



Orange Retail Finance India Private Limited

ANNUAL REPORT 2021



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Corporate Information

Board of Directors:

Mr. Ebenezer Daniel G	Managing Director & CEO
Mr. Mahesh S	Executive Director
Mr. A Seetharaman	Executive Director
Mr. Ashvin Chadha	Director
Mr. IAS Balamurugan	Director

Audit Committee:

Mr. IAS Balamurugan	Chairman
Mr. Ebenezer Daniel G	Member
Mr. A Seetharaman	Member
Mr. Ashvin Chadha	Member

Borrowing Committee:

Mr. Ebenezer Daniel G	Chairman
Mr. A Seetharaman	Member
Mr. IAS Balamurugan	Member
Mr. Ashvin Chadha	Member

Asset Liability Management Committee:

Mr. Ebenezer Daniel G	Chairman
Mr. A Seetharaman	Member
Mr. IAS Balamurugan	Member

Risk Management Committee:

Mr. Ebenezer Daniel G	Chairman
Mr. A Seetharaman	Member
Mr. IAS Balamurugan	Member
Mr. Rajkumar M	Member

Corporate Information

Company Secretary:	Mr. Balaji Kumar
Registered Office:	No. 4/363, 2nd Floor, Kandhanchavadi, Old Mahabalipuram Road, Chennai – 600096
CIN:	U65191TN1989PTC018026
Auditors:	V Nagarajan & Co., Chartered Accountants
Registrar and Transfer Agent:	Integrated Registry Management Services Private Limited 2nd Floor Kences Towers ,1 Ramakrishna Street, North Usman Road T Nagar, Chennai – 600017.

Our Bankers & Lenders

- Ambit Finvest Private Limited
- ESAF Small Finance Bank Limited
- Hinduja Leyland Finance Limited
- IKF Finance Limited
- Muthoot Capital Services Limited
- Northern Arc Capital Limited
- Samunnati Financial Intermediation
& Services Private Limited
- The Karur Vysya Bank Limited
- Western Capital Advisors Private Limited
- AU Small Finance Bank Limited
- DCB Bank Limited
- Fincare Small Finance Bank Limited
- IDFC First Bank Limited
- InCred Financial Services Limited
- Niyogin Fintech Limited
- Profectus Capital Private Limited
- Sundaram Finance Limited
- Vivriti Capital Private Limited

Debenture Trustees

- IDBI Trusteeship Services Limited
- Catalyst Trusteeship Limited
- Milestone Trusteeship Services Private Limited

About ORFIL



OUR VISION

To be the preferred neighbourhood financier for every household of semi-urban and rural markets.



OUR MISSION

To be a transparent financier with a deep understanding of our target segment and make an impact in the markets with customised products and hassle-free process.

Orange Retail Finance India Private Limited commenced its business operations in the year 2014. Being a Traditionally Digital player in the industry for the last 7 years, ORFIL has established its footprints in all the south Indian states covering the last mile where there is a need for credit. ORFIL's domain expertise and digital inclusion have paved the way to connect with over 10,000+ villages and become a household name in the country. Currently ORFIL has 75+ Branches with over 1.35 Lakhs happy customers.

ORFIL offers easy-to-access, low-cost mobility, and livelihood solutions to rural and semi-urban markets of the country. Its USP includes customized product offerings, quick loan processing and robust digital network.



