and Debentures) Rules, 2014. Such Debenture Trust Deed shall consist of two parts:

(i) Part A containing statutory/standard information pertaining to the debt issue; and

(ii) Part B containing details specific to the particular debt issue.

(j) **Documents required to be submitted prior to or simultaneously with execution of this Agreement:**

The terms of this Agreement shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the Laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Agreement. The Company shall provide information and documents to the extent applicable as set out in *Annexure A* hereto.

(k) **Terms of carrying out due diligence:**

(i) The Debenture Trustee, either through itself or its agents /advisors/ consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets (if applicable) and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document and the Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical expert /management consultants appointed by the Debenture Trustee. Prior to appointment of any agents /advisors/consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents/ advisors/ consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction;

(ii) The Company shall provide all assistance to the Debenture Trustee to enable verification of the assets for securing the Debentures as are registered / disclosed;

(iii) Further, in the event that existing charge holders, the trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any;

(iv) The Company shall ensure that it provides and help to procure all information, representations, confirmations and disclosures as may be required by the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Laws; and in order to ensure efficient recording of details regarding creation of security and monitoring of covenants via the system hosted by Depositories using the distributed ledger technology ("DLT"), various stakeholders, including Issuer and Debenture Trustee shall ensure that they are in compliance of Chapter III of the Debenture Trustee Master Circular and various circulars issued in respect of the DLT system issued by SEBI from time to time.

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(v) All costs, charges, fees and expenses that are associated with and incurred, towards legal or inspection costs, travelling and other costs, shall be reimbursed by the Company on request by Debenture Trustee.

(l) The time limit for creation of the security for the Debentures execution of the agreement shall be in accordance with the Companies Act, 2013 or other provisions as prescribed by any regulatory authority, as applicable.

(m) The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such other expenses like advertisement, notices, letters to debenture holders, and additional professional fees/expenses that would be incurred in case of default of payment. The remuneration of the Debenture Trustee shall be as decided mutually between both the parties.

(n) Arrears of instalments of annual service charges, if any, and/ or delay in reimbursement of cost, charges and expenses shall carry interest at the rate of 16% (Sixteen percent) per annum or applicable interest rate under MSME Act, whichever is higher, from the date of bill till the date of actual payment which shall be payable on the footing of compound interest with quarterly rests.

(o) The Company shall inter-alia furnish/shall have furnished to the Debenture Trustee the following documents: -

(i) Memorandum and Articles of Association of the Company;
(ii) Disclosure Document;
(iii) Statutory auditor certificate, on a quarterly basis giving the value of book debt and receivables, including compliance with the covenants of the Transaction Document/ Disclosure Document;
(iv) Agreement with the registrar to issue the Debentures;
(v) Letters from rating agencies about ratings of the Debentures;
(vi) A return of allotment filed with the registrar of companies (Form No-PAS 3) within 15 (fifteen) days from the date of filing with the registrar of companies;
(vii) A complete record of private placement offers made by the Company (Form No PAS 5) within 15 (fifteen) days from the date of filing with the registrar of companies;
(viii) List of receivables proposed to be hypothecated;
(ix) Necessary corporate authorisations including the board resolution and/or shareholder resolution for allotment of Debentures;
(x) Proof of Credit / Dispatch of Debenture Certificates;
(xi) Copy of last 3 (three) years' Audited Annual Reports;
(xii) Copy of Latest Audited / Limited Review Half Yearly Consolidated (wherever available) and Standalone Financial Information (Profit & Loss statement, Balance Sheet and Cash Flow statement) and auditor qualifications, if any;
(xiii) Debenture Trust Deed;
(xiv) This Agreement;
(xv) ROC Certificate;
(xvi) Security / Transaction Documents;
(xvii) Confirmation/Proofs of payment of interest and principal made to the Debenture Holders on due dates;
(xviii) Statutory Auditors' Certificate for utilization of funds/issue proceeds from the Debentures;
(xix) Periodical Reports on quarterly basis;
(xx) Beneficiary Position Reports;
(xxi) Details of the depository with whom the Debentures are held in dematerialised form;
(xxii) Offer Letter issued by the Company pursuant to the provisions of the Act;
(xxiii) Such other documents as may be reasonably required by the Debenture Trustee;
(xxiv) Form CHG 9 or any modification made thereunder;

