

## NOTICE TO MEMBERS

**NOTICE** is hereby given that the 31st annual general meeting of the members of Orange Retail Finance India Private Limited will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") on Wednesday, September 30, 2020 at 10.30 A.M to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and if deemed fit, to pass, the following as an **ORDINARY RESOLUTION:**

**RESOLVED THAT** the board's report, the statement of profit and loss and the cash flow statement for the year ended 31 March, 2020 and the balance sheet as at that date together with the independent auditors' reports thereon be and are hereby considered, approved and adopted.

2. To consider and if deemed fit, to pass, the following as an **ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the company be and is hereby accorded for the appointment of M/s. V.Nagarajan & Co., Chartered Accountants, bearing registration No.04879N as the statutory auditors of the company from the conclusion of this annual general meeting till the conclusion of the annual general meeting to be held in the year 2025 at such remuneration as may be determined by the Board of Directors plus out of pocket expenses incurred in connection with the audit in addition to taxes as applicable.

**RESOLVED FURTHER THAT** the board of directors of the company (including Audit Committee) be and is hereby authorised to fix the remuneration payable to the statutory auditors of the company, from time to time including the actual travelling and out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable, during the appointed period.

**SPECIAL BUSINESS:**

3. To consider and if deemed fit, to pass, the following as an **ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act 2013 and the Rules made thereunder (including any statutory modifications or reenactment thereof for the time being in force) and the provisions of the Articles of Association of the Company, Mr. A Seetharaman [DIN: 08760898] who was appointed as an Additional Director and designated as a Executive Director of the Company for a period of 3 (three) years with effect from 17th June 2020 by the Board of Directors at their Board meeting held on 17th June 2020 and who holds office upto the date of the ensuing annual general meeting be and is hereby appointed as a Director of the Company and is not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.

By the Order of the Board  
For Orange Retail Finance India Private Limited

Place: Chennai

Date: 29.09.2020



A handwritten signature in blue ink, appearing to read "Balaji Kumar".

Balaji Kumar

Company Secretary

Membership No.A44276

Notes:

1. The Ministry of Corporate Affairs, Government of India (the "MCA") in terms of the General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20 2020 dated May 5, 2020 (the "MCA Circulars") in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, have allowed the Companies to conduct their Annual General Meeting through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. In view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), such statements shall therefore be sent only by email to the members, trustees for the debenture holder of any debentures issued by the Company and to all other persons so entitled.
3. Accordingly, the financial statements (including Board's report, Auditor's report and other documents required to be attached therewith) / Annual Report for the financial year 2019-20 and AGM Notice are being sent to the shareholders whose email addresses are registered with the Company.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate member(s) intending to attend the AGM through their authorised representatives are requested to send a certified copy of board resolution authorising such representative to attend and vote on its behalf at this AGM.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of business under Item no 3 to be transacted at the meeting, is annexed hereto and forms part of the Notice.
7. The members attending the meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum of the meeting under Section 103 of the Companies Act, 2013.



8. The members desiring to inspect the documents referred to in this Notice and other statutory registers are required to send requests on the Company's email address: [balaji.kumar@orangeretailfinance.com](mailto:balaji.kumar@orangeretailfinance.com). An extract of such documents would be sent to the members on their registered email address.

9. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

10. The resolutions mentioned in the notice will be decided by way of show of hands.

11. Instructions for members for attending the AGM through VC / OAVM are as under

Step 1: Login to <https://zoom.us> or Download Zoom application on your mobile or computer

Step 2: Click Join / Join a meeting

Step 3: Type the meeting Id: 940 4488 7873

Step 4: Type the Password: Orange\$20

Step 5: Click Join with Audio

12. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

13. Please note that shareholders connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Shareholders are also encouraged to join the meeting through Laptops for better experience.

14. Members who need assistance before or during the AGM, can contact [balaji.kumar@orangeretailfinance.com](mailto:balaji.kumar@orangeretailfinance.com) or at 91 97910 71559.

15. The Venue of the annual general meeting will be the registered office of the Company i.e. No. 5, 5th Main Road, Kasturibai Nagar, Adyar, Chennai – 600 020 and the proceedings of the Meeting, to be conducted through Video Conference, shall be deemed to be made at the registered office of the Company.

16. Pursuant to article No. 18 of the Articles of Association of the company the explanatory statement pursuant to Section 102 of the Companies Act 2013 is not applicable to the Company.

By the Order of the Board  
For Orange Retail Finance India Private Limited

Place: Chennai

Date: 29.09.2020



A handwritten signature in blue ink, appearing to read "Balaji Kumar".

Balaji Kumar

Company Secretary

Membership No.A44276

## BOARD'S REPORT

Dear Members,

The Board of Directors ("**Board**") are pleased to present the Company's Thirty First Annual Report together with the Audited Financial Statements and the Auditor's Report for the financial year ended 31<sup>st</sup> March 2020.

### 1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(In INR)

PARTICULARS	FOR THE YEAR ENDED 31-03-2020	FOR THE YEAR ENDED 31-03-2019
Revenue from Operations	92,14,00,222	48,22,42,154
Other Income	104,14,278	46,01,063
<b>Profit/loss before Depreciation, Finance Costs, Exceptional items, and Tax Expense</b>	<b>33,20,27,867</b>	<b>16,06,51,777</b>
Less: Depreciation and amortisation expense	175,74,535	1,53,53,322
Less: Finance Costs	29,31,07,972	11,07,89,631
<b>Profit /loss before Exceptional items and Tax Expense</b>	<b>2,13,45,360</b>	<b>3,45,08,824</b>
Add/(less): Prior period items <i>(Refer Note 30 A in the financial statement)</i>	(13,95,868)	1,95,06,669
<b>Profit /loss before RBI Provision due to COVID 19 disruption</b>	<b>2,27,41,228</b>	<b>1,50,02,155</b>
<b>Less: RBI Provision due to COVID 19 disruption</b>	4,86,28,099	-
<b>Profit /loss before Tax Expense</b>	<b>(2,58,86,871)</b>	<b>1,50,02,155</b>
Less: Tax Expense (Current & Deferred)	(67,27,820)	40,72,089
<b>Profit /loss for the year</b>	<b>(1,91,59,051)</b>	<b>1,09,30,066</b>

### 2. OPERATIONAL HIGHLIGHTS AND THE STATE OF AFFAIRS OF THE COMPANY:

Orange Retail Finance India Private Limited has expanded exponentially in FY 19-20 by crossing over 75 branches across the states of Tamilnadu, Kerala, Andhra Pradesh, Karnataka and Telangana.

The company's total AUM as on 31<sup>st</sup> March 2020 was over Rs. 400 crores. During the year, the company has raised equity capital to the tune of Rs. 6 Crores and obtained a rating of BBB/- Positive from CRISIL.

### **3. CHANGE IN NATURE OF BUSINESS, IF ANY:**

There was no change in the business activity of the Company during the financial year 2019-2020.

### **4. CHANGE IN SHARE CAPITAL:**

The Company has not increased its Authorised Share Capital during the year. However, has made preferential allotment of 2,980 Equity Shares on 13<sup>th</sup> August 2019 and 5,960 Equity Shares on 14<sup>th</sup> August 2019.

### **5. TRANSFER TO RESERVES:**

In view of the loss incurred pursuant to RBI mandated provisions for COVID 19 pandemic, no amount has been transferred to the Reserves for the financial year 2019-2020.

### **6. DIVIDEND:**

In view of the loss incurred pursuant to RBI mandated provisions for COVID 19 pandemic, the Board of Directors of the Company does not recommend any Dividend for the financial year 2019-2020.

### **7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

On March 24, 2020, the Government of India announced a strict 21-day lockdown across the country to contain the spread of SARS-CoV-2 virus responsible for COVID-19. The lockdown was extended till May 31, 2020. The impact of the COVID-19 pandemic on the financial position of

the company will depend on future developments, including among other things, after effects of the severity of the pandemic, actions by governments and regulators, time taken for economy to recover, etc.

#### **8. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

Your Company does not have any subsidiaries, joint ventures and associate companies.

#### **9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS:**

During the year 2019-2020, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **10. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to the financial statement as on March 31, 2020 and such internal financial controls over financial reporting with reference to the financial statements is operating effectively. Further, the Board of Directors has been entrusted with the responsibility of reviewing the findings and to investigate and take necessary actions wherever required. The internal control system is backed up by guidelines and procedures and the Company's internal audit process is designed inter alia, to cover all significant areas of the Company's operations such as accounting, finance, back office, human resource etc.

#### **11. RELATED PARTY TRANSACTIONS:**

The Company has not entered into any related party transactions as defined under section 188 of Companies Act, 2013, during the financial year 2019-2020.

#### **12. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### **13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

### **14. AUDIT COMMITTEE:**

The provisions of Section 177 (1) of the Companies Act, 2013 relating to constitution of Audit Committee is not applicable to the Company.

However, the Company has voluntarily constituted Audit Committee during the year 2018-19.

During the year 2019-20 the Audit Committee met four times:

Name of Director	Category	No. of Meetings in which Director/ Member is entitled to attend	
		Held	Attended
Mr. Ilayaarunachalam Shanmugasamy Balamurugan	Chairman	4	4
Mr. Ebenezer Daniel G	Member	4	4
Mr. Mahesh Seshadari	Member	4	4
Mr. Ashvin Chadha	Member	4	1

### **15. DECLARATION OF INDEPENDENT DIRECTORS:**

The provisions of Section 149 of the Companies Act 2013 relating to the appointment of Independent Directors are not applicable to the Company.

## **16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Pursuant to Section 186 (11) of the Companies Act 2013, the provisions related to loans made, guarantees given and securities provided does not apply to the Company during the financial year 2019-2020.

As regards investments made by the company, the details of the same are provided under note 12 in Financial Statements of the company for the year ended 31 March 2020.

## **17. BOARD MEETINGS AND COMMITTEE MEETINGS:**

### **A. Board Meeting:**

The Board of Directors of the Company met 30 (Thirty) times during the financial year 2019-2020.

The maximum gap between any two Board Meetings was less than one hundred and twenty days.

The meetings were held on the following dates and their attendance is as follows:

<b>S.No</b>	<b>Date of Board Meetings</b>	<b>Mr. Ebenezer Godwin Gnanadurai Daniel</b>	<b>Mr. Mahesh Seshadari</b>	<b>Mr. Ilayaarunachalam Shanmugasamy Balamurugan</b>	<b>Mr. Ashvin Chadha</b>
1	01 April, 2019	Yes	Yes	Yes	Yes
2	09 April, 2019	Yes	Yes	No	No
3	22 April, 2019	Yes	Yes	No	No
4	03 May, 2019	Yes	Yes	No	No
5	09 May, 2019	Yes	Yes	No	No
6	20 May, 2019	Yes	Yes	No	No
7	19 June, 2019	Yes	Yes	Yes	Yes
8	28 June, 2019	Yes	Yes	Yes	No
9	28 June, 2019	Yes	Yes	No	No
10	15 July, 2019	Yes	Yes	No	No
11	24 July, 2019	Yes	Yes	No	No
12	30 July, 2019	Yes	Yes	Yes	No
13	02 August, 2019	Yes	Yes	Yes	No

14	06 August, 2019	Yes	Yes	Yes	Yes
15	07 August, 2019	Yes	Yes	Yes	Yes
16	08 August, 2019	Yes	Yes	Yes	No
17	09 August, 2019	Yes	Yes	Yes	No
18	13 August, 2019	Yes	Yes	No	No
19	14 August, 2019	Yes	Yes	No	No
20	05 September, 2019	Yes	Yes	Yes	No
21	11 September, 2019	Yes	Yes	No	No
22	23 September, 2019	Yes	Yes	No	No
23	28 September, 2019	Yes	Yes	No	No
24	11 November, 2019	Yes	Yes	Yes	No
25	26 November, 2019	Yes	Yes	Yes	No
26	21 December, 2019	Yes	Yes	Yes	No
27	30 January, 2020	Yes	Yes	Yes	No
28	21 February, 2020	Yes	Yes	Yes	No
29	29 February, 2020	Yes	Yes	Yes	No
30	19 March, 2020	Yes	Yes	No	No
<b>Total Number of Meeting Attended by the Directors</b>		<b>30</b>	<b>30</b>	<b>16</b>	<b>4</b>

**B. Borrowing Committee:**

<b>S.No</b>	<b>Date of Meetings</b>	<b>Mr. Ebenezer Daniel G</b>	<b>Mr. Mahesh Seshadari</b>	<b>Mr. Ilayaarunachalam Shanmugasamy Balamurugan</b>	<b>Mr. Ashvin Chadha</b>
1	10 July, 2019	Yes	Yes	Yes	No
2	24 August, 2019	Yes	Yes	No	No
3	05 September, 2019	Yes	Yes	No	No
4	07 September, 2019	Yes	Yes	No	No
5	31 October, 2019	Yes	Yes	No	No
6	12 November, 2019	Yes	Yes	Yes	Yes
7	21 December, 2019 (10.00 AM)	Yes	Yes	Yes	No



8	21 December, 2019 (05.00 PM)	Yes	Yes	Yes	No
9	02 March, 2019	Yes	Yes	No	No
<b>Total Number of Meeting Attended by the Directors</b>		<b>9</b>	<b>9</b>	<b>4</b>	<b>1</b>

**C. Audit Committee:**

S.No	Date of Meetings	Mr. Ebenezer Godwin Gnanadurai Daniel	Mr. Mahesh Seshadari	Mr. Ilayaarunachalam Shanmugasamy Balamurugan	Mr. Ashvin Chadha
1	01 April, 2019	Yes	Yes	Yes	Yes
2	05 September, 2019	Yes	Yes	Yes	No
3	21 December, 2019	Yes	Yes	Yes	No
4	29 February, 2019	Yes	Yes	Yes	No
<b>Total Number of Meeting Attended by the Directors</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>1</b>

**D. Asset Liability Management Committee:**

During the year under review, the Company constituted Asset Liability Management Committee.