PRODUCT PORTFOLIO



**Two Wheeler
Loans**

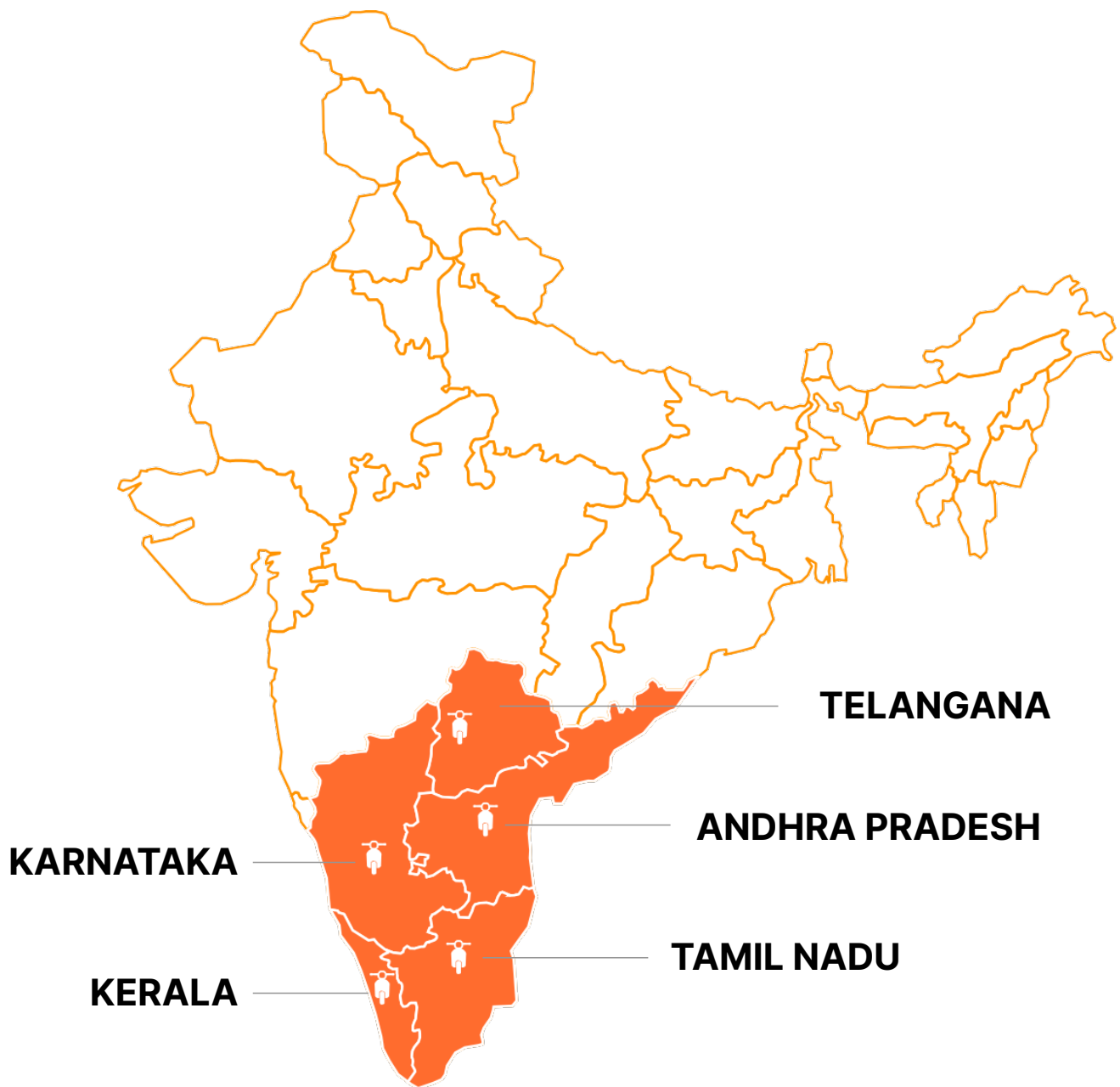


**Loan Against
Property & Swift
Cash Loan**



**Digital, Electric
& Enterprise TW
Loans**

Our Presence



Message from MD & CEO



Dear Members,

It gives me immense pleasure to share with you our Annual Report for the Financial Year 2020 - 2021. FY 2021 was an extraordinary and challenging year due to the immense impact of the Covid 19 pandemic, which is once in a 100-year scenario. Nevertheless, we as a team are proud that we were able to tide over the pain inflicted by the pandemic and managing these situations gave us enormous confidence to move forward. The strategies we adopted helped us good.

For an organization of our size, survival during the pandemic was crucial and of mammoth importance. I can proudly say that we have survived the year of survival.

During the 1st half of the financial year, it was a complete lockdown scenario, where the business was at grounding halt. Understanding the gravity of the scenario, we immediately worked on a hybrid model of collections viz physical / UPI / Digital mode of payments, and we had adopted 3-layer collection mechanism namely Front End, 1-90 and 90+ teams to handle the portfolio efficiently. The entire Organization supported us in the collection process during the lockdown.

UPI mode of collections helped us to a large extent in managing the collections. During the pandemic, 22,000+ customers were converted to digital mode of payment who otherwise prefers to pay in cash. This is a phenomenal shift in our customer segment.

We had also offered moratorium to our customers based on their eligibility in line with RBI regulations. Further, we had also offered resolution plans to our customers pursuant to RBI's guideline on 'Resolution framework for COVID-19 related stress'. Even with the global pandemic, we were able to retain our rating at CRISIL BBB-/Stable.

We restarted our business in October 2020 with stringent underwriting norms and tried to implement the learnings from the pandemic. We have ended our spree with an AUM of Rs.341 Crores as of March 2021.

Way Forward

FY 2021 – 2022 will be the year of growth regardless of the short setback due to the 2nd wave of the global pandemic. We have implemented many changes which will help in scaling the business with requisite controls in place. Comparing the H1 FY-22, the rural market trend of the second half of the year seems to be positive and to capitalise on this trend we have implemented various measures which includes the following:-

- Thunder Branch / Business of Self-Service Model i.e a business model for faster disbursements.
- Risk based pricing
- Rule based credit engine
- Geo fencing of customers and TW dealers
- Competitive Schemes at par with Banks / Large NBFC's.
- Adequate deployment of Trade Advance
- OCR based KYC document capture & validation
- Inhouse customized Customer Relationship Management (Mobile & Web)
- Dealer Connect – A self Service Dealer Portal
- AWS infrastructure to handle the scale of business.

On the collections front, with our 3 layered in house collection model, we are positive that we will close our collections with comfortable NPA which will be one of the best in Two-Wheeler space.

Loan Against Property

70% of our existing Two-Wheeler customers are self-employed and we feel that there is unexplored opportunity in lending against properties in the geography we operate. In this context, we have recently launched Loan Against Property as a pilot product through the Co-Lending model in the state of Tamilnadu and partnered Capital India for colending to the tune of 50Cr.

Digital Outlook

As the era is Digital, we have understood the need to launch a Digital Sourcing Platform & the thought process have resulted with the launch of “FINMOBI” a mobile app & “DIGIWHEELS” a web-based platform for sourcing customers online. Our aim is to launch technology led products & solutions with competitive capabilities for expanding our customer base and derive the benefit of scale and operational efficiency. These products are in beta stage and expected to be ready for commercial launch in the month of December 2021.

Fund Raise

I would also like to inform you that we are planning for a fund raise in Q4 of the current financial year. We will share the details with you shortly once the stage is set for the same.

With the aforesaid advancements, our immediate goal is to reach Rs.1000 Crs of AUM in the next 18 months.

I would like to thank RBI and other regulators who have been very supportive during Industry undergoing a difficult phase. Our employees continue to be our greatest strength. They have worked with extraordinary commitment during the year. I express my gratitude to all our employees and their families for their sustained contribution and support during these tough times. I thank the Board for their guidance and support. I would also like to thank our shareholders, bankers, lenders, rating agencies, business partners and other stake holders for their continued trust and patronage. On behalf of the Board of Directors I wish to thank you all for your continued trust, confidence, and support. Orange Retail Finance India shall always endeavor to add value to its investors and other stakeholders.

Best Wishes

Ebenezer Daniel G

Founder, MD & CEO

Board of Directors

Ebenezer Daniel G

Founder, MD & CEO



- Mr. Daniel was brought up in Madurai
- He is a management graduate from the American College, Madurai and a first-generation self-made entrepreneur.
- He had worked with CitiFinancial and his last stint before ORFIL was with Fullerton India where he was the Business Head of Tamil Nadu entrusted with the responsibility of setting up the semi urban business in TN clusters & was handling branch-based retail assets, including sales and collections for Personal Loan, Business Loan, Mortgage loans and two-wheeler loans etc.
- He founded ORFIL in the year 2014 with a vision to become the preferred neighbourhood financier of rural and semi urbans markets of the country by providing financial services through an organised lending platform.