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Khaitan & deshpande

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(xxv) Details of the recovery expenses fund created by the Company in terms of the Regulation 15 (1) (h) of the Debenture Trustee Regulations and Master Circular for Debenture Trustee as modified from time to time;

(xxvi) Information to be submitted to the Stock Exchanges as required by the SEBI Debt Listing agreement and LODR Regulations as amended from time to time, within the timelines as mentioned in the Regulation;

(xxvii) In principle approval for listing of NCDs from Stock Exchange;

(xxviii) Acknowledgement of filing the Disclosure Document with the Stock Exchange(s);

(xxix) Trading permission from the Stock Exchange; and

(xxx) Such other documents as may be reasonably required by the Debenture Trustee.

(p) **Information Accuracy and Storage:**

(i) The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct;

(ii) The Company confirms that the requisite disclosures made in the Disclosure Documents are true and correct;

(iii) All disclosures made in the Disclosure Documents with respect to creation of security are in confirmation with the clauses of this Agreement; and

(iv) The Company undertakes and acknowledges that the Debenture Trustee and any other authorised agency may use, process the information and data disclosed to the Debenture Trustee in the manner as deemed fit by them in relation to the purpose of the due diligence to be undertaken in relation to the issuance of the Debentures.

(q) The Company agrees and confirms that the purpose of the issue is not for providing loan to or acquisitions of shares of any person who is a part of the same group or who is under the same management.

(r) The Company confirms that all necessary disclosures will be made in the Disclosure Document including but not limited to statutory and other regulatory disclosures.

(s) The Trustees, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid/invested by investors for the debentures/Bonds.

(t) The Company hereby declares and confirms that it has given an undertaking in the Disclosure Document that the assets on which the charge is created is free from encumbrances.

(u) The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the SEBI from accessing the securities market or dealing in securities. The Company hereby further declares and confirms that, as on the date of this Agreement, and the date of filing the Disclosure Document, it is an 'eligible issuer' in accordance with Regulation 5 (1) of the SEBI (Issue and Listing of Non-convertible Securities) Regulation, 2021.

(v) The Company hereby agrees and undertakes to comply with the stamp duty regulations.

(w) All other the rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the Deed entered or to be entered into between the Company and the Debenture Trustee.

(x) The Company shall provide all assistance to the Debenture Trustee, as may be required by it, to carry out the necessary due diligence and monitor the asset cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Debenture Trustee Circular and such other relevant circulars as may be issued or amended by SEBI with respect to Listed non-convertible debentures issuances.

(y) The Company further confirms that:

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(i) All covenants proposed to be included in the Debenture Trust Deed (including any side letter, accelerated payment clause, fees charged by the debenture trustee, etc.) and the Deed of Amendment (if any) are disclosed in Disclosure Document;

(ii) Terms and conditions of this Agreement including fees charged by the Debenture Trustee and process of due diligence carried out by Debenture Trustee shall be disclosed under the Disclosure Documents;

(iii) The Company shall comp ete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the jurisdictional registrar of companies, the SEBI and the BSE and obtain all consents and approvals required for the completion of the Issue;

(iv) The Debenture Trustee shall make the required filings to the Central Registry of Securitization Asset Reconstruction and Security Interest of India ("CERSAI") within the time period prescribed under applicable Law. The Company will provide all information and assistance that the Debenture Trustee may require in relation to any filings to be made with the CERSAI to enable the Debenture Trustee to make the required filings to the CERSAI within the time period prescribed under Laws; and

(v) The Company shall, to the extent applicable and required under Laws, ensure and procure the completion of all relevant filings required to be made with any Information Utility in accordance with the (Indian) Insolvency and Bankruptcy Code, 2016 and any other rules and regulations made thereunder from time to time.

3. MISCELLANEOUS

3.1 Governing Law

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed as per laws in India, without reference to its conflict of law principles.

3.2 Jurisdiction

(a) The Company agrees that the courts and tribunals at Location of Dispute Resolution being Chennai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any suit, action or proceedings (together referred to as "Proceedings") arising out of or in connection with this Agreement may be brought in such courts or the tribunals and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts or tribunals.