The composition of the Committee as follows:-

1. Mr. Ebenezer Daniel. G – Chairman
2. Mr. Mahesh Sehsadari – Member
3. Mr. Ilayaarunachalam Shanmugasamy Balamurugan - Member

S. No	Date of Meetings	Mr. Ebenezer Daniel G	Mr. Mahesh Seshadari	Mr. Ilayaarunachalam Shanmugasamy Balamurugan
1	30 <sup>th</sup> July 2019	Yes	Yes	Yes
2	16 <sup>th</sup> October 2019	Yes	Yes	Yes
3	17 <sup>th</sup> January 2020	Yes	Yes	Yes
<b>Total Number of Meeting Attended by the Members</b>		<b>3</b>	<b>3</b>	<b>3</b>

## **18. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- (i) Mr. Ebenezer Daniel G was appointed as the Managing Director and Chief Executive Officer of the Company with effect from 1<sup>st</sup> April 2019.
- (ii) Mr. Manivarman Ramasamy resigned as the Chief Financial Officer of the Company with effect from 30<sup>th</sup> December 2019.
- (iii) Ms. Vijayalakshmi Panruti Seshadri was appointed as the Chief Financial Officer of the Company with effect from 21<sup>st</sup> February 2020.
- (iv) Mr. Ananthakrishnan Seetharaman was appointed as the Additional Director of the Company with effect from 17<sup>th</sup> June 2020.

## **19. RISK MANAGEMENT POLICY:**

Key Business Risks are identified by the company and reviewed by the senior management on regular basis. In addition, the Board of Directors review the key risks identified and the mitigation plan initiated by the company from time to time. The Board of Directors have formulated risk management policy identifying the risk which may threaten the existence of the Company and ways to mitigate the same.

## **20. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Board of Directors states that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis;

(v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **21. STATUTORY AUDITORS:**

During the year under review S.R. Batliboi & Associates LLP, Chartered Accountants, Firm Registration Number: 101049W/E300004 resigned as statutory auditors on 14<sup>th</sup> May, 2020 and M/s. V. Nagarajan & Co, Chartered Accountants, Firm Registration Number: 04879N was appointed as the statutory auditors of the Company at the extra ordinary general meeting held on 23<sup>rd</sup> May, 2020 till the conclusion of the forthcoming Annual General Meeting (AGM). A resolution is being placed before the members for the appointment of V. Nagarajan & Co, Chartered Accountants as the statutory auditors at the forthcoming AGM till the conclusion of the AGM to be held in the year 2025.

## **22. PUBLIC DEPOSITS:**

The Company is registered as Non-Deposit taking Non-Banking Financial Company with the Reserve Bank of India. Therefore, the company did not hold any public deposit at beginning of the year nor has accepted any deposits from public during the financial year 2019-2020.

## **23. THE EXTRACT OF ANNUAL RETURN:**

The extract of annual return as required under Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith as Annexure – 1.

The Annual Return as mentioned under section 92(3) of the Companies Act, 2013 can be viewed from the website of the Company [www.orangeretailfinance.com](http://www.orangeretailfinance.com).

## **24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company has no activity relating to consumption of energy or technology absorption. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. There were no income/expenditure in foreign currency during the year under review.

## **25. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:**

- (i) There were no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their Report.
- (ii) The Provisions of Section 204 of the Companies Act 2013 is not applicable to the Company.

## **26. VIGIL MECHANISM:**

We are committed to adhere to the highest standards of ethical, moral and legal conduct of our business operations. To maintain these standards, Board has implemented Vigil Mechanism/ Whistle Blower Policy ("the Policy"), to provide an avenue for employees or Directors to report matters without the risk of subsequent victimization, discrimination, or disadvantage. A whistle blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The Policy is available on the website of the Company [www.orangeretailfinance.com](http://www.orangeretailfinance.com). During the year, no whistle blower event was reported and mechanism is functioning well. No personnel have been denied access to the Audit Committee.

## **27. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The company has complied with the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the board of directors and general meetings held during the year.

## **28. INTERNAL COMPLAINTS COMMITTEE (ICC) AND OTHER DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards Sexual Harassment at the workplace and has adopted a policy for prevention, prohibition and redressal of sexual harassment at workplace. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity.

The Company has complied with the provision relating to the constitution of Internal Complaints Committee (ICC) as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year 2019-2020:

<b>Complaints at the beginning of the year</b>	<b>Complaints received during the year</b>	<b>Complaints resolved during the year</b>	<b>Complaints pending at the end of the year</b>
Nil			

## **29. MAINTENANCE OF COST RECORDS:**

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Companies Act 2013 is not applicable for the business activities carried out by the company.

## **30. REPORTING OF FRAUDS BY AUDITORS:**

Pursuant to sub-section (12) of section 143 of the Companies Act, 2013, the Statutory Auditor has not reported any instances to the Audit Committee or the Board regarding frauds committed in the Company by its Officers or Employees during the financial year 2019-2020.

## **31. CREDIT RATING**

During the Year 2019-2020, we were able to obtain BBB/- Positive rating from CRISIL for Term Loan and NCD's. In spite of COVID 19, we were able to maintain the rating at BBB/- Stable.

### 32. ACKNOWLEDGEMENT:

Your Directors wish to place on record their deep sense of appreciation of valuable co-operation, unfailing efforts and dedication shown by employees of all ranks. Your Directors also express their gratitude for the assistance and co-operation and continued support extended to the company by its customers, lenders, investors and bankers.

For and on behalf of the Board of Directors of  
Orange Retail Finance India Private Limited



  
Ebenezer Daniel G

Managing Director & CEO

DIN: 06672917

  
A Seetharaman

Executive Director

DIN: 08760898

Date: 29/9/2020

Place: Chennai

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

Sl. No	Particulars	Details
1.	CIN	U65191TN1989PTC018026
2.	Registration Date	11/09/1989
3.	Name of the Company	Orange Retail Finance India Private Limited
4.	Category / Sub-Category of the Company	Company limited by shares / Indian non-govt Company
5.	Address of the Registered office and contact details	No.5, 5 <sup>th</sup> Main Road, Kasturibai Nagar, Adyar, Chennai – 600020.
6.	Whether listed company - Yes / No	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Registry Management Services Private Limited. Address: 5A, 5th Floor, Kences Towers, 1, Ramakrishna Street, T.Nagar, Chennai - 600 017. Contact No. 044 2814 3045.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Non-Banking financial services - Interest income	64920	98.88

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
NA					





b) Banks / FI	-	-	-	0.00	-	-	-	0.00	
c) Central Govt.	-	-	-	0.00	-	-	-	0.00	
d) State Govt.(s)	-	-	-	0.00	-	-	-	0.00	
e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	
f) Insurance Companies	-	-	-	0.00	-	-	-	0.00	
g) FIIs	-	-	-	0.00	-	-	-	0.00	
h) Foreign Venture Capital	-	-	-	0.00	-	-	-	0.00	
i) Funds Others (specify)	-	-	-	0.00	-	-	-	0.00	
<b>Sub-total (B)(1)</b>	-	-	-	<b>0.00</b>	-	-	-	<b>0.00</b>	
<b>2. Non-Institutions</b>									
a) Body Corporates - i) Indian	1,18,792	75,941	1,94,733	56.96	1,18,792	73,781	1,92,573	54.89	(2.07)
ii) Overseas	-	21,669	21,669	6.34	-	21,669	21,669	6.18	(0.16)
b) Individual -  i)Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	2,608	2,608	0.76	298	2,310	2,608	0.74	(0.02)
ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	14,049	49,141	63,190	18.48	28,012	38,158	66,170	18.86	0.38
c)Others(specify)									
Non-Resident Indians	-	5,235	5,235	1.53	3,372	1,863	5,235	1.49	(0.04)
Trust	-	2,979	2,979	0.87	-	5,139	5,139	1.46	0.59
<b>Sub-total (B)(2)</b>	<b>1,32,841</b>	<b>1,57,573</b>	<b>2,90,414</b>	<b>84.94</b>	<b>1,50,474</b>	<b>1,42,920</b>	<b>2,93,394</b>	<b>83.62</b>	<b>(1.32)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1,32,841</b>	<b>1,57,573</b>	<b>2,90,414</b>	<b>84.94</b>	<b>1,50,474</b>	<b>1,42,920</b>	<b>2,93,394</b>	<b>83.62</b>	<b>(1.32)</b>

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
<b>Grand Total (A+B+C)</b>	<b>1,32,841</b>	<b>2,09,069</b>	<b>3,41,910</b>	<b>100</b>	<b>1,50,474</b>	<b>2,00,376</b>	<b>3,50,850</b>	<b>100</b>	<b>0.00</b>

(ii) **Shareholding of Promoters:-**

SI. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mr. Ebenezer Daniel G	25,748	7.53	0.00	28,728	8.19	0.00	0.66
2	Mr. Mahesh Seshadari	25,748	7.53	0.00	28,728	8.19	0.00	0.66
	<b>TOTAL</b>	<b>51,496</b>	<b>15.06</b>	<b>0.00</b>	<b>57,456</b>	<b>16.38</b>	<b>0.00</b>	<b>1.32</b>

(iii) Change in Promoter's Shareholding (Promoter wise) including Date wise increase / decrease in each of the Promoter's Shareholding during the year specifying the reasons for increase / decrease

S. No	Name of the Promoter	Shareholding at the beginning of the year		Date of change in shareholding	Increase/ decrease in shareholding	Reason for increase/ decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Ebenezer Daniel G	25,748	7.53	14 <sup>th</sup> August, 2019	Increase of 2,980 Equity Shares	Allotment of Equity shares	28,728	8.19
	<b>Shareholding at the end of the year</b>	<b>28,728</b>	<b>8.19</b>					
2	Mr. Mahesh Seshadari	25,748	7.53	14 <sup>th</sup> August, 2019	Increase of 2,980 Equity Shares	Allotment of Equity shares	28,728	8.19
	<b>Shareholding at the end of the year</b>	<b>28,728</b>	<b>8.19</b>					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors & Promoters and holders of GDRs and ADRs)

S. No	Name	Shareholding at the beginning of the year		Date of change in shareholding	Increase/decrease in shareholding	Reason for increase/decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	A R Chadha and Co India Private Limited	1,64,046	47.98		Nil		1,64,046	46.76
	<b>Shareholding at the end of the year</b>	<b>1,64,046</b>	<b>46.76</b>					
2	Granite Hill Opportunities Fund II LP	21,669	6.34		Nil		21,669	6.18
	<b>Shareholding at the end of the year</b>	<b>21,669</b>	<b>6.18</b>					
3	Mr. V.P. Nandakumar	12,730	3.72		Nil		12,730	3.63
	<b>Shareholding at the end of the year</b>	<b>12,730</b>	<b>3.63</b>					
4	Atma Ram Builders Private Limited	11,945	3.49		Nil		11,945	3.40
	<b>Shareholding at the end of the year</b>	<b>11,945</b>	<b>3.40</b>					
5	Dominor Investment Holding LLP	6,744	1.97		Nil		6,744	1.92
	<b>Shareholding at the end of the year</b>	<b>6,744</b>	<b>1.92</b>					
6	Mr. Bhanu Chopra	5,959	1.74		Nil		5,959	1.70
	<b>Shareholding at the end of the year</b>	<b>5,959</b>	<b>1.70</b>					
7 (A)	Ms. Jyothi Prasannan	4,469	1.31		Nil		4,469	1.27
	<b>Shareholding at the end of the year</b>	<b>4,469</b>	<b>1.27</b>					
7 (B)	Beeline Impex Private Limited	4,469	1.31		Nil		4,469	1.27