Mahesh Sehsadari

Executive Director



- Mr. Mahesh is a management graduate from Madras Christian College
- He has over 17+ years of experience in the retail assets & distribution
- His last stint was with Fullerton & ICICI Bank.

A Seetharaman

Executive Director



- Mr. Seetharaman comes with more than 2 decades of rich experience in the banking and financial service space.
- He has exposure in the areas of Strategy, Process & Change Management, Retail Distribution, Risk Management, Business Operations & Product Development.
- His last stint was with LVB and ICICI Bank.

Board of Directors



Ashvin Chadha

Non-Executive Director

- Mr. Ashvin Chadha has spent over a decade working in the financial services industry both in India and the United States. He started his professional career as an investment banker with Morgan Stanley in New York.
- He then joined General Atlantic LLC, a worldwide private equity firm, where he was based in the New York City and Greenwich offices.
- Ashvin moved to India in 2006 to join the core team to set up the Mumbai office for India Equity Partners (IEP), a \$350mm India focussed Private Equity Fund. In 2011, Ashvin moved to Delhi to set up his own family office to invest in debt securities of mid-market Indian companies. He has successfully invested over INR 100cr of proprietary capital in debt securities across 20 companies in the last 5 years.
- Ashvin completed his education from Wesleyan University and The London School of Economics.



IAS Balamurugan

Non-Executive Director

- Mr. I A S Balamurugan has over 22 years of experience in Banking and Financial Services industry. He co-founded Metis Family Office Services Pvt Ltd in the year 2010.
- Prior to founding Metis, Bala has held credible positions in the senior management of Institutions like Citibank, UBS & ICICI bank for almost 17 years.
- He has a diverse domain specialization across banking businesses, namely Private Wealth Business, Commercial Banking, Investment Banking, Corporate finance.
- Bala has a BE and MBA from Madurai Kamaraj University.

Strategic Advisors

Dr. Shailesh J. Mehta

Dr. Shailesh J Mehta is the Managing General Partner of Granite Hill Capital Partners, a Private Equity Fund targeted to invest in India. He is former Chairman of the Board and CEO of Providian Financial Corporation and served on the Boards of Paypal and Mastercard. Most recently, he was a General Partner with Invesco funds, with over US\$ 7 billion under management. He also served as operating general partner of West Bridge Capital (2001-2004) (Now Sequoia India – with over \$400 million under management). He also served as the President and COO of Capital Holding. Prior to that, Dr. Mehta was the Executive Vice President of Key Corp (formerly Ameritrust) (1973- 1986), a largest commercial bank in Ohio.



R. Parthasarathy

A Chartered Accountant, with more than 30 years of experience in various sectors that includes NBFCs, Manufacturing, Real estate and Retail Assets. Served as Vice President – Credit and Risk at Shriram City Union Finance managing the Retail portfolios. Earlier experience include a stint outside India as the Head of Business for an Auto components conglomerate and was the CEO of the Indian Arm.



Senior Management Personnel



Rajkumar M

Chief Risk Officer

- Over 22+ years of experience in Banking/ NBFC operations, Credit & Risk management, credit administration, business development and customer relationship management.
- Previously worked with BPL, ICICI Bank and Reliance Capital.



France Vijay SM

Business Head, Two Wheeler Finance

- Over 21 years of qualitative experience in Banks / NBFC's like TVS Credit, Indusind bank & Ashok Leyland.
- In his last stint in TVS credit as Business Head, he was instrumental in increasing the book size from 400 Crores to 4000 Crores and achieved PBT of 150 Crores.
- He has handled 3000+ Dealers , 2500 + CSE's, 180+ Crs of Trade Advance.



Prasadkumar

Head Collections

- Over 16+ years of qualitative experience across multiple collection verticals in the BFSI Industry.
- His last stint was with leading corporates like IDFC First Bank, Axis Bank, SBI Cards & ICICI Bank.



Ramesh R

Head, Credit Underwriting

- Over 25 years of experience in Credit Underwriting, Operational Audit, Risk Containment.
- Previously worked with Fullerton, HDFC Bank, ICICI, Ashok Leyland.

Senior Management Personnel



Lalit Kumar Rout

Chief Technology Officer

- Over 20+ years of experience in Banking / NBFC industry in administering complex IT projects, Business Applications, IT security, IT infrastructure, Service delivery, Solution design and development.
- Previously worked with Reliance Capital, Indusind Bank and CMS Ltd.



Balaji TK

Chief Information Officer

- Over 22 years of experience in business application and technology domain.
- Previously worked with Viveks, Talent Maximus.



Meeran M S N

Head, Internal Audit & RCU

- Over 19 years of rich experience in Audit and Risk Management.
- Previously worked with KPMG, ICICI, Bank Limited, HSBC.

Senior Management Personnel



Dr. Yegnaramakrishnan G

Head, Human Resource

- Over 20+ years of rich experience in Human Resource Management, Product Development, Capability Building.
- Previously worked with Tata Teleservices, Reliance Industries and Hindustan Unilever.



Balaji Kumar

Company Secretary

- Member of Institute of Company Secretaries of India.
- Over 5 years of rich experience in Legal, Secretarial & Corporate laws.

Key Milestones

Feb 2014 - Oct 2015

- Commenced NBFC operations.
- Partnered with RBL for BC.

Jun 2017 - Sept 2017

- Anchor Investors onboarded.
- Commenced Co-lending with Incred.
- Rs. 40 crs. of AUM.

Jan 2018 - May 2018

- Acquired Rs. 40 crs of RBL portfolio.
- Capital Infusion of Rs. 35 crs.
- Rs. 96 crs of AUM.

March 2019

- Rs. 100 crs. of debt mobilisation despite challenging market conditions.
- Rs. 56 crs Equity infusion.
- Rs. 276 crs of AUM.

February 2020

- Rs. 70 Crs. raised through securitization.
- Opened 75th branch.