(b) The Company irrevocably waives any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Location of Dispute Resolution and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agree that a judgment in any Proceedings brought in the courts and tribunals at Location of Dispute Resolution shall be conclusive and binding upon them and may be enforced in the courts of any other jurisdiction, (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by law.

(c) Nothing contained in this Clause 3, shall limit any right of the Trustee to take Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Company irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Company irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

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(d) The Company hereby consents generally in respect of any Proceedings arising out of or in connection with the Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

(e) The Company irrevocably agrees that, should any party take any proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with the Agreement), no immunity (to the extent that they may at any time exist, whether on the grounds of sovereignty or otherwise) from those proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of their assets or from execution of judgment shall be claimed by them or with respect to their assets, any such immunity being irrevocably waived. The Company irrevocably agrees that it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations.

3.3 Counterparts

This Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

3.4 Effective Date

This Agreement shall be effective on and from the date first hereinabove written and shall be in force till all outstanding amounts in respect of the Debentures have been fully paid to the Debenture Holders.

3.5 Conflicts

(a) The provisions contained in this Agreement shall be read together with the provisions contained in the Disclosure Documents and the other Transaction Documents; and

(b) In case of any inconsistency between the provisions contained in this Agreement or those of any Disclosure Documents or any other Transaction Document, the provisions contained in the Debenture Trust Deed shall prevail.

3.6 Smart Online Dispute Resolution

(a) Further to the applicable provisions of the SEBI (Debenture Trustee) Regulations, 1993, SEBI's master circular on online dispute resolution dated July 31, 2023, as amended from time to time and such other Applicable Laws (collectively referred to as the "**SEBI ODR Regulations**"), any dispute solely in relation to activities of the Debenture Trustee in relation to the Debentures that are within the mandatory scope of the SEBI ODR Regulations, to the extent applicable, will be resolved in accordance with the provisions thereunder through online conciliation and/or online arbitration under the online portal; and

(b) The provisions of this Clause must be read harmoniously with the other provisions of this Agreement and the other Transaction Documents and in case of any inconsistencies between the provisions of this Clause and the other provisions of this Agreement and the other Transaction Documents, Clause 14 (*Governing Law*) and this Clause shall prevail to the extent of the inconsistency pursuant to this Clause, unless the issue mandatorily falls within the scope of the SEBI ODR Regulations

(Intentionally left blank; signature page follows)

Annexure A

1. **Information/ documents to be provided by the Issuer Company, prior to entering into the Agreement, to the extent applicable:**

Sr. No.	Information/ Documents
i.	Details of information in relation to the assets on which charge is proposed to be created including: (a) Details of receivables forming part of Hypothecated Assets; (b) Copy of evidence of registration Registrar of Companies, etc.
ii.	For unencumbered assets, on which charge is proposed to be created: an undertaking that the assets on which charge is proposed to be created are free from any encumbrances.
iii.	An undertaking confirming that all the information provided to the Debenture Trustee are true and correct and the trustee may in good faith rely upon and shall not be liable for acting or refraining from acting upon such information furnished to it under this Agreement.
iv.	Any other information, documents or records required by Debenture Trustee with regard to creation of security and perfection of security.

2. **Information/ documents to be provided prior to allotment of Debentures and execution of Transaction Documents, as applicable**

i.	CTC of rating letter and rating rationale issued by the Credit Rating Agency for the issue, if any.
ii.	Confirmation from KMP that the offer document / Disclosure Documents incorporate the disclosures are required under Schedule I of the NCS Regulations.
iii.	CTC of the board resolution of the Issuer under section 179(3)(c) to create security as per the Companies Act, 2013 and to authorize official/s to sign, seal and/or execute necessary documents.
iv.	An undertaking from the Issuer that charge shall be created in favour of the Debenture Trustee as per terms of issue before filing of listing application.
v.	CTC of the resolution of the Board of directors / committee / sub-committee for issuance and allotment of Debentures.
vi.	Bank Account details along with copy of Pre-authorization letter issued by Issuer to banker to seek debt redemption payment related information from the Issuer's bank
vii.	An undertaking by the Issuer for compliance with all regulations / provisions of Companies Act, 2013, guidelines of other regulatory authorities in respect of allotment of debentures till redemption.