S. No	Name	Shareholding at the beginning of the year		Date of change in shareholding	Increase/decrease in shareholding	Reason for increase/decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
	<b>Shareholding at the end of the year</b>	<b>4,469</b>	<b>1.27</b>	-	-	-		
<b>8</b>	Mr. Jitendra Gupta	3,738	1.09	Nil			3,738	1.07
	<b>Shareholding at the end of the year</b>	<b>3,738</b>	<b>1.07</b>					
<b>9</b>	*Kalpa Mehta & Shailesh J Mehta	-	-	9 <sup>th</sup> May 2019	Increase – 3372 Equity shares	Addition of Joint shareholder.	3,372	0.96
	<b>Shareholding at the end of the year</b>	<b>3,372</b>	<b>0.96</b>	-	-	-		
<b>10 (A)</b>	Mr. Pran Mehra	2,979	0.87	Nil			2,979	0.85
	<b>Shareholding at the end of the year</b>	<b>2,979</b>	<b>0.85</b>	-	-	-		
<b>10(B)</b>	Piano Forte Fiduciary Services Private Limited (Managing Trustee of Vikramaditya Mohan Thapar Family Trust)	2,979	0.87	Nil			2,979	0.85
	<b>Shareholding at the end of the year</b>	<b>2,979</b>	<b>0.85</b>	-	-	-		

\* Mr. Shailesh J Mehta held 3372 equity shares (0.99%) of the Company as on 31<sup>st</sup> March 2019 and till 8<sup>th</sup> May 2019. The Board on 9<sup>th</sup> May 2019 based on the request from Mr. Shailesh J Mehta, approved the addition of name of Ms. Kalpa Mehta as a joint shareholder to the aforesaid 3372 Shares.

**(V) Shareholding of Directors and Key Managerial Personnel**

S. No	Name of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Date of change in shareholding	Increase/decrease in shareholding	Reason for increase/decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mr. Ebenezer Daniel.G	25,748	7.53	14 <sup>th</sup> August 2019	Increase of 2,980 Equity shares	Allotment of Equity shares	28,728	8.19
	<b>Shareholding at the end of the year</b>	<b>28,728</b>	<b>8.19</b>	-	-	-	-	-
2	Mr. Mahesh Seshadari	25,748	7.53	14 <sup>th</sup> August 2019	Increase of 2,980 Equity shares	Allotment of Equity shares	28,728	8.19
	<b>Shareholding at the end of the year</b>	<b>28,728</b>	<b>8.19</b>	-	-	-	-	-
3	Mr. IAS Balamurugan	19,074	5.58	13 <sup>th</sup> August 2019	Increase 2,980 Equity shares	Allotment of Equity Shares	22,054	6.29
	<b>Shareholding at the end of the year</b>	<b>22,054</b>	<b>6.29</b>	-	-	-	-	-
4	Mr. Ashvin Chadha	3,738	1.09	Nil			3,738	1.07
	<b>Shareholding at the end of the year</b>	<b>3,738</b>	<b>1.07</b>	-	-	-	-	-

**None of the Key Managerial Personnel other than mentioned above holds any shares in the Company.**

## V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1,29,38,84,404	-	-	1,29,38,84,404
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	75,18,782	-	-	75,18,782
Total (i+ii+iii)	<b>1,30,14,03,186</b>	-	-	<b>1,30,14,03,186</b>
Change in Indebtedness during the financial year				
Addition	1,50,00,00,000	4,50,00,000	-	1,54,50,00,000
Reduction	81,31,45,206	4,50,00,000	-	85,81,45,206
Net Change	68,68,54,794	-	-	68,68,54,794
Indebtedness at the end of the financial year				
(i) Principal Amount	1,98,07,39,198	-	-	1,98,07,39,198
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	1,62,87,114			1,62,87,114
Total (i+ii+iii)	<b>1,99,70,26,312</b>	-	-	<b>1,99,70,26,312</b>



## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Ebenezer Daniel G Managing Director & CEO	Mr. Mahesh Seshadari Executive Director	
1	Gross Salary	50,28,000	40,92,000	91,20,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- As % of profit			
	- Others specify			
5	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	50,28,000	40,92,000	91,20,000
	*Ceiling as per the Act			

\*The overall limit as specified under section 197 of the Companies Act 2013 is not applicable to Private Limited Companies.

**B. Remuneration to other Directors:**

There were no directors drawing remuneration of any kind other than aforesaid Directors during the year ended 31<sup>st</sup> March 2020.

**C. Remuneration to Key Managerial Personnel other than MD / Manager /Whole time Director**

Sl.No	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	#CFO	*CFO	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	7,08,396	30,31,305	4,29,866	41,69,567
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - As % of profit - Others specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	7,08,396	30,31,305	4,29,866	41,69,567

# Mr. Manivarman Ramasamy resigned as the Chief Financial Officer of the Company with effect from 30<sup>th</sup> December 2019.

\* Ms. Vijayalakshmi PS, was appointed as the Chief Financial Officer of the Company with effect from 21<sup>st</sup> February 2020.

**VII. Penalties / Punishment/ Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority (RD/NCLT /Court)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**For and on behalf of the Board of Directors of  
Orange Retail Finance India Private Limited**

Date: 29/9/2020  
Place: Chennai



*[Signature]*  
**Ebenezer Daniel G**  
Managing Director & CEO  
DIN: 06672917

*[Signature]*  
**A Seetharaman**  
Executive Director  
DIN: 08760898



# V. NAGARAJAN & CO.,

*Chartered Accountants*

## INDEPENDENT AUDITOR'S REPORT

To the Members of Orange Retail Finance India Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Orange Retail Finance India Private Limited ("the Company"), which comprises the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (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 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 thereunder, 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 financial statements.

#### Emphasis of Matter

We draw attention to Note 2.1 of the financial statement which explains the uncertainties and the management's assessment of the financial impact due to lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our report is not modified in respect of this matter.

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## **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon. The Directors' report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act. 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

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and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2020 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that.
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act;
  - e. On the basis of the written representations received from the directors as on June 17, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 over financial reposing of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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# V. NAGARAJAN & CO.,

*Chartered Accountants*

- g. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - 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.

For V. NAGARAJAN & Co.,  
Chartered Accountant

(A.G.SITARAMAN)

Partner

M.No.: 017799 ICAI Reg. No.:04879N

UDIN : 20017799AAAAIF4781

Date: September 29, 2020

Place: Hyderabad



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# V. NAGARAJAN & CO.,

*Chartered Accountants*

## **Annexure 1 to the independent auditor's report of even date on the financial statements of Orange Retail Finance India Private Limited (the 'Company')**

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipments. However, the Company is in the process of updating the records with location and quantify in case of certain assets

(b) Property, plant and equipments have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon

(iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. In our opinion and accordingly to the information and explanations given to us, provisions of Section 186 of the Companies Act 2013 in respect of investments made have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities, except in case of goods and services tax, provident fund, income-tax and employees' state insurance which were deposited

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# V. NAGARAJAN & CO.,

*Chartered Accountants*

with the appropriate authorities with delays. The provisions relating to wealth tax, and duty of custom is not applicable the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, goods and services tax, cess and other material statutory dues applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of income tax, goods and services tax and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or debenture holders. The Company has not made any borrowings from the government during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer during the year. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans and debt instruments for the purposes for which they were raised.

(x) Based upon the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 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. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

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#612, Lingapur House, Amrutha Estates, Himayatnagar, Hyderabad – 500 029, India  
Ph No: 040 6682 8743, Email: vnc\_hydb@yahoo.com www.nagarajan.co.in





# V. NAGARAJAN & CO.,

*Chartered Accountants*

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company is registered as required, under the provisions of Section 45-IA of the Reserve Bank of India Act, 1934.

For V. NAGARAJAN & Co.,  
Chartered Accountant

(A.G.SITARAMAN)

Partner

M.No.: 017799 ICAI Reg. No.:04879N

UDIN : 20017799AAAAIF4781

Date: September 29, 2020

Place: Hyderabad



#

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# V. NAGARAJAN & CO.,

*Chartered Accountants*

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ORANGE RETAIL FINANCE INDIA 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")**

We have audited the internal financial controls over financial reporting of Orange Retail Finance India Private Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note")

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, 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 over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.



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# V. NAGARAJAN & CO.,

*Chartered Accountants*

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgment, 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 internal financial controls over financial reporting with reference to these financial statements.

## **Meaning of Internal Financial Controls over Financial Reporting with Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting

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# V. NAGARAJAN & CO.,

*Chartered Accountants*

with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For V. NAGARAJAN & Co.,  
Chartered Accountant

(A.G.SITARAMAN)

Partner

M.No.: 017799 ICAI Reg. No.:04879N

UDIN :20017799AAAAIF4781

Date: September 29, 2020

Place: Hyderabad



#

#612, Lingapur House, Amrutha Estates, Himayatnagar, Hyderabad – 500 029, India

Ph No: 040 6682 8743, Email: vnc\_hydb@yahoo.com www.nagarajan.co.in



Orange Retail Finance India Private Limited  
Balance Sheet as at March 31, 2020  
CIN: U65191TN1989PTC018026  
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Equity Share capital	3	3,50,85,000	3,41,91,000
Reserves and surplus	4	91,52,37,118	87,52,84,889
		<b>95,03,22,118</b>	<b>90,94,75,889</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	98,26,62,213	70,73,86,043
Long-term provisions	9	80,14,107	1,30,70,023
Other Liabilities		76,32,203	-
		<b>99,83,08,523</b>	<b>72,04,56,066</b>
<b>Current liabilities</b>			
Short-term borrowings	6	4,98,80,438	1,23,518
Trade Payables	7	74,65,730	49,18,764
Other current liabilities	8	1,05,39,91,392	73,78,53,568
Short-term provisions	9	9,11,02,029	2,43,57,143
		<b>1,20,24,39,588</b>	<b>76,72,52,993</b>
<b>Total</b>		<b>3,15,10,70,229</b>	<b>2,39,71,84,948</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Property, Plant and Equipment	10A	4,30,95,916	2,83,04,182
Intangible assets	10B	65,70,235	52,25,774
Non-current investments	12	-	73,86,140
Deferred Tax Asset (Net)	13	2,71,67,934	77,55,221
Other Non Current Assets	14	76,32,203	-
Loans and advances			
Receivable under financing Activities	11A	1,36,58,33,536	1,02,60,83,676
		<b>1,45,02,99,822</b>	<b>1,07,47,54,993</b>
<b>Current assets</b>			
Current Investments	12	4,89,57,144	5,99,27,055
Cash and bank balances	15	27,23,18,400	34,86,16,286
Loans and advances			
Receivable under financing Activities	11A	1,10,77,20,150	80,42,95,807
Other Loans and Advances	11B	76,02,919	60,78,499
Other current assets	14	26,41,71,794	10,35,12,308
		<b>1,70,07,70,407</b>	<b>1,32,24,29,955</b>
<b>Total</b>		<b>3,15,10,70,229</b>	<b>2,39,71,84,948</b>

Summary of significant accounting policies 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M/s.V.Nagarajan & Co.  
Chartered Accountants  
ICAI Firm registration number :04879N

*A.G.Sitaraman*

A.G.Sitaraman  
Partner  
Membership no: 017799



Place: *Hyderabad*  
Date: *29/9/20*

For and on behalf of the Board of Directors of  
Orange Retail Finance India Private Limited