March 2020

- Raised debt capital of Rs. 150 crs.
- Rs. 95 crs of Net worth.
- Operating profit of Rs. 2.27 crs.
- Rs. 404 crs of AUM.

September 2020

- Commenced co-lending with BharatPe.
- Strengthening of core Management.

March 2021

- Raised Rs.53.75Cr of Debt funding.
- Raised Rs.11.66 cr of Equity funding.

June 2021

- Rating: BBB-/ Stable, Re affirmed by CRISIL despite Covid-19 disruption.

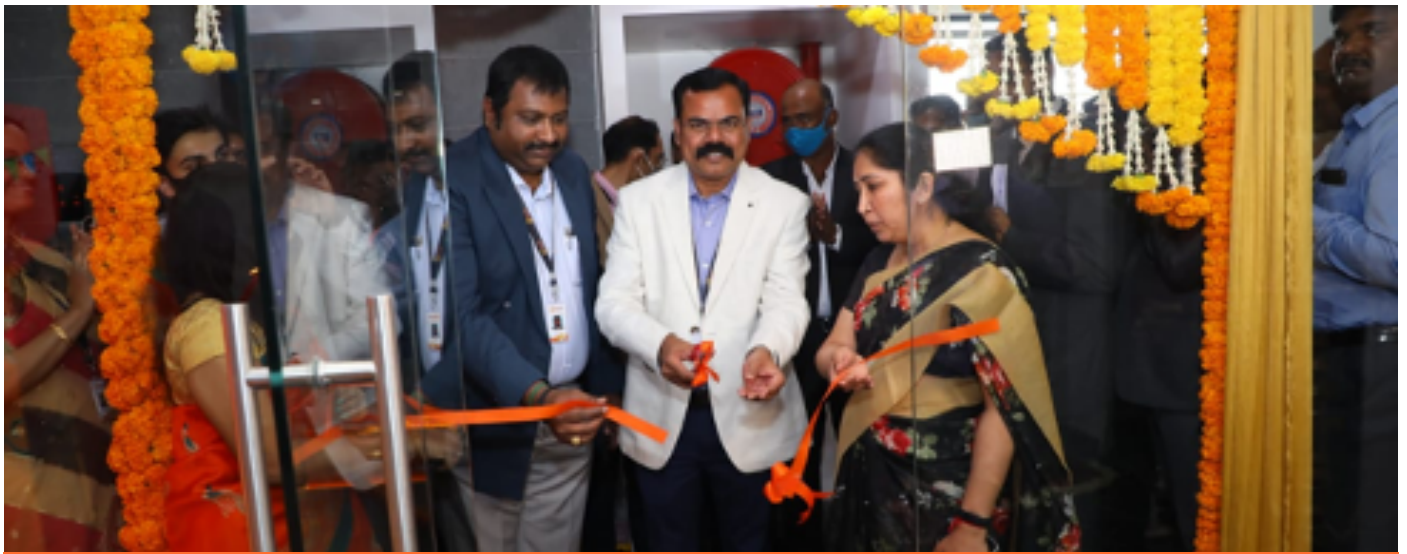
October 2021

- Commenced Co lending with TATA Capital for Rs. 200 Crores
- Commenced Co lending with Capital India for Rs.50 Crores

Business Highlights

Particulars	FY 21	FY 20
Branch Network(in nos.)	85	83
Disbursement	1,05,02,94,900	2,91,88,17,043
Assets Under Management(AUM)	3,41,04,57,306	4,04,16,28,355
Net Income Margin (NIM)	50,29,94,357	47,45,73,648
Operating Profit	-13,83,17,102	2,27,41,228
Profit Before Tax	-11,99,33,748	-2,58,86,871
Profit After Tax	-8,11,50,066	-1,91,59,051
Key Ratios (in%)*		
NIM	13.50%	13.96%
Expense Ratio	18.80%	20.24%
Gross NPA	30,72,01,268.16	23,88,59,216.45
Net NPA	26,44,77,184.77	20,86,16,983.46
Tier I Capital	90,14,79,109	92,38,10,322
Tier II Capital	-1,66,67,240	-1,67,97,263
Capital Adequacy Ratio	35.66%	31.99%
Return on Total Assets -PBT	-2.18%	-0.56%
Return on Equity	-8.23%	-2.02%

Corporate Events



CORPORATE OFFICE INAUGURATION



ORANGE TENALI EMPLOYEE CONNECT



EVOLVE - BUSINESS MEET

BOARD'S REPORT

Dear Members,

The Board of Directors ("**Board**") are pleased to present the Company's Thirty Second Annual Report together with the Audited Financial Statements and the Auditor's Report for the financial year ended 31st March 2021.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(In INR)

PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Revenue from Operations	82,64,67,858	92,17,57,799
Other Income	68,50,925	1,36,52,304
Profit/loss before Depreciation, Finance Costs, Exceptional items, and Tax Expense	13,22,24,177	33,34,23,735
Less: Depreciation and amortisation expense	1,77,62,532	175,74,535
Less: Finance Costs	25,27,78,748	29,31,07,972
Profit /loss before Exceptional items and Tax Expense	(13,83,17,102)	2,27,41,228
Less: Exceptional items	(1,83,83,354)	4,86,28,099
Profit /loss before Tax Expense	(11,99,33,748)	(2,58,86,871)
Less: Tax Expense (Current & Deferred)	(3,87,83,682)	(67,27,820)
Profit /loss for the year	(8,11,50,066)	(1,91,59,051)

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

Orange Retail Finance India Private Limited has expanded its Business operations by venturing into new product Loan Against Property. The Company has also established its digital platform "Digi Wheels", mobile application "fin Mobi App", tag bot "Vannakam Chennai" and mascot "Orange Tenali". The Company is currently operating in 75 branches across the states of Tamilnadu, Kerala, Andhra Pradesh, Karnataka and Telangana. During the year, the Company has officially launched its new Logo and has shifted its Registered office to a new Location in Chennai.

3. CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the business activity of the Company during the financial year 2020-21.

4. CHANGE IN SHARE CAPITAL:

The Company has not increased its Authorised Share Capital during the year. However, has made preferential allotment of 6,909 Equity Shares on 23rd January 2021, 2,299 Equity Shares on 02nd February 2021 and 3,189 Equity Shares on 31st March 2021.