3. **Information/ documents to be provided post allotment of the Debentures, as applicable.**

i.	CTC of ISIN activation letter confirming creation of ISIN nos. for allotment of Debentures.
ii.	CTC of the confirmation in respect of credit corporate action from the Depository.
iii.	CTC of Form PAS-3 - Return of Allotment along with the annexures as filed with the ROC.
iv.	Evidence of payment of the stamp duty in respect of the Debentures issuance (if not already provided at the time of allotment of Debentures) with the Depository and the other transaction documents (if not already provided at the time of execution of transaction documents).

4. **Documents/ information required or actions to be undertaken prior to/ at the time of making the application for Listing, as applicable:**

i	An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc., and the same would be uploaded on the website of the designated Stock Exchange, where the Debentures have been listed, within 03 (three) working days of execution of the same
ii	An undertaking that permission / consent from the prior –charge holder for a pari passu charge being created, where applicable, in favor of the Debenture Trustee to the proposed issue has been obtained

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iii.	An undertaking that charge shall be registered with, ROC, , Depository etc., as applicable, within 30 days of creation of charge.
iv.	Debenture Trust Deed.
v.	Transaction Documents.
vi.	KMP confirmation on maintenance of recovery expense fund or duly acknowledged letter from the Stock Exchange confirming the same

5. **Documents/ Information required or actions to be undertaken post Listing, as applicable:**

i.	CTC of Form CHG – 9 (Application for registration of creation or modification of charge for Debentures or rectification of particulars filed in respect of creation or modification of charge for Debentures) along with the annexures as filed with the ROC In this regard, it may be noted that in terms of the SEBI Debenture Trustees Master Circular, issued by SEBI, the charge created by Issuer shall be registered with Sub - registrar, ROC, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge (which is required to be created prior to making an application for listing and non-compliance of the same shall be construed as breach of covenants by Issuer).

SIGNATURE PAGE

IN WITNESS WHEREOF the Debenture Trustee and the Company have caused these presents and the duplicate thereof to be executed by their authorised official on the day, month and year first above written as hereinbefore appearing.

SIGNED AND DELIVERED BY
KRAZYBEE SERVICES PRIVATE LIMITED
the within named Company
by the hand of its authorized official

Harshil G. Deshpande

For KRAZYBEE SERVICES PVT. LTD.

Harshil Deshpande

Authorised Signatory

KRAZYBEE SERVICES PVT. LTD.

SIGNED AND DELIVERED BY
SBICAP TRUSTEE COMPANY LIMITED
the within named Debenture Trustee by the
hand of its authorized official

Rohan Gopalakrishnan

For **SBICAP TRUSTEE COMPANY LIMITED**

Authorised Signatory

KRAZYBEE SERVICES PVT. LTD.

SBI Trustee

Ref No. 0196/2025-2026/CL - 7303 Date: 31st July 2025.

To,
KRAZYBEE SERVICES PRIVATE LIMITED
3rd Floor No 128/9
Maruthi Sapphire HAL
Old Airport Road
Murugeshpalya Bengaluru
Karnataka - 560017

Sub: - Commercial Consent to act as Debenture Trustee for issue of Secured, Listed, Non-Convertible Debentures aggregating to 475 Cr by KRAZYBEE SERVICES PRIVATE LIMITED

Dear Sir,

This has reference to email communication, and the discussions had on the captioned subject. Pursuant thereto, We SBICAP Trustee Company Limited are pleased to give our consent to act as the Debenture Trustee for the captioned issue on the following terms and conditions.

In this connection, we hereby give our consent to act as Debenture Trustee on the following terms and the terms & conditions as mentioned in the Debenture Trustee Agreement:

Sr. No	Description	Amount Payable (Rs.)	Remarks
1	Acceptance Fees	2,00,000.00	The Acceptance Charges is payable on one time basis immediately on the acceptance of this Consent Letter
2	CERSAI		On Actual Basis
3	Taxes		As applicable.

In case of non-payment of fees within the required timeline, 12% interest p.a as penalty shall be levied.

You are requested to kindly countersign the copy of this letter.

With warm regards,

Yours faithfully,

For SBICAP Trustee Company Limited

Authorized Signatory
(Signature with stamp)

We accept the above terms
For **Krazybee Services Private Limited**

Authorized Signatory
(Signature with stamp)