*Ebenezzer G. Daniel*  
Ebenezzer G. Daniel  
MD & CEO  
DIN: 08672947

*Seetharaman A*  
Seetharaman A  
Executive Director  
DIN: 08760898

*Vijayalakshmi PS*  
Vijayalakshmi PS  
Chief Financial Officer

Place: *Chennai*  
Date: *29/9/20*



*Balaji Kumar*  
Balaji Kumar  
Company Secretary  
Membership no: A44276

Orange Retail Finance India Private Limited  
Statement of profit and loss for the year ended March 31, 2020  
CIN: U65191TN1989PTC018026  
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
<b>Income</b>			
Revenue from operations	16	92,14,00,222	48,22,42,154
Other income	17	1,04,14,278	46,01,063
<b>Total revenue (I)</b>		<b>93,18,14,500</b>	<b>48,68,43,217</b>
<b>Expenses</b>			
Finance costs	18	29,31,07,972	11,07,89,631
Employee benefits expense	19	40,73,52,128	23,36,46,659
Other expenses	20	11,61,56,086	6,59,96,597
Provisions & Write off	21	7,62,78,418	2,65,48,183
Depreciation and amortization expense	10	1,75,74,535	1,53,53,322
<b>Total Expenses (II)</b>		<b>91,04,69,140</b>	<b>45,23,34,393</b>
<b>Profit/(loss) before tax and prior period adjustments (I - II)</b>		<b>2,13,45,360</b>	<b>3,45,08,824</b>
Prior period items		(13,95,868)	1,95,06,669
<b>Pre-Provision Operating Profit (PPOP)</b>		<b>2,27,41,228</b>	<b>1,50,02,155</b>
RBI mandated provision due to Covid-19 disruption		4,86,28,099	-
<b>Profit/(loss) Before tax</b>		<b>(2,58,86,871)</b>	<b>1,50,02,155</b>
<b>Tax expenses</b>			
Current Tax		1,26,42,332	1,20,24,951
Add: Short Provision for AY 19 20		42,561	-
Less: MAT credit entitlement relating to prior year		-	(2,01,341)
Deferred tax current year		(1,94,12,713)	(77,51,521)
<b>Total tax expense</b>		<b>(67,27,820)</b>	<b>40,72,089</b>
<b>Profit/(loss) After Tax</b>		<b>(1,91,59,051)</b>	<b>1,09,30,066</b>
Earnings per equity share [nominal value of share Rs. 100/-] (31 March 2020: Rs. 100)	22	(55.12)	45.15
Diluted EPS (Loss/Share) in Rupees	22	(55.12)	34.87
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M/s.V.Nagarajan & Co.  
Chartered Accountants  
ICAI Firm registration number :04879N

*A.G. Sitaraman*

A.G. Sitaraman  
Partner  
Membership no: 017799



For and on behalf of the Board of Directors of  
Orange Retail Finance India Private Limited

*Ebenezer Daniel*  
Ebenezer Daniel  
MD and CEO  
DIN: 06872917

*Seetharaman A*  
Seetharaman A  
Executive Director  
DIN: 08760898

Place: *Hyderabad*  
Date: *29/9/20*

*P. Vijayalakshmi*  
Vijayalakshmi PS  
Chief Financial Officer  
Place: *Chennai*  
Date: *29/9/20*



*Balaji Kumar*  
Balaji Kumar  
Company Secretary  
Membership no: A44276



Orange Retail Finance India Private Limited  
Cash flow Statement for the year ended March 31, 2020  
(All amounts are in Indian rupees unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Cash flow from operating activities</b>		
Net profit (loss) before taxation	(25,886,871)	15,002,155
Depreciation and amortization	17,574,535	15,353,322
Provisions for Loan loss	58,112,412	21,167,974
Bad Debts	66,798,373	5,380,208
Loss on redemption of Bonds	15,133	-
Net gain on sale of current investments	(8,315,898)	(3,212,823)
Interest expenses	293,107,972	111,847,718
Interest Income- other than operating income	(1,845,613)	(628,342)
Non - Cash Prior period - Income	(2,786,000)	3,952,175
Operating profit before working capital changes	396,974,043	168,862,388
<b>Movements in working capital :</b>		
Increase/ (decrease) in trade payable and other current liabilities	(49,044,984)	77,639,217
(Increase)/decrease in Provisions & Other Liabilities	10,417,728	2,717,401
Decrease / (increase) in other assets	(167,920,316)	(78,162,006)
Decrease/ (Increase) in Receivable under Financing Activity	(709,868,308)	(1,390,968,939)
Increase/ (decrease) in short term borrowings	49,756,920	123,518
Cash generated from / (used in) operations	(469,784,917)	(1,219,788,421)
Less: Direct taxes paid	(13,596,697)	566,912
Net cash flow from/ (used in) operating activities (A)	(483,381,614)	(1,219,221,509)
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP	(33,710,729)	(34,449,654)
(Purchase)/Sale of Investments (net)	26,823,600	(63,991,141)
Net Redemption/ maturity of bank fixed deposits	2,757,714	3,548,238
Interest received - other than operating	1,281,605	832,936
Net cash flow from/ (used in) investing activities (B)	(2,847,810)	(94,059,621)
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital / Preference Share Capital	60,005,280	529,982,928
Proceeds from long-term borrowings	1,500,000,000	1,493,000,000
Repayment of long-term borrowings	(862,976,388)	(297,718,373)
Interest paid on borrowings	(262,220,249)	(93,053,306)
Other Finance costs paid	(22,119,391)	(15,374,372)
Net cash flow from/ (used in) in financing activities (C)	412,689,252.48	1,616,836,876
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(73,540,172)	303,555,746
Cash and cash equivalents at the beginning of the year	344,616,286	41,060,540
Cash and cash equivalents at the end of the year	271,076,114	344,616,286
<b>Components of cash and cash equivalents</b>		
Cash on hand	10,671,319	17,741,431
With banks		
- in current accounts	260,404,795	326,874,855
Total cash and cash equivalents (note 15)	271,076,114	344,616,286

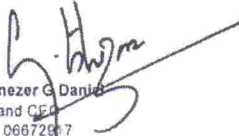
Previous year figures are regrouped or rearranged wherever necessary

As per our report of even date

For M/s.V.Nagarajan & Co.  
Chartered Accountants  
ICAI Firm registration number :04879N

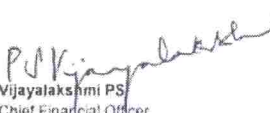
For and on behalf of the Board of Directors of  
Orange Retail Finance India Private Limited

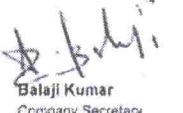
  
A.G.Sitarman  
Partner  
Membership no: 017799

  
Ebenezer G. Daniel  
MD and CEO  
DIN: 0667287

  
Seetharaman A  
Executive Director  
DIN: 08760898

Place: Hyderabad  
Date: 29/9/20

  
Vijayalakshmi PS  
Chief Financial Officer  
Place: Chennai  
Date: 29/9/20

  
Balaji Kumar  
Company Secretary  
Membership no: A44276



## Orange Retail Finance India Private Limited

Notes to financial statements for the year ended March 31, 2020

*(All amounts are in Indian rupees, unless otherwise stated)*

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### 1. Corporate Information

Orange Retail Finance India Private Limited (the Company) is a Private Limited Company domiciled in India and is incorporated under the provision of the Companies Act 1956. The Corporate Identification number (CIN) is U65191TN1989PTC018026. The Company obtained the Certificate of Registration (COR) from Reserve Bank of India (RBI) with Registration number B-07.00469 on Feb 05, 2014.

The Company is catering to the needs of the customers by arranging organised lending platform to fulfill their family needs by way of both transportation needs and personal needs through Two-wheeler loan and Swift cash loan respectively.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except as otherwise disclosed.

The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Deposit taking Non-Banking Finance Companies.

The Company has taken due care in concluding on accounting judgements and estimates; viz, in relation to recoverability of receivables, assessment of impairment of assets, based on the internal and external information available to date, while preparing Company's financial results for the year ended March, 31, 2020. The Company continues to monitor the impact of COVID-19 on the operations and take appropriate actions as and when required. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally.

The outbreak of COVID-19 pandemic across the globe and India has contributed to significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 22, 2020 and in accordance therewith, the Company has extended moratorium to borrowers who had opted for the same, on the payment of equated monthly instalments (EMI) comprising principal and interest falling due between the months of March 2020 to August 2020 with the moratorium extended on a month-to-month basis as approved by Board of Directors in line with the extant RBI guidelines.

#### 2.1 Summary of significant accounting policies

##### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.





**(b) Property, Plant and Equipment**

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its present location and working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**(c) Intangible assets**

Intangible assets represent computer software, and are recorded at cost less amortisation. Cost comprises direct cost, related taxes till such assets are ready for its intended use.

The intangible assets are amortised on a written down value basis over the estimated economic useful life of 10 years. Amortisation on additions to intangible assets is provided on a pro-rata basis from the month of addition.

**(d) Depreciation on property, plant and equipment**

Depreciation on tangible assets are calculated on a written down value basis using the rates arrived at, based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its tangible assets.

The category-wise life of depreciation used for fixed assets are as follows:

Asset Block	Useful life (in years)
Computer Equipment	3
Furniture & Fittings	10
Office Equipment	5
Leasehold Improvements – Interiors	10



## Orange Retail Finance India Private Limited

Notes to financial statements for the year ended March 31, 2020

*(All amounts are in Indian rupees, unless otherwise stated)*

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### (e) Leases

*Where the Company is lessee*

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the primary lease term.

### (f) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

### (g) Receivables under Financing Activity, Provisioning

#### i) Receivables under financing activity

All loan exposures to borrowers with instalment structure are stated at the full agreement value after netting off:

- (a) Unearned income
- (b) Instalments appropriated upto the Balance Sheet date





## Orange Retail Finance India Private Limited

Notes to financial statements for the year ended March 31, 2020

*(All amounts are in Indian rupees, unless otherwise stated)*

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### ii) Provisioning

Provision for Standard assets and Non-performing assets are made as per the provisioning norms specified by the Reserve Bank of India on the outstanding amount of loans.

### (h) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliability measured.

#### Interest income from financing activities:

Interest income is recognized in the statement of profit and loss on an accrual basis by applying the internal rate of return method on a time proportionate basis. Interest income on Non-Performing Assets (NPA) is recognised as per the RBI Guidelines. Interest accrued and not realised before the classification of the asset as an NPA is reversed in the month in which the loan is classified as NPA.

The contractual right retained by the Company to receive a portion of interest ('Unrealised profits') arising at the time of securitization/ assignment of loan portfolio transfer transactions is recorded at its present value and disclosed as 'Interest strip on securitization/ assignment of loan portfolio' within 'Other assets' on the balance sheet. In accordance with RBI guidelines, the unrealised profits in respect of securitised/ assigned loan portfolio that is not due for collection is recorded at its present value and disclosed as 'Interest strip on securitisation/ assignment of loan portfolio' within 'Other liabilities' on the balance sheet. Profit/Premium arising at the time of Securitisation Portfolio is amortised over the life of the underlying loan portfolio/securities and any loss arising therefrom is accounted for immediately. Income from Interest Strip (Excess Interest Spread) is recognised in the statement of Profit and Loss net off any losses when redeemed in cash in line with the relevant RBI Guidelines.

#### Other incomes:

- i) Upfront / processing fee are recovered and recognised at the time of disbursement of loan.
- ii) Revenue from fee based activities and all other charges / fees are recognised on accrual basis, when there is no uncertainty in the ultimate realisation / collection.
- iii) Interest income on deposits are recognised on accrual basis over the tenor of the deposit on a pro-rata basis.

### (i) **Foreign currency translation**

#### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency,



are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

#### **(j) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation and the cost of providing this benefit is determined on the basis of an actuarial valuation at each year-end. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

#### **(k) Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as





the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(l) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events that have changed the number of equity shares outstanding without a corresponding change in resource.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of any dilutive potential equity shares.

**(m) Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provision for estimated liquidated damages is made based on management's estimates on probable obligations.

**(n) Segment information**

The Company offers a wide range of customized Two-wheeler products, which in the context of Accounting Standard 17 (Segmental Information) is considered as the only business segment. Accordingly, no separate segmental information has been provided herein.



## Orange Retail Finance India Private Limited

Notes to financial statements for the year ended March 31, 2020

*(All amounts are in Indian rupees, unless otherwise stated)*

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### (o) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments which are long-term in nature are stated at cost. Provisions is made for diminution in value, if it is of nature other than temporary.

Current investments are individually valued at the lower of cost and fair value.