5. TRANSFER TO RESERVES:

In view of the loss incurred, no amount has been transferred to the Reserves for the Financial Year 2020-21.

6. DIVIDEND:

In view of the loss incurred, the Board of Directors of the Company does not recommend any Dividend for the financial year 2020-21.

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:

Due to the spread of SARS-CoV-2 virus responsible for COVID-19, the Government of the respective States had announced lockdown in various States across South India which impacted the Business to a greater extent. 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:

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

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

During the year 2020-21, 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. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016):

During the year 2020-21, no application was made and there are no proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

11. 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, 2021 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 2020-21.

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 2020-21 the Audit Committee met five times:

Name of Director	Category	No. of Meetings in which Director/ Member is entitled to attend	
		Held	Attended
Mr. Ilayaaranachalam Shanmugasamy Balamurugan	Chairman	5	5
Mr. Ebenezer Daniel G	Member	5	5
Mr. Mahesh Seshadari*	Member	2	1
Mr. Ashvin Chadha	Member	5	1
Mr. Ananthakrishnan Seetharaman *	Member	3	3

**During the year 2020-21, the Company reconstituted the Audit Committee*

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 2020-21.

As regards investments made by the company, the details of the same are provided under note 14 in Financial Statements of the company for the year ended 31 March 2021.

17. BOARD MEETINGS AND COMMITTEE MEETINGS:

A. Board Meeting:

The Board of Directors of the Company met 15 (Fifteen) times during the Financial Year 2020-21. 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:

S. No	Date of Board Meetings	Mr. Ebenezer Daniel G	Mr. Mahesh Seshadari	Mr. Ilayaarunachalam Shanmugasamy Balamurugan	Mr. Ashvin Chadha	Mr. Ananthakrishnan Seetharaman
1	17 June, 2020	Yes	Yes	Yes	No	NA
2	26 June, 2020	Yes	Yes	Yes	Yes	Yes
3	26 August, 2020	Yes	Yes	Yes	No	Yes
4	29 September 2020	Yes	Yes	Yes	No	Yes
5	02 November 2020	Yes	Yes	Yes	No	Yes
6	07 December 2020	Yes	Yes	Yes	No	Yes
7	15 December 2020	Yes	Yes	Yes	No	Yes
8	16 December 2020	Yes	Yes	Yes	No	Yes
9	13 January 2021	Yes	Yes	Yes	No	Yes
10	16 February 2021	Yes	Yes	Yes	Yes	Yes
11	01 March 2021	Yes	Yes	Yes	No	Yes
12	15 March 2021	Yes	Yes	Yes	No	Yes
13	22 March 2021	Yes	Yes	No	No	Yes
14	27 March 2021	Yes	Yes	Yes	No	Yes
15	31 March 2021	Yes	Yes	Yes	No	Yes
Total Number of Meeting Attended by the Directors		15	15	14	2	14

B. Borrowing Committee:

During the year under review, the Company reconstituted the Borrowing Committee. The composition of the Committee is as follows:

1. Mr. Ebenezer Daniel G – Chairman
2. Mr. Ilayaarunachalam Shanmugasamy Balamurugan – Member
3. Mr. Ashvin Chadha - Member
4. Mr. Ananthakrishnan Seetharaman – Member

S. No	Date of Meetings	Mr. Ebenezer Daniel G	Mr. Ilayaarunachalam Shanmugasamy Balamurugan	Mr. Ashvin Chadha	Mr. Ananthakrishnan Seetharaman
1	27 October 2020	Yes	No	No	Yes
2	16 November 2020	Yes	No	No	Yes
3	27 November 2020	Yes	No	No	Yes
4	11 December 2020	Yes	Yes	No	Yes
5	01 February 2021	Yes	No	No	Yes
6	24 February 2021	Yes	No	No	Yes
7	26 February 2021	Yes	No	No	Yes
8	25 March 2021	Yes	Yes	Yes	Yes
Total Number of Meeting Attended by the Directors		8	2	1	8

C. Audit Committee:

During the year under review, the Company reconstituted the Audit Committee. The composition of the Committee is as follows:

1. Mr. Ilayaaranachalam Shanmugasamy Balamurugan – Chairman
2. Mr. Ebenezer Daniel G – Member
3. Mr. Ashvin Chadha - Member
4. Mr. Ananthakrishnan Seetharaman – Member

S. No	Date of Meetings	Mr. Ebenezer Daniel G	Mr. Mahesh Seshadari	Mr. IAS Balamurugan	Mr. Ashvin Chadha	Mr. A Seetharaman
1	16 May 2020	Yes	No	Yes	No	NA
2	26 June 2020	Yes	Yes	Yes	Yes	NA
3	29 September 2020	Yes	NA	Yes	No	Yes
4	02 November 2020	Yes	NA	Yes	No	Yes
5	27 March 2021	Yes	NA	Yes	No	Yes
Total Number of Meeting Attended by the Directors		5	1	5	1	3

D. Asset Liability Management Committee:

During the year under review, the Company reconstituted Asset Liability Management Committee. The composition of the Committee is as follows:

1. Mr. Ebenezer Daniel. G – Chairman
2. Mr. Ananthakrishnan Seetharaman – Member
3. Mr. Ilayaaranachalam Shanmugasamy Balamurugan - Member

S. No	Date of Meetings	Mr. Ebenezer Daniel G	Mr. Mahesh Seshadari	Mr. Ilayaaranachalam Shanmugasamy Balamurugan	Mr. Ananthakrishnan Seetharaman
1	17 June 2020	Yes	Yes	Yes	NA
2	28 September 2020	Yes	NA	No	Yes
3	07 December 2020	Yes	NA	Yes	Yes
4	15 March 2020	Yes	NA	Yes	Yes
Total Number of Meeting Attended by the Members		4	1	3	3

E. Risk Management Committee:

During the year under review, the Company constituted Risk Management Committee. The composition of the Committee is as follows:

1. Mr. Ebenezer Daniel. G – Chairman
2. Mr. Ananthakrishnan Seetharaman – Member
3. Mr. Ilayaarunachalam Shanmugasamy Balamurugan – Member
4. Mr. Rajkumar M - Member
5. Ms. Vijayalakshmi P S - Member

S. No	Date of Meetings	Mr. Ebenezer Daniel G	Mr. Ilayaarunachalam Shanmugasamy Balamurugan	Mr. Ananthakrishnan Seetharaman	Mr. Rajkumar M	Ms. Vijayalakshmi PS
1	26 June 2020	Yes	Yes	Yes	Yes	Yes
2	28 September 2020	Yes	No	Yes	Yes	Yes
3	07 December 2020	Yes	Yes	Yes	Yes	Yes
4	15 March 2020	Yes	Yes	Yes	Yes	Yes
Total Number of Meeting Attended by the Members		4	3	4	4	4

18. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- (i) Mr. Ananthakrishnan Seetharaman was appointed as the Additional Director of the Company in the Board Meeting held on 17th June 2020.
- (ii) Mr. Ananthakrishnan Seetharaman was appointed as the Executive Director of the Company at the Annual General Meeting held on 30th September 2020.
- (iii) Ms. Vijayalakshmi PS resigned as the Chief Financial Officer of the Company with effect from 04th August 2021.

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 constituted Risk Management Committee and has subsequently modified Risk Management Policy during the financial year 2020-21.

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:

M/s. V. Nagarajan & Co, Chartered Accountants, (Firm Registration Number 04879N) was appointed as the Statutory Auditors at the AGM held on 30th September 2020 till the conclusion of the AGM to be held in the year 2025. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017, notified on May 7, 2018. During the year, the Statutory Auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013.

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 2020-21.

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.

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 earnings /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 Company has upgraded the standard of the Policy and the same is available on the website of the Company www.orangeretailfinance.com.

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 2020-21:

Complaints at the beginning of the year	Complaints received during the year	Complaints resolved during the year	Complaints pending at the end of the year
-	1	1	-

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:

In relation to reporting of Fraud by Auditors, the details of the same are provided under point x Annexure A to the Independent Auditor's report for the year ended 31 March 2021.

31. CREDIT RATING

During the Year 2020-21, we were able to maintain the rating at BBB/- Stable from CRISIL for both term loans and Non Convertible Debentures despite the pandemic situation.

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**

Date: 10th November 2021

Place: Chennai

**Ebenezer Daniel G
Managing Director & CEO
DIN: 06672917**

**A Seetharaman
Executive Director
DIN: 08760898**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2021

[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. 4/363, 2 nd Floor, Kandhanchavadi, Old Mahabalipuram Road, Chennai - 600096
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, 5 th 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	87.4%

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					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	57,456	57,456	16.38	57,456	-	57,456	15.82	(0.56)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Body Corporates	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	57,456	57,456	16.38	57,456	-	57,456	15.82	(0.56)
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other – individuals	-	-	-	-	-	-	-	-	-
c) Body Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	57,456	57,456	16.38	57,456	-	57,456	15.82	(0.56)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Funds Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Body Corporates -									
i) Indian	1,18,792	73,781	1,92,573	54.89	1,18,792	81,222	2,00,014	55.06	0.17
ii) Overseas	-	21,669	21,669	6.18	-	23,968	23,968	6.60	0.42
b) Individual -									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	298	2,310	2,608	0.74	298	2,310	2,608	0.72	(0.02)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	28,012	38,158	66,170	18.86	28,012	39,752	67,764	18.65	(0.21)
c) Others (specify)									
Non-Resident Indians	3,372	1,863	5,235	1.49	3,372	1,863	5,235	1.44	(0.05)
Trust	-	5,139	5,139	1.46	-	6,202	6,202	1.71	0.25
Sub-total (B)(2)	1,50,474	1,42,920	2,93,394	83.62	1,50,474	1,55,317	3,05,791	84.18	0.56
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,50,474	1,42,920	2,93,394	83.62	1,50,474	1,55,317	3,05,791	84.18	0.56
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	1,50,474	2,00,376	3,50,850	100	2,07,930	1,55,317	3,63,247	100	0.00

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during 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	28,728	8.19	0.00	28,728	7.91	0.00	(0.28)
2	Mr. Mahesh Seshadari	28,728	8.19	0.00	28,728	7.91	0.00	(0.28)
	TOTAL	57,456	16.38	0.00	57,456	15.82	0.00	(0.56)

(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	28,728	8.19		NIL		28,728	7.91
	Shareholding at the end of the year	28,728	7.91					
2	Mr. Mahesh Seshadari	28,728	8.19		NIL		28,728	7.91
	Shareholding at the end of the year	28,728	7.91					

(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	46.76	Nil			1,64,046	45.16
	Shareholding at the end of the year	1,64,046	45.16					
2	Granite Hill Opportunities Fund II LP	21,669	6.18	02.02.2021	Increase – 2,299 Equity Shares	Allotment – Private Placement	23,968	6.60
	Shareholding at the end of the year	23,968	6.60					
3	Atma Ram Builders Private Limited	11,945	3.40	23.01.2021 & 31.03.2021	Increase – 7,441 Equity Shares	Allotment – Private Placement	19,386	5.34
	Shareholding at the end of the year	19,386	5.34					
4	Mr. V.P. Nandakumar	12,730	3.63	Nil			12,730	3.50
	Shareholding at the end of the year	12,730	3.50					
5	Dominor Investment Holding LLP	6,744	1.92	Nil			6,744	1.86
	Shareholding at the end of the year	6,744	1.86					
6	Mr. Bhanu Chopra	5,959	1.70	Nil			5,959	1.64
	Shareholding at the end of the year	5,959	1.64					
7 (A)	Ms. Jyothi Prasannan	4,469	1.27	Nil			4,469	1.23
	Shareholding at the end of the year	4,469	1.23					
7 (B)	Beeline Impex Private Limited	4,469	1.27	Nil			4,469	1.23