### (p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### (q) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.





**Orange Retail Finance India Private Limited**  
**Notes to the Financial statements for the year ended March 31, 2020**  
*(All amounts are in Indian Rupees, unless otherwise stated)*

<b>NOTE: 3</b>		
<b>Share Capital</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Authorized shares</b>		
445,000 (31 March 2019: 345,000) equity shares of Rs. 100/- each	4,45,00,000	3,45,00,000
3,555,000 (31 March 2019: 3,655,000 ) Preference shares of Rs. 100/- each	35,55,00,000	36,55,00,000
<b>Total Authorised Capital</b>	<b>40,00,00,000</b>	<b>40,00,00,000</b>
<b>Equity Shares</b>		
<b>Issued, subscribed and fully paid-up shares</b>		
350,850 (31 March 2019: 341,910) equity shares of Rs. 100/- each	3,50,85,000	3,41,91,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>3,50,85,000</b>	<b>3,41,91,000</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity Shares**

	<b>As at March 31, 2020</b>		<b>As at March 31, 2019</b>	
	<u>No of Shares</u>	<u>Amount (in Rupees)</u>	<u>No of Shares</u>	<u>Amount (in Rupees)</u>
At the beginning of the year	3,41,910	3,41,91,000	1,79,841	1,79,84,100
<b>Issued During the Period:</b>				
Preferential issue of Equity Shares	8,940	8,94,000	81,614	81,61,400
Conversion of Preference Shares to Equity shares	-	-	80,455	80,45,500
<b>Outstanding at the end of the year</b>	<b>3,50,850</b>	<b>3,50,85,000</b>	<b>3,41,910</b>	<b>3,41,91,000</b>

**b. Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share. 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. Details of shareholders holding more than 5% shares in the Company**

<b>Names of Shareholders</b>	<b>31-03-2020</b>		<b>31-03-2019</b>	
	<b>No. of shares</b>	<b>% holding in the class</b>	<b>No. of shares</b>	<b>% holding in the class</b>
<b>Equity Shares of Rs 100/- each fully paid-up</b>				
AR Chadha & Co Private Limited	1,64,046	46.76%	1,64,046	47.98%
Mr. Ebenezer	28,728	8.19%	25,748	7.53%
Mr. Mahesh	28,728	8.19%	25,748	7.53%
Mr. Balamurugan	22,054	6.29%	19,074	5.58%
Granite Hill Opportunities Fund II LP	21,669	6.18%	21,669	6.34%
	<b>2,65,225</b>	<b>75.59%</b>	<b>2,56,285</b>	<b>75%</b>

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



**NOTE: 4**

**Reserves and Surplus**

**(i) Statutory reserve**

Balance as per the last financial statements  
Add: Transfer to Reserve fund as per RBI Act, 1934  
Closing Balance

As at March 31, 2020	As at March 31, 2019
2,872,842	686,829
-	2,186,013
<b>2,872,842</b>	<b>2,872,842</b>

**(ii) Securities Premium**

Balance as per the last financial statements  
Premium on issue of Equity Shares  
Premium on issue of Equity Shares - Round 2  
Premium on Conversion of Preference Shares to Equity shares  
Closing Balance

890,975,716	19,306,080
59,111,280	521,821,528
-	349,848,108
<b>950,086,996</b>	<b>890,975,716</b>

**(iii) General Reserve**

Balance as per the last financial statements  
Add: Transferred from Surplus in the statement of profit and loss account  
Closing Balance

95,000	95,000
-	-
<b>95,000</b>	<b>95,000</b>

**(iii) Surplus/(deficit) in the statement of profit and loss**

Balance as per last financial statements  
Profit (Loss) for the year  
Less: Appropriations  
Transfer to statutory reserve  
Transfer to general reserve  
Total appropriations  
Net surplus (Deficit) in the statement of profit and loss

(18,658,669)	(27,402,721)
(19,159,051)	10,930,065
-	2,186,013
-	-
-	2,186,013
<b>(37,817,720)</b>	<b>(18,658,669)</b>

**Total -Excess/(Deficit)**

<b>915,237,118</b>	<b>875,284,889</b>
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**Notes:**

a. As per the Companies (Share Capital & Debenture) Rules 2014, Non banking financial companies (NBFC) and other financial institutions covered by section 2(72) of the Companies Act, 2013 are not required to maintain debenture redemption reserve for privately placed Debentures.

b. Transfer to Statutory Reserve not effected during the year due to loss incurred.

**NOTE: 5**

**Longterm Borrowings**

**Debentures (Secured)**

Non-convertible Debentures - Private placement - Retail (Note 5.1)  
Non-convertible Debentures - Private placement - Financial Institution (Note 5.1)

Non-current portion		Current maturities	
As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
418,000,002	194,000,000	36,000,000	36,000,000
-	51,079,735	51,079,734	37,542,354
<b>418,000,002</b>	<b>245,079,735</b>	<b>87,079,734</b>	<b>73,542,354</b>

**Term loans (Note 5.2)**

Loan from banks (Secured)  
Loans from Financial Institutions (Secured)  
Loans from SFB (Secured)  
Loan from Directors (Unsecured)  
Amount disclosed under the head "other current liabilities" (refer note 8)

110,606,038	82,171,700	168,535,364	88,181,828
390,962,772	305,134,618	510,072,246	324,774,171
63,093,401	74,999,990	182,558,459	100,000,008
-	-	-	-
<b>564,662,211</b>	<b>462,306,308</b>	<b>861,166,069</b>	<b>512,956,007</b>
<b>982,662,213</b>	<b>707,386,043</b>	<b>948,245,803</b>	<b>586,498,361</b>

The above amount includes

Secured borrowings  
Unsecured borrowings  
Amount disclosed under the head "other current liabilities" (refer note 8)  
Amount disclosed under the head "other current liabilities" (refer note 8)

982,662,213	707,386,043	948,245,803	586,498,361
-	-	-	-
-	-	(948,245,803)	(586,498,361)
<b>982,662,213</b>	<b>707,386,043</b>	<b>-</b>	<b>-</b>

**Net amount**



	Non-current portion		Current maturities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>NOTE: 5.1</b>				
<b>Borrowings</b>				
<b>Non-convertible Debentures</b>				
<b>NCD Series - I</b>				
Rs. 10 Crores 14.25% 30 months NCD	78,23,980	5,10,79,735	4,32,55,754	3,75,42,354
<b>NCD Series - II</b>				
Rs. 5 Crores 14.75% 30 months NCD	1,00,00,000	3,00,00,000	2,00,00,000	2,00,00,000
<b>NCD Series - III</b>				
Rs. 14 Crores 14.75% 42 months NCD	14,00,00,000	14,00,00,000	-	-
<b>NCD Series - IV</b>				
Rs. 4 Crores 14.75% 30 months NCD	80,00,000	2,40,00,000	1,60,00,000	1,60,00,000
<b>NCD Series - V</b>				
Rs. 15 Crores 14.95% 36 months NCD	15,00,00,000	-	-	-
<b>NCD Series - VI</b>				
Rs. 8 Crores 13.75% 42 months NCD	8,00,00,000	-	-	-
<b>NCD Series - VII</b>				
Rs. 3 Crores 13.75% 42 months NCD	3,00,00,000	-	-	-
	<b>42,58,23,980</b>	<b>24,50,79,735</b>	<b>7,92,55,754</b>	<b>7,35,42,354</b>

**Note 5.2**

**A.Loan from banks (Secured)**

**Terms of repayment**

Rate of Interest	Maturity	31-Mar-20 Remaining Instalments	Amount	Maturity	31-Mar-19 Remaining Instalments	Remaining Instalments
Fixed Rate - 14.00% - Quarterly Installment	< 1 year	4	66,66,664	< 1 year	4	66,66,668
				1 - 2 years	4	66,66,668
Fixed Rate - 13.25% - 13.75% - Monthly	< 1 year	34	16,18,68,700	< 1 year	24	8,15,15,160
	1 - 2 years	15	9,54,54,536	1 - 2 years	22	7,09,59,592
	2 - 3 years	2	1,51,51,502	2 - 3 years	3	45,45,440
Long Term borrowings	Sub Total : Others		11,06,06,038			8,21,71,700
Current Maturities of Borrowings	Sub Total : < 1 year		16,85,35,364			8,81,81,828

**B.Loan from financial institutions (Secured)**

**Terms of repayment**

Rate of Interest	Maturity	31-Mar-20 Remaining Instalments	Amount	Maturity	31-Mar-19 Remaining Instalments	Remaining Instalments
Fixed Rate - 13.50% - 15.00% Monthly	< 1 year	115	26,80,05,430	< 1 year	117	17,30,24,250
	1 - 2 years	52	11,46,57,511	1 - 2 years	53	8,91,22,597
	2 - 3 years	5	47,39,389	2 - 3 years	21	5,53,63,048
Fixed Rate - 14.27% - Quarterly*	< 1 year	4	4,00,00,000	< 1 year	4	4,00,00,000
	1 - 2 years	2	3,00,00,000	1 - 2 years	4	4,00,00,000
				2 - 3 years	2	2,00,00,000
Linked to HBLR - 12.64% - 14.25% - Monthly	< 1 year	20	6,49,87,543	< 1 year	24	6,06,94,324
	1 - 2 years	12	5,29,64,889	1 - 2 years	20	5,93,80,390
	2 - 3 years	6	2,90,87,041	2 - 3 years	5	2,25,43,884
Linked to FBLR - 14.80% - 15.50% - Monthly	< 1 year	93	11,44,32,907	< 1 year	12	5,10,55,597
	1 - 2 years	72	8,79,61,390	1 - 2 years	3	1,87,24,699
	2 - 3 years	25	5,41,98,918			
Floating Rate - 15% Monthly	< 1 year	11	1,26,46,366			
	1 - 2 years	12	1,59,17,005			
	2 - 3 years	1	14,36,629			
Linked to MCLR - 13.50% Monthly	< 1 year	4	1,00,00,000			
Long Term borrowings	Sub Total : Others		39,09,62,772			30,51,34,618
Current Maturities of Borrowings	Sub Total : < 1 year		51,00,72,246			32,47,74,471

\*considering the Moratorium period of one month availed from IKF Finance Ltd and classified accordingly.





C.Loan from SFB (Secured)  
Terms of repayment

Rate of Interest	Maturity	31-Mar-20 Remaining Instalments	Amount	Maturity	31-Mar-19 Remaining Instalments	Remaining Instalments
Fixed Rate - 14.25% Monthly	< 1 year	7	29,166,661	<1 Year	12	50,000,004
				1-2 Years	7	29,166,661
Avg of 1 Yr T Bill - Monthly	< 1 year	23	78,333,325	<1 Year	12	50,000,004
	1 - 2 years	5	16,250,006	1-2 Years	11	45,833,329
Linked to G-sec - Monthly	< 1 year	24	59,406,273			
	1 - 2 years	12	36,408,595			
Linked to Repo Monthly	< 1 year	12	15,652,200			
	1 - 2 years	8	10,434,800			
Long Term borrowings	Sub Total : Others		63,093,401	Sub Total : Others		74,999,990
Current Maturities of Borrowings	Sub Total : < 1 year		182,558,459	Sub Total : < 1 year		100,000,008
Total Long Term Borrowings	Total: Others		564,662,211			462,306,308
Current Maturities of Borrowings	Total: < 1 year		861,166,069			512,956,007

Note 5.3

Term loans

Particulars	Remaining Maturity as on March 31, 2020 (Monthly Instalments)	Non-Current portion		Current Maturities	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Indian Rupee loan from banks (Secured)	55	110,606,038	82,171,700	168,535,364	88,181,828
Loans from Financial Institutions (Secured)	434	390,962,772	305,134,618	510,072,246	324,774,171
Loans from SFB (Secured)	91	63,093,401	74,999,990	182,558,459	100,000,008
Grand Total	580	564,662,211	462,306,308	861,166,069	512,956,007

Interest Rates on Term Loans ranges from 11.75% to 15.50%

The Term Loans from Banks and other Financial Institutions are secured by specific hypothecation of receivables and the personal guarantees of the Directors.