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
	Shareholding at the end of the year	4,469	1.23					
8	Mr. Jitendra Gupta	3,738	1.07	Nil			3,738	1.03
	Shareholding at the end of the year	3,738	1.03					
9	Kalpa Mehta & Shailesh J Mehta	3,372	0.96	Nil			3,372	0.93
	Shareholding at the end of the year	3,372	0.93					
10	UTPL Corporate Trustees Private Limited Managing Trustee of Rukam Capital Trust	2,160	0.62	31.03.2021	Increase in Shareholding	Allotment – Private Placement	3,223	0.89
	Shareholding at the end of the year	3,223	0.89					

(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	28,728	8.19	Nil			28,728	7.91
	Shareholding at the end of the year	28,728	7.91					
2	Mr. Mahesh Seshadari	28,728	8.19	Nil			28,728	7.91

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
	Shareholding at the end of the year	28,728	7.91					
3	Mr. IAS Balamurugan	22,054	6.29	Nil			22,054	6.07
	Shareholding at the end of the year	22,054	6.07	-	-	-	-	-
4	Mr. Ashvin Chadha	3,738	1.07	Nil			3,738	1.03
	Shareholding at the end of the year	3,738	1.03	-	-	-	-	-

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	1,98,07,88,454	-	-	1,98,07,88,454
(ii) Interest due but not paid	-			-
(iii) Interest accrued but not due	1,62,87,114			1,62,87,114
Total (i+ii+iii)	1,99,70,75,568	-	-	1,99,70,75,568
Change in Indebtedness during the financial year				
Addition	62,64,81,080	5,00,00,000	-	67,64,81,080
Reduction	1,07,50,36,500	5,00,00,000	-	1,12,50,36,500
Net Change	(44,85,55,420)	-	-	(44,85,55,420)
Indebtedness at the end of the financial year				
(i) Principal Amount	1,53,22,33,034	-	-	1,53,22,33,034
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	75,52,736	-	-	75,52,736
Total (i+ii+iii)	1,53,97,85,770	-	-	1,53,97,85,770

I. 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	#Mr. A Seetharaman Executive Director	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,28,000	33,87,000	39,00,000	1,23,15,000
	(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 - As % of profit - Others specify	NIL	NIL		NIL
5	Others, please specify	NIL	NIL		NIL
	Total (A)	50,28,000	33,87,000	39,00,000	1,23,15,000
	*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.

Mr. A Seetharaman was appointed as Additional Director on 17th June 2020 and was appointed as Executive Director at the AGM held on 30th September 2020.

B. Remuneration to other Directors:

There were no directors drawing remuneration of any kind other than aforesaid Directors during the year ended 31st March 2021.

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,58,396	44,00,004	51,58,400
	(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	-	-	-
	Total	7,58,396	44,00,004	51,58,400

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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Place: Chennai**Date: 10.11.2021**

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

Ebenezer Daniel G
Managing Director
DIN: 06672917

A Seetharaman
Executive Director
DIN: 08760898

<p style="text-align: center;">INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORANGE RETAIL FINANCE INDIA PRIVATE LIMITED</p>

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, 2021, 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, 2021, 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 3 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.

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 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, 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, 2021 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 reporting 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;
 - 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, 2021.

- 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.

Date: 03-Aug-2021
Place: Chennai
UDIN:21017799AAAAEQ9000

*for V. NAGARAJAN & Co.,
Chartered Accountants*

A.G Sitaraman
Partner
M. No.: 017799 | ICAI Firm Reg. No 04879N

Annexure “A” to the Independent Auditor’s Report of even date to the Members of Orange Retail Finance India Private Limited [the ‘Company’]

[Referred to in Para other legal and regulatory requirements of our report of even date]

(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 (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, professional tax, labour welfare fund and employees’ state insurance which were deposited 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, employees’ state insurance, income tax, service tax, value added tax, goods and services tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, 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 91 instances of fraud which was in nature of misappropriation of cash by staff was identified and the entire amount has been recovered from the concerned staff.

(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.

(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 Accountants

Date: 03-Aug-2021
Place: Chennai
UDIN: 21017799AAAAEQ9000

A.G Sitaraman
Partner
M. No.: 017799 | ICAI Firm Reg. No 04879N

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ORANGE RETAIL FINANCE INDIA PRIVATE LIMITED [the ‘Company’]

[Referred to in Para other legal and regulatory requirements of our report of even date]

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, 2021 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 2021, 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.

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 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 Accountants*

Date: 03-Aug-2021
Place: Chennai
UDIN: 21017799AAAAEQ9000

A.G Sitaraman
Partner
M. No.: 017799 | ICAI Firm Reg. No 04879N

Balance Sheet as at March 31, 2021

(All amounts in ₹. except otherwise stated)

Particulars	Note no.	As at March 31, 2021	As at March 31, 2020
Equity and liabilities			
Shareholders' funds			
Share capital	5	36,324,700	35,085,000
Reserves and surplus	6	949,465,931	915,237,118
		985,790,631	950,322,118
Non-current liabilities			
Long-term borrowings	7	652,687,227	982,662,213
Other long-term liabilities	8	7,632,203	7,632,203
Long-term provisions	9	40,637,018	8,014,107
		700,956,448	998,308,523
Current liabilities			
Short-term borrowings	10	34,894,076	49,880,438
Trade payables	11	15,588,120	7,465,730
Other current liabilities	8	1,105,078,151	1,053,991,392
Short-term provisions	9	43,953,294	91,102,029
		1,199,513,641	1,202,439,588
Total		2,886,260,720	3,151,070,229

Balance Sheet as at March 31, 2021

(All amounts in ₹. except otherwise stated)

Particulars	Note no.	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	12A	37,197,754	43,095,916
Intangible assets	12B	4,445,092	5,997,985
Deferred tax assets (net)	13	58,305,379	27,167,934
Non-current investments	14	132,005,000	-
Receivables under financing activities	15	1,265,353,267	1,365,833,536
Long-term loans and advances	16	2,400,000	-
Other non-current assets	17	24,054,666	24,054,666
		1,523,761,157	1,466,150,035
Current assets			
Current investments	14	464,469	48,957,144
Cash and bank balances	18	333,926,665	272,318,400
Receivables under financing Activities	15	769,375,395	1,107,720,150
Short-term loans and advances	16	22,764,826	8,175,169
Other current assets	17	235,968,208	247,749,331
		1,362,499,563	1,684,920,194
Total		2,886,260,720	3,151,070,229

Summary of significant accounting policies 4

The accompanying notes 1 to 37 are an integral part of the financial statements.