Terms of Sanction - Debentures

(i). 14.25% Non-convertible debentures Series - I having a tenor of 30 months, are payable at 30 equated monthly instalments from the date of allotment, viz., 21 November 2018. The debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(ii). 14.75% Non-convertible debentures Series - II allotted on 4th december 2018 having a tenor of 30 months. The NCDs are payable in three instalments of Rs 2 crores (1st two instalments), and Rs 1 crores respectively, payable every year from the end of one year. The debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(iii). 14.75% Non-convertible debentures Series - III having a tenor of 42 months, are redeemable at par in 6 equal instalments from 37th Month to 42nd month from the date of allotment, viz., 24 January 2019. The debentures are secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(iv). 14.95% Non-convertible debentures Series - IV 27th & 28th february 2019 having a tenor of 30 months. The NCDs are payable in three instalments of Rs 1.6 crores (1st two instalments), and Rs 0.8 crores respectively, payable every year from the end of one year. The debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(v). 14.75% Non-convertible debentures Series - V 28th June 2019 having a tenor of 36 months. The NCDs are payable in two instalments of Rs 5 crores on Dec'21, and Rs 10 crores respectively payable on Jun'22. The debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(vi). 13.75% Non-convertible debentures Series - VI 7th August 2019 having a tenor of 42 months are redeemable at par in 6 equal instalments from 37th Month to 42nd month from the date of allotment, viz., 07th August 2019. The debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

(vii). 13.75% Non-convertible debentures Series - VII 10th September 2019 having a tenor of 42 months are redeemable at par in 6 equal instalments from 37th Month to 42nd month from the date of allotment, viz., 10th September 2019. The debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables ("Hypothecated Receivables")

Terms of Security - Banks and Financial institutions

(i). The loans from banks are secured by way of first exclusive charge (floating) over loan receivables and book debts (net of finance charges, NPA, other charges etc.)

(ii). The loans from the financial institutions are secured by way of exclusive first charge (floating) including the promoters guarantee on portfolio of receivables from time to time ranging from 1 - 1.25 times of the principal at any point of time.



**Orange Retail Finance India Private Limited**  
**Notes to the Financial statements for the year ended March 31, 2020**  
*(All amounts are in Indian Rupees, unless otherwise stated)*

**NOTE: 6**

**Short-term borrowings (Secured)**

- Cash Credit Facility from Banks \*

As at March 31, 2020	As at March 31, 2019
4,98,80,438	1,23,518
<b>4,98,80,438</b>	<b>1,23,518</b>

\*The Company has Cash Credit limit of Rs. 5 Crores (31st Mar 19 : Rs.2 Crores) repayable on demand at an interest rate of MCLR + 4.6% (14.25% pa). The Cash Credit facility is secured by hypothecation of receivables and personal guarantee from Directors Mr. Ebenezer G Daniel and Mr. Mahesh Seshadari in their individual capacity.

**NOTE: 7**

**Trade Payables**

Sundry Creditors - Other than Micro, small and medium enterprises

As at March 31, 2020	As at March 31, 2019
74,65,730	49,18,764
<b>74,65,730</b>	<b>49,18,764</b>

**NOTE: 8**

**Other current liabilities**

Current maturities of long-term borrowings (Note 5)

Payable to dealers

Statutory dues payable

Expenses payable

Interest accrued but not due on borrowings

Interest & Principal Payable - Securitisation

Salaries and incentives Payable

Margin Money received from Co-lender

Other Liabilities

94,82,45,803	58,64,98,361
1,33,67,852	10,36,81,640
79,21,603	1,55,86,327
79,90,205	1,67,17,347
1,62,87,114	75,18,782
3,13,07,015	-
44,40,120	58,51,111
-	20,00,000
2,44,31,681	-
<b>1,05,39,91,392</b>	<b>73,78,53,568</b>
<b>1,06,14,57,122</b>	<b>74,27,72,332</b>

**Total**

Non-current		Current	
As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019

**NOTE: 9**

**Provisions**

Provision for employee benefits

- Gratuity (refer note 26)

- Leave encashment

**Total (A)**

27,64,148	19,69,354	2,85,890	2,21,738
21,05,660	2,93,123	6,86,526	2,33,186
<b>48,69,808</b>	<b>22,62,477</b>	<b>9,72,416</b>	<b>4,54,924</b>

Other provisions

- Provision for Non performing assets

- Provision for standard assets

- Provision for Other Contingencies (including provision for first loss default guarantee)

-Provision for Tax (Net)

**Total (B)**

-	-	1,57,71,778	1,07,80,367
31,44,299	42,91,119	4,86,28,099	-
-	-	1,44,70,455	88,30,733
-	-	1,12,59,281	1,08,07,546
<b>31,44,299</b>	<b>42,91,119</b>	<b>9,01,29,613</b>	<b>3,04,18,645</b>
<b>80,14,107</b>	<b>65,53,596</b>	<b>9,11,02,029</b>	<b>3,08,73,569</b>

**Total (A) + (B)**



**NOTE: 10A**  
**Property, Plant and Equipment**

Particulars	Leasehold improvements – Interiors	Office equipment	Computer equipment	Furniture and Fitting	Total
<b>Cost</b>					
At March 31, 2019	1,38,77,230	91,90,203	2,28,12,918	19,14,991	4,77,95,342
Additions for the year 2019-20	2,11,71,578	29,86,887	65,89,375	20,492	3,07,68,333
Deletions/adjustment	-	-	-	-	-
At March 31, 2020	3,50,48,809	1,21,77,091	2,94,02,292	19,35,483	7,85,63,675
<b>Accumulated Depreciation</b>					
At March 31, 2019	19,45,414	41,66,234	1,25,01,544	8,77,968	1,94,91,160
Charge for the year 2019-20	59,60,392	24,82,919	72,85,657	2,47,631	1,59,76,599
Disposal/Adjustment	-	-	-	-	-
At March 31, 2020	79,05,806	66,49,154	1,97,87,202	11,25,598	3,54,67,759
<b>Net block</b>					
At March 31, 2019	1,19,31,816	50,23,969	1,03,11,373	10,37,023	2,83,04,182
At March 31, 2020	2,71,43,003	55,27,937	96,15,091	8,09,885	4,30,95,916

**NOTE: 10B**  
**Intangible assets**

Particulars	Computer Software
<b>Cost</b>	
At March 31, 2019	74,55,206
Additions for the year 2019-20	23,70,147
Deletions	-
At March 31, 2020	98,25,353
<b>Amortization</b>	
At March 31, 2019	22,29,432
Charge for the year 2019-20	15,97,936
Deletions	-
At March 31, 2019	38,27,368
<b>Net block</b>	
At March 31, 2019	52,25,774
At March 31, 2020	59,97,985
<b>CWIP</b>	5,72,250
<b>Total</b>	65,70,235





**NOTE: 11A**

**Loans and advances - Receivable under financing Activities**

**Portfolio Loan**

**Secured, considered good**

Two Wheeler Loans

Other Loans

Receivables given as collateral towards securitised transaction

**Secured, considered doubtful**

Two Wheeler Loans

Other Loans

**Unsecured, considered good**

Credit Facility to Dealers

**Unsecured, considered doubtful**

Two Wheeler Loan

Other Loan

Credit Facility to Dealers

**Total**

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Two Wheeler Loans	1,287,208,243	984,188,477	1,041,696,432	697,897,478
Other Loans	23,272,872	553,033	46,332,672	23,789,564
Receivables given as collateral towards securitised transaction	23,460,661	-	-	-
	<b>1,333,941,777</b>	<b>984,741,510</b>	<b>1,088,029,104</b>	<b>721,687,042</b>
Two Wheeler Loans	31,616,685	40,643,090	-	28,820,405
Other Loans	275,074	-	4,993	391,397
	<b>31,891,759</b>	<b>40,643,090</b>	<b>4,993</b>	<b>29,211,802</b>
Credit Facility to Dealers	-	-	18,512,752	10,019,009
	-	-	<b>18,512,752</b>	<b>10,019,009</b>
Two Wheeler Loan	-	699,076	-	41,969,364
Other Loan	-	-	-	274,356
Credit Facility to Dealers	-	-	1,173,301	1,134,234
	-	<b>699,076</b>	<b>1,173,301</b>	<b>43,377,954</b>
<b>Total</b>	<b>1,365,833,536</b>	<b>1,026,083,676</b>	<b>1,107,720,150</b>	<b>804,295,807</b>

**NOTE: 11B**

**Other Loans and Advances**

Unsecured, considered good

Security deposit

Capital advances

Others

**Total**

	Non-current portion		Current portion	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Security deposit	-	-	7,428,883	4,824,848
Capital advances	-	-	-	700,000
Others	-	-	174,036	553,651
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,602,919</b>	<b>6,078,499</b>

**NOTE: 12**

**Investments**

Non-trade investments (At cost)

Investment in Mutual funds

Investment in Bonds\*

**Total**

\*Investment in 13.25% Bonds of AYE Finance

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Investment in Mutual funds	-	-	43,594,604	59,927,055
Investment in Bonds*	-	7,386,140	5,362,540	-
<b>Total</b>	<b>-</b>	<b>7,386,140</b>	<b>48,957,144</b>	<b>59,927,055</b>

Details of Investments disclosed above:

Quoted Investments - Cost

Quoted Investments - Market Value

Unquoted Investment - Cost

Quoted Investments - Cost	-	-	43,594,604	59,927,055
Quoted Investments - Market Value	-	-	43,912,669	60,578,417
Unquoted Investment - Cost	-	7,386,140	5,362,540	-

**NOTE: 13**

**Deferred tax assets (net) - Refer note: 23**

Opening Balance

Gross Deferred tax asset

Net deferred tax asset

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Opening Balance	7,755,221	3,700	-	-
Gross Deferred tax asset	19,412,713	7,751,521	-	-
Net deferred tax asset	<b>27,167,934</b>	<b>7,755,221</b>	<b>-</b>	<b>-</b>



Orange Retail Finance India Private Limited  
Notes to the Financial statements for the year ended March 31, 2020  
(All amounts are in Indian Rupees, unless otherwise stated)

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>NOTE: 14</b>				
<b>Other assets</b>				
Interest accrued and due on loans	-	-	4,93,15,263	1,10,04,682
Interest accrued but not due on loans	-	-	7,91,39,865	3,73,13,379
Accrued bounce charges	-	-	7,04,05,916	3,21,09,806
Accrued additional interest	-	-	1,41,64,190	77,88,573
Balances due from Government Authorities	-	-	53,12,431	-
Interest Receivable from Deposits	-	-	7,40,188	6,24,443
Interest strip on securitization/ assignment of loan portfolio	76,32,203	-	2,44,31,681	-
Prepaid Expenses	-	-	22,48,931	1,23,68,432
Deposits with Banks*	-	-	1,64,22,463	-
Others	-	-	19,90,866	23,02,993
<b>Total</b>	<b>76,32,203</b>	<b>-</b>	<b>26,41,71,794</b>	<b>10,35,12,308</b>

\*Represents cash collaterals towards securitisation of receivables amounting to Rs. 1,64,22,463 (March 31, 2019: Rs. Nil)

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
<b>NOTE: 15</b>				
<b>Cash and bank balances</b>				
<b>Cash and cash equivalents</b>				
Balances with banks:				
in current accounts	-	-	26,04,04,795	32,68,74,855
Cash on hand	-	-	1,06,71,319	1,77,41,431
	-	-	27,10,76,114	34,46,16,286
	-	-	<b>27,10,76,114</b>	<b>34,46,16,286</b>
<b>Other bank balances</b>				
Deposits with original maturity for more than 3 months but less than 12 months*	-	-	1,76,64,749	40,00,000
Less: Cash Collateral towards securitisation of Receivables			1,64,22,463	
	-	-	<b>12,42,286</b>	<b>40,00,000</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>27,23,18,400</b>	<b>34,86,16,286</b>

\* Represents the Fixed Deposits with Banks





Orange Retail Finance India Private Limited  
Notes to the Financial statements for the year ended March 31, 2020  
(All amounts are in Indian Rupees, unless otherwise stated)

**NOTE: 16**

**Revenue from operations**

- Interest Received on Lending activity
- Interest Received on Co-lending Activity

**Total Interest income (A)**

**Other operating revenue**

- Income from Securitisation
- Loan Processing Fee
- Loan Maintenance Charges
- Loan Collection Charges
- Loan Processing Fee and other charges collected
- Bounce Charges
- Interest on Trade Advance
- Pre-closure Charges
- Service Fee Income (Securitization)

**Total other operating revenue (B)**

**Revenue from operations (A+B)**

	Year ended March 31, 2020	Year ended March 31, 2019
	572,889,634	202,062,073
	139,009,788	121,681,729
	<b>711,899,422</b>	<b>323,743,803</b>
	32,777,809	-
	81,754,766	85,973,744
	18,961,039	30,741,992
	4,853,000	9,343,000
	<b>138,346,614</b>	<b>126,058,737</b>
	68,894,335	32,072,412
	204,813	-
	1,355,038	367,203
	700,000	-
	<b>209,500,800</b>	<b>158,498,351</b>
	<b>921,400,222</b>	<b>482,242,154</b>

**NOTE: 17**

**Other Income**

- Interest income on fixed deposits
- Interest income on investments in Bonds
- Income from Mutual Fund
- Profit on sale of Mutual Fund Units
- Miscellaneous receipts

**Total**

	546,787	279,192
	865,696	349,150
	233,130	-
	8,315,898	3,212,823
	452,767	759,898
	<b>10,414,278</b>	<b>4,601,063</b>

**NOTE: 18**

**Finance Cost**

- Interest on Borrowings
- on Term Loan from Bank / financial institutions
- on Unsecured Loans
- on Bank Overdrafts
- on Debentures

Processing and Syndication Fees

Other Bank Charges

**Total**

	205,227,439	78,766,244
	900,821	1,835,014
	1,223,233	760,353
	63,637,088	10,326,407
	<b>270,988,581</b>	<b>96,473,346</b>
	20,630,987	12,994,029
	1,488,404	1,322,257
	<b>293,107,972</b>	<b>110,789,631</b>

**NOTE: 19**

**Employee benefit expense**

- Salaries, wages and bonus
- Man Power Supply Charges
- Contribution to provident and other funds
- Staff welfare expenses
- Gratuity Expense (Refer Note 26)

**Total**

	217,981,433	128,163,182
	168,350,500	96,364,304
	15,485,687	5,933,401
	4,675,563	1,900,706
	858,946	1,285,066
	<b>407,352,128</b>	<b>233,646,659</b>



**Orange Retail Finance India Private Limited**  
**Notes to the Financial statements for the year ended March 31, 2020**  
(All amounts are in Indian Rupees, unless otherwise stated)

**NOTE: 20**

**Other expenses**

	Year ended March 31, 2020	Year ended March 31, 2019
Insurance Charges	2,71,742	1,23,075
Travelling & Conveyance Expenses	2,19,43,968	1,08,88,153
Legal, Professional & Consultancy Fee	2,32,04,045	1,66,31,023
Audit Fee	27,61,000	12,00,000
Rent	1,22,05,605	66,77,374
Communication Expenses	32,98,323	51,19,943
Dealers Commission	47,82,405	36,77,034
Printing & Stationery Expenses	36,91,657	29,82,363
Software Expenses	90,91,551	45,96,763
Rates and Taxes	70,98,402	38,11,680
Stamping Charges	23,61,457	21,29,405
Electricity Charges	25,38,231	18,06,330
Collection Charges	99,89,015	18,49,273
Maintenance Expenses	41,41,720	13,03,145
Postage & Courier Expenses	31,67,125	11,66,303
Miscellaneous Expenses	56,09,839	20,34,732
<b>Total</b>	<b>11,61,56,086</b>	<b>6,59,96,597</b>

**Auditor's Remuneration\*:**

- Statutory Audit	23,52,000	10,00,000
- Tax Audit	2,09,000	1,00,000
For Taxation matters	-	-
For Company Law matters	-	-
For Management Services	-	-
- Certification fees	2,00,000	1,00,000
For reimbursement of expenses	-	-
* excluding GST		
	<b>27,61,000</b>	<b>12,00,000</b>

**NOTE: 21**

**Provisions & Write off**

Bad Debts	6,67,94,105	53,80,208
Provision for Sub Standard Assets	49,91,411	91,69,559
Provision for Standard assets	(11,46,820)	31,67,682
Provision for Other Contingencies (including provision for first loss default guarantee)	56,39,722	88,30,733
	7,62,78,418	2,65,48,183
Add: One-time RBI mandated provision due to Covid-19 disruption (Refer Note No:29A)	4,86,28,099	-
<b>Total</b>	<b>12,49,06,517</b>	<b>2,65,48,183</b>

**NOTE: 10**

**Depreciation and amortization expense**

Depreciation (Note 10A)	1,59,76,599	1,39,54,020
Amortization of intangible assets (Note 10B)	15,97,936	13,99,302
<b>Total</b>	<b>1,75,74,535</b>	<b>1,53,53,322</b>



**Orange Retail Finance India Private Limited**

**Notes to the Financial statements for the year ended March 31, 2020**

*(All amounts are in Indian Rupees, unless otherwise stated)*

**Note: 22**

**Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2020	Year ended March 31, 2019
Net profit /(loss) after transfer to statutory reserve, for calculation of basic EPS	(1,91,59,051)	87,44,052
Weighted average number of equity shares in calculating basic EPS (Nos.)	3,47,577	1,93,664
Effect of dilution		
Convertible Preference Shares (Nos)	-	57,103
Basic EPS (Loss/Share) in Rupees	(55.12)	45.15
Diluted EPS (Loss/Share) in Rupees	(55.12)	34.87

**Note: 23**

	Year ended March 31, 2020		Year ended March 31, 2019	
Deferred tax Asset/(Liability)	Amount involved	Deferred tax asset	Amount involved	Deferred tax asset / (liability)
<b>Deferred tax asset</b>				
Provision for Gratuity/Bonus	30,50,038	8,88,171	21,91,092	6,09,562
Provision for Leave encashment	27,92,186	8,13,085	5,26,309	1,46,419
Provision for Non-Performing assets and Standard assets	7,67,81,698	2,23,58,831	2,07,35,418	57,68,593
Others - 43 B Disallowance	8,00,000	2,32,960	-	-
Difference in depreciation of property plant and equipments	54,48,950	15,86,734	-	-
<b>Deferred tax liability</b>		-		
Difference in depreciation of property plant and equipments	44,23,603	12,88,153	44,23,603	12,30,647
<b>Deferred tax Asset - Net</b>	<b>9,32,96,476</b>	<b>2,71,67,934</b>	<b>2,78,76,423</b>	<b>77,55,221</b>

**Note: 24 - Contingent liabilities and Commitments**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(i) Contingent Liability</b>		
First Loss Default guarantee for Colending arrangements	16,07,87,266	9,86,53,387
First Loss Default guarantee for Securitisation	3,98,83,124	-
<b>(ii) Commitment</b>		
Commitment towards Capital Expenditure	-	7,00,000.00





**Note 25 : Related parties with whom transactions have taken place during the year**

**Names of Related Parties**

Relationship	Name of the party
Subsidiary company	NIL
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives	AR Chadha and Co India Private limited Atma Ram Builders Pvt Ltd Kotravai Capital Advisory LLP
Key Management Personnel	Mr. Ebenezer G Daniel Mr. Mahesh Seshadari Mr. Manivarma R (till Feb 27, 2020) Ms. Vijayalakshmi P S (with effect from Feb 21, 2020) Mr. Balaji Kumar (with effect from Mar 18, 2019)
Other Directors	Mr. Ashvin Chadha Mr. I A S Balamurugan
Relatives of Directors & Key management personnel	Nil

**Related Party transactions during the year:**

(Amount in Rs.)

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives		Directors & Key Management Personnel		Relatives of Key Management Personnel	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Proceeds from unsecured borrowings during the Year</b>						
Mr. I A S Balamurugan	-	-	-	-	-	-
Atma Ram Builders Pvt Ltd	2,50,00,000	16,50,00,000	-	-	-	-
Atma Ram Properties Pvt Ltd	2,00,00,000	-	-	-	-	-
AR Chadha and Co India Private limited	-	-	-	-	-	-
Mr. Ebenezer G Daniel	-	-	-	-	-	-
Mr. Balaji Kappa	-	-	-	-	-	-
<b>Repayment of unsecured borrowings during the year</b>						
Mr. I A S Balamurugan	-	-	-	-	-	-
Atma Ram Builders Pvt Ltd	2,50,59,178	16,54,56,165	-	-	-	-
Atma Ram Properties Pvt Ltd	2,07,51,561	-	-	-	-	-
AR Chadha and Co India Private limited	-	26,04,329	-	-	-	-
Mr. Ebenezer G Daniel	-	-	-	-	-	-
Mr. Balaji Kappa	-	-	-	-	-	-
<b>Interest paid on unsecured borrowings</b>						
Mr. I A S Balamurugan	-	-	-	-	-	-
Atma Ram Builders Pvt Ltd	65,753	8,19,864	-	-	-	-
Atma Ram Properties Pvt Ltd	8,35,068	-	-	-	-	-
AR Chadha and Co India Private limited	-	14,59,480	-	-	-	-
Mr. Balaji Kappa	-	-	-	-	-	-
<b>Issue of share warrants</b>						
Mr. Ebenezer G Daniel	-	-	-	1,00,00,000	-	-
Mr. Mahesh Seshadari	-	-	-	1,00,00,000	-	-
<b>Issue of shares</b>						
<b>Issue of preference shares</b>						
AR Chadha and Co India Private limited	-	2,70,00,000	-	-	-	-
Mr. Ashvin Chadha	-	-	-	1,00,00,000	-	-
Mr. Ebenezer G Daniel	-	-	-	80,00,000	-	-
Kotravai Capital Advisory LLP	-	40,00,000	-	-	-	-
<b>Issue of equity shares</b>						
AR Chadha and Co India Private limited	-	4,99,97,688	-	-	-	-
Mr. Ilayaaranachalam Balamurugan	-	-	-	1,00,00,880	-	-
Atma Ram Builders Pvt Ltd	-	4,99,97,688	-	-	-	-
Mr. Ashvin Chadha	-	-	-	1,00,00,880	-	-
Mr. Ebenezer G Daniel	-	-	-	-	-	-
Mr. Mahesh Seshadari	-	-	-	-	-	-
<b>Issue of preference shares for consideration other than cash</b>						
<b>Conversion of unsecured borrowings to preference shares at par</b>						
Mr. Ilayaaranachalam Balamurugan	-	-	-	60,00,000	-	-
Atma Ram Builders Pvt Ltd	-	2,00,00,000	-	-	-	-
AR Chadha and Co India Private limited	-	9,60,00,000	-	-	-	-
<b>Conversion of interest on unsecured borrowings into preference shares</b>						
AR Chadha and Co India Private limited	-	-	-	-	-	-
Mr. Ebenezer G Daniel	-	-	-	-	-	-



(Amount in Rs.)

Particulars	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives		Directors & Key Management Personnel		Relatives of key management personnel	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Conversion of preference shares to equity shares</b>						
AR Chadha and Co India Private limited		16,81,70,628		-		-
Mr. Ashvin Chadha		-		99,99,936		-
Mr. Ebenezer G Daniel		-		1,57,24,988		-
Kotravai Capital Advisory LLP		39,99,085		-		-
Atma Ram Builders Pvt Ltd		1,99,99,872		-		-
<b>Conversion of share warrants to equity shares</b>						
Mr. Ebenezer G Daniel		-		99,99,936		-
Mr. Mahesh Seshadari		-		99,99,936		-
<b>Remuneration to Directors &amp; Key Management Personnel</b>						
Mr. Ebenezer G Daniel		-	50,28,000	38,40,827		-
Mr. Mahesh Seshadari		-	40,92,000	32,78,741		-
Mr. Manivarma R		-	30,31,305	68,496		-
Ms.Vijayalakshmi P S		-	4,29,866			-
Mr. Balaji Kumar		-	7,08,396	13,746		-
<b>Balance outstanding as at the year end:</b>						
<b>Share Application Money</b>						
Kotravai Capital Advisory LLP	-	-		-		-
<b>Unsecured loans</b>						
Mr. Ebenezer G Daniel	-	-		-		-
Atma Ram Builders Pvt Ltd	-	-		-		-
AR Chadha and Co India Private limited	-	-		-		-
<b>Interest accrued but not due on borrowings</b>						
Mr. Ebenezer G Daniel	-	-		-		-
Atma Ram Builders Pvt Ltd	-	-		-		-
AR Chadha and Co India Private limited	-	-		-		-
<b>Other Payables</b>						
AR Chadha and Co India Private limited	-	3,172		-		-
Mr. Ebenezer G Daniel	-	-		2,812		-
Atma Ram Builders Pvt Ltd	-	129		-		-
Kotravai Capital Advisory LLP	-	915		-		-
Mr. Ashvin Chadha	-	-		64		-
Mr. Ebenezer G Daniel	-	-		64		-
Mr. Mahesh Seshadari	-	-		64		-

Note:

Related parties have been identified on the basis of the declaration received by the management and other records available.



**Note 26 Post Retirement Employee Benefit:**

The Company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed five years of service gets a gratuity on departure at 15 days basic salary (of last drawn salary) for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of Profit and loss and the funded status and amounts recognized in the Balance sheet.

**Statement of Profit and loss**

**Net employee benefit expense recognized in the employee cost**

	31-Mar-20	31-Mar-19
Interest Cost	153,596	65,959
Current Service Cost	1,443,092	494,042
Net actuarial (gain)/loss recognized	(737,742)	725,065
Past Service Cost - Vested Benefits	-	-
<b>Expense to be recognized in statement of Profit and Loss</b>	<b>858,946</b>	<b>1,285,066</b>

**Balance sheet**

**Benefit asset/ liability**

	31-Mar-20	31-Mar-19
Present value of obligation on the accounting date:	3,050,038	2,191,092
Fair Value of Plan Assets on the accounting date:	-	-
Unrecognized Actuarial (gain) / loss	-	-
<b>Net Asset / (liability) recognized in Balance Sheet</b>	<b>3,050,038</b>	<b>2,191,092</b>

**Changes in the present value of the defined benefit obligation are as follows:**

	31-Mar-20	31-Mar-19
Liability as at the beginning of the period	2,191,092	906,026
Add: Interest Cost:	153,596	65,959
Add: Current Service Cost:	1,443,092	494,042
Less: Benefits Paid	-	-
Add: Past Service Cost	-	-
Actuarial gain / loss	(737,742)	725,065
<b>Liability as at the end of the period</b>	<b>3,050,038</b>	<b>2,191,092</b>

**Changes in the fair value of plan asset as follows:**

	31-Mar-20	31-Mar-19
Fair Value of plan assets at the beginning of the year	-	-
Changes during the year	-	-
<b>Fair Value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

	31-Mar-20	31-Mar-19
<b>Actuarial Gain / Loss Recognised</b>		
Actuarial gain / loss for the period - obligation	737,742	(725,065)
Actuarial gain / loss for the period - asset	-	-
Total gain / loss for the period	737,742	(725,065)
Actuarial gain / loss recognised in the year	737,742	(725,065)
Unrecognised actuarial gain / loss	-	-





**Orange Retail Finance India Private Limited****Notes forming part of the financial statements for the year March 31, 2020***(All amounts are in Indian Rupees , unless otherwise stated)*

	31-Mar-20	31-Mar-19
<b>Amounts recognised in the Balance Sheet</b>		
Present Value of Obligation	30,50,038	21,91,092
Fair Value of plan assets	-	-
Difference	30,50,038	21,91,092
Unrecognised transitional liability	-	-
Unrecognised past service cost	-	-
Liability recognised in the Balance Sheet	30,50,038	21,91,092

**The principal assumptions used in determining gratuity obligations for the company's plans are shown below:**

	31-Mar-20	31-Mar-19
Interest (Discount) Rate (Liabilities)	6.15%	7.01%
Interest Rate (Rate of Return on Assets)	0.00%	0.00%
Salary escalation Rate (per annum)	6.75%	12.00%
Attrition Rate (per annum)	18.00%	20.00%

**Note 27 :****Lease Disclosures****Operating Lease :**

The company has operating lease agreements for all the office space which are generally cancellable in nature. As per the lease terms, an amount of Rs.1,22,05,605/- (Previous year - Rs.66,77,374/-) has been recognised in statement of Profit & Loss.

**Finance Leases:**

The company has not assets taken on finance lease, as on March 31, 2020

**Note 28: Disclosure required under MSMED Act 2006**

There is no amount payable to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the current year. The list of Micro and Small Enterprises was determined based on the information available with the company.



**Orange Retail Finance India Private Limited**  
**Notes forming part of the financial statements for the year March 31, 2020**  
*(All amounts are in Indian Rupees , unless otherwise stated)*

**Note 29 : Loan portfolio classification and provision for non performing assets (As per RBI Prudential Norms)**

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Secured Loans</b>						
<b>A) Two wheeler Loans</b>						
Standard Asset	2,28,94,14,538	1,67,62,29,878	29,63,722	41,90,575	2,28,64,50,815	1,67,78,80,741
Sub Standard Asset	6,22,16,737	6,94,63,495	2,06,07,422	69,46,346	4,16,09,315	6,25,17,149
Doubtful Asset	3,16,11,692	-	79,88,905	-	2,36,22,787	-
<b>Total - A</b>	<b>2,38,32,42,966</b>	<b>1,74,56,93,373</b>	<b>3,15,60,049</b>	<b>1,11,36,921</b>	<b>2,35,16,82,917</b>	<b>1,74,03,97,890</b>
<b>B) Other loan</b>						
Standard Asset	6,90,30,731	2,43,42,597	1,40,491	60,856	6,88,90,240	2,42,81,741
Sub Standard Asset	5,74,813	3,91,397	57,481	39,140	5,17,332	3,52,257
Doubtful Asset	2,80,067	-	93,374	-	1,86,692	-
<b>Total - B</b>	<b>6,98,85,611</b>	<b>2,47,33,994</b>	<b>2,91,347</b>	<b>99,996</b>	<b>6,95,94,264</b>	<b>2,46,33,998</b>
<b>Secured Total</b>						
Standard Asset	2,35,84,45,268	1,70,64,28,553	31,04,213	42,66,071	2,35,53,41,055	1,70,21,62,482
Sub Standard Asset	6,27,91,550	6,98,54,892	2,06,64,903	69,85,486	4,21,26,647	6,28,69,406
Doubtful Asset	3,18,91,759	-	80,82,280	-	2,38,09,479	-
<b>Total Secured (A+B)</b>	<b>2,45,31,28,577</b>	<b>1,77,62,83,445</b>	<b>3,18,51,396</b>	<b>1,12,51,557</b>	<b>2,42,12,77,181</b>	<b>1,76,50,31,888</b>
<b>Unsecured Loans</b>						
<b>A) Two wheeler Loans</b>						
Standard Asset	-	-	-	-	-	-
Sub Standard Asset	-	4,14,38,193	-	1,03,59,548	-	3,10,78,645
Doubtful Asset	-	12,30,246	-	12,30,246	-	-
Loss Asset	-	-	-	-	-	-
<b>Total - A</b>	<b>-</b>	<b>4,26,68,439</b>	<b>-</b>	<b>1,15,89,794</b>	<b>-</b>	<b>3,10,78,645</b>
<b>B) Other loan</b>						
Standard Asset	-	-	-	-	-	-
Sub Standard Asset	-	2,74,356	-	68,590	-	2,05,766
Doubtful Asset	-	-	-	-	-	-
<b>Total - B</b>	<b>-</b>	<b>2,74,356</b>	<b>-</b>	<b>68,590</b>	<b>-</b>	<b>2,05,766</b>
<b>C) Credit Facility to Dealers</b>						
Standard Asset	1,60,34,315	1,00,19,009	40,086	25,047	1,59,94,229	99,93,962
Sub Standard Asset	32,17,493	11,34,234	3,21,749	9,67,231	28,95,743	1,67,003
Doubtful Asset	11,73,301	-	11,73,301	-	-	-
Loss Asset	-	-	-	-	-	-
<b>Total - C</b>	<b>2,04,25,109</b>	<b>1,11,53,243</b>	<b>15,35,136</b>	<b>9,92,278</b>	<b>1,88,89,973</b>	<b>1,01,60,965</b>
<b>Unsecured Total</b>						
Standard Asset	1,60,34,315	1,00,19,009	40,086	25,047	1,59,94,229	99,93,962
Sub Standard Asset	32,17,493	4,28,46,783	3,21,749	1,13,95,369	28,95,743	3,14,51,414
Doubtful Asset	11,73,301	12,30,246	11,73,301	12,30,246	-	-
Loss Asset	-	-	-	-	-	-
<b>Total Unsecured (A+B+C)</b>	<b>2,04,25,109</b>	<b>5,40,96,038</b>	<b>15,35,136</b>	<b>1,26,50,662</b>	<b>1,88,89,973</b>	<b>4,14,45,376</b>
<b>Grand Total</b>	<b>2,47,35,53,686</b>	<b>1,83,03,79,483</b>	<b>3,33,86,532</b>	<b>2,39,02,219</b>	<b>2,44,01,67,154</b>	<b>1,80,64,77,264</b>

**Note:29A Disclosure as required under RBI notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020 on COVID-19**

Particulars	Rs.
i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	97,25,61,978
ii) Respective amount where asset classification benefits is extended	52,42,57,213
iii) Provisions made during the Q4 - FY2020 # (Refer Note 21)	4,86,28,099
In respect of accounts in default but standard where moratorium upto 3 months is granted, and asset classification benefit is extended, the Company has made general provisions of not less than 5 per cent of the total outstanding of such accounts as applicable for the quarter ended 31 March 2020 within the overall provision requirement of 10% of the total outstanding to be spread equally over two quarters. Balance general provision of not less than 5% of the total outstanding of such accounts is to be made for the quarter ending 30 June 2020.	
iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions	-





**Orange Retail Finance India Private Limited**  
**Notes forming part of the financial statements for the year March 31, 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

**Note 30 : - Prior Period items**

The management has identified the following prior period errors in the financial statements during the current year.

Particulars	31-Mar-20	31-Mar-19
Operating expenses	14,40,926	1,09,67,282
Provision for Tax for FY 2018-19 - Short provision	42,561	-
Unreconciled collections	-	1,14,57,324
Other income	(28,36,794)	(29,17,937)
<b>Total</b>	<b>(13,53,307)</b>	<b>1,95,06,669</b>

**Note 31 : Disclosure on Securitisation**

(a) Disclosure as per RBI circular no. DBOD.No.BP.BC.60/21.04.048/200506 dated February 1, 2006.

Particulars		Rs.	
		31-Mar-20	31-Mar-19
i)	Total number of loan assets securitized during the year	17,739	-
ii)	Book value of loan assets securitized during the year	78,46,83,245	-
iii)	Sale consideration received	69,41,25,587	-
iv)	Credit enhancement provided during the year	1,64,22,463	-
v)	Un-amortised interest spread as at year end	6,79,85,348	-
vi)	Interest spread recognised in the statement of Profit & Loss during the year (including amortization of unamortised interest spread)	3,27,77,809	-

(b) Disclosure as per RBI Guidelines on Securitisation DNBR.PD.008/03.10.119/2016-17 dated Sep 01, 2016 updated as of Apr 16, 2019

Particulars		Rs.	
		31-Mar-20	31-Mar-19
(i)	No. of SPVs sponsored by the NBFC for securitisation transactions	1	-
(ii)	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	23,72,13,350	-
(iii)	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance sheet		
	<b>a) Off-balance sheet exposures</b>		
	• First loss	-	-
	• Others	-	-
	<b>b) On-balance sheet exposures</b>		
	• First loss	2,34,60,661	-
	• Others	-	-
(iv)	Amount of exposures to securitisation transactions other than MRR		
	<b>a) Off-balance sheet exposures</b>		
	<u>i) Exposure to own securitisations</u>		
	• First loss	-	-
	• Others	-	-
	<u>ii) Exposure to third party securitisations</u>		
	• First loss	-	-
	• Others	-	-
	<b>b) On-balance sheet exposures</b>		
	<u>i) Exposure to own securitisations</u>		
	• First loss	1,64,22,463	-
	• Others	-	-
	<u>ii) Exposure to third party securitisations</u>		
	• First loss	-	-
	• Others	-	-



**Orange Retail Finance India Private Limited**  
**Notes forming part of the financial statements for the year March 31, 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

**Note 32 : Income/Expenditure in foreign currency**

There are no income/expenditure in foreign currency during the current and the previous year.

**Note 33 : Value of imports on C.I.F basis**

The Company is Non-deposit accepting Non-Banking Financial institution registered with the Reserve bank of India. There were no imports made by the company during the current and the previous year.

**Note 34 : Comparatives**

Previous year figures have been regrouped/reclassified, where necessary, to confirm to current year's classification.

As per my report of even date

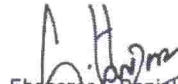
For M/s.V.Nagarajan & Co.  
Chartered Accountants  
ICAI Firm registration number :04879N

  
A.G. Sitaraman  
Partner  
Membership no: 017799

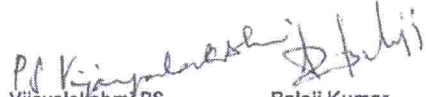


Place: Hyderabad  
Date : 29/9/20

For and on behalf of the Board of Directors of  
**Orange Retail Finance India Private Limited**

  
Ebenezer G Daniel  
MD and CEO  
DIN: 06672917

  
Seetharaman A  
Executive Director  
DIN: 08760898

  
Vijayalakshmi PS  
Chief Financial Officer

Balaji Kumar  
Company Secretary  
Membership no: A44276

Place: Chennai  
Date : 29/9/20