As per our report of even date

for V Nagarajan & Co.,
Chartered Accountants

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

A G Sitaraman
Partner
M. No.: 017799 ICAI FRN:04879N

Ebenezer G Daniel
MD and CEO
DIN: 06672917

Seetharaman A
Executive Director
DIN: 08760898

Place: Chennai
Date : 03-Aug-21
UDIN: 21017799AAAAEQ9000

Vijayalakshmi PS
Chief Financial Officer
Place: Chennai
Date : 03-Aug-21

Balaji Kumar
Company Secretary
M. No.: A44276

Statement of profit and loss for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

Particulars	Note no.	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	19	826,467,858	921,757,799
Other income	20	6,850,925	13,652,304
Total (I)		833,318,783	935,410,104
Expenses			
Finance costs	21	252,778,748	293,107,972
Employee benefits expense	22	352,912,173	407,352,129
Other expenses	23	131,667,556	118,355,822
Provisions and write-offs	24	216,514,877	76,278,418
Depreciation and amortization expense	25	17,762,532	17,574,535
Total (II)		971,635,885	912,668,876

Statement of profit and loss for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

Particulars	Note no.	Year ended March 31, 2021	Year ended March 31, 2020
Profit/(loss) before exceptional items (I-II)		(138,317,102)	22,741,228
Exceptional items	26	(18,383,354)	48,628,099
Profit/(loss) Before tax		(119,933,748)	(25,886,871)
Tax expense			
Current tax		243,600	12,642,332
Tax relating to earlier years		(7,889,837)	42,561
Deferred tax		(31,137,445.22)	(19,412,713)
Profit/(loss) for the year		(81,150,066)	(19,159,051)
Earnings per equity share (Nominal value of ₹. 100 per share)			
- Basic and diluted (₹)		(230.23)	(55.12)

Summary of significant accounting policies

4

The accompanying notes 1 to 37 are an integral part of the financial statements.

As per our report of even date

for V Nagarajan & Co.,
Chartered Accountants

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

A G Sitaraman

Partner

M. No.: 017799 ICAI FRN:04879N

Ebenezer G Daniel

MD and CEO

DIN: 06672917

Seetharaman A

Executive Director

DIN: 08760898

Place: Chennai

Date : 03-Aug-21

UDIN: 21017799AAAAEQ9000

Vijayalakshmi PS

Chief Financial Officer

Place: Chennai

Date : 03-Aug-21

Balaji Kumar

Company Secretary

M. No.: A44276

Cash flow Statement for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flow from operating activities		
Profit/(loss) before tax	(119,933,748)	(25,886,871)
Adjustment for:		
Depreciation and amortization	17,762,532	17,574,535
Loss on sale of portfolio	83,644,549	-
Provisions for loan loss	(5,771,481)	58,112,412
Bad debts written-off	120,258,455	66,798,373
Interest capitalised on moratorium & resolution plan	(174,619,401)	-
Net gain on sale of current investments	(936,911)	(8,315,898)
Interest expenses	252,778,748	293,107,972
Interest Income- other than operating income	(3,904,889)	(1,630,480)
Non-cash prior period items - Income	-	(2,786,000)
Operating profit before working capital changes	169,277,854	396,974,043
Changes in working capital:		
Increase/ (decrease) in trade payable and other current liabilities	169,816,831	(41,412,782)
(Increase)/decrease in Provisions	10,137,141	2,785,527
Decrease / (increase) in other assets	(12,394,345)	(167,920,318)
Decrease/ (Increase) in Receivables under financing activity	409,541,421	(709,968,308)
Increase/ (decrease) in short-term borrowings	(14,986,362)	49,756,920
Cash generated from /(used in) operations	731,392,540	(469,784,917)
Less: Direct taxes paid	(3,774,338)	(13,596,697)
Net cash flow from/ (used in) operating activities A	727,618,202	(483,381,614)
B. Cash flows from investing activities		
Purchase of fixed assets	(9,739,227)	(33,710,729)
(Purchase)/Sale of Investments (net)	(82,433,959)	26,823,600
Net Redemption/ maturity of bank fixed deposits	(3,757,714)	2,757,714
Interest received - other than operating	2,906,086	1,281,605
Net cash used in investing activities B	(93,024,814)	(2,847,810)

Cash flow Statement for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
C. Cash flows from financing activities			
Proceeds from issue of shares		116,618,579	60,005,280
Proceeds from long-term borrowings		487,400,000	1,500,000,000
Repayment of long-term borrowings		(920,969,059)	(862,976,388)
Interest on borrowings		(247,431,784)	(261,897,641)
Other finance costs		(12,360,573)	(22,441,999)
Net cash flow from/ (used in) in financing activities	C	(576,742,837)	412,689,252
Net increase/(decrease) in cash and cash equivalents	A+B+C	57,850,551	(73,540,172)
Cash and cash equivalents at the beginning of the year		271,076,114	344,616,286
Cash and cash equivalents at the end of the year (refer note no. 18)		328,926,665	271,076,114
Components of cash and cash equivalents			
Cash on hand		68,703,483	10,671,319
Balances with banks in current and deposit accounts		260,223,182	260,404,795
Total cash and cash equivalents at the end of the year		328,926,665	271,076,114
Summary of significant accounting policies	4		
The accompanying notes 1 to 37 are an integral part of the financial statements.			

As per our report of even date
for V Nagarajan & Co.,
Chartered Accountants

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

A G Sitaraman
Partner
M. No.: 017799 ICAI FRN:04879N

Ebenezer G Daniel
MD and CEO
DIN: 06672917

Seetharaman A
Executive Director
DIN: 08760898

Place: Chennai
Date : 03-Aug-21
UDIN: 21017799AAAAEQ9000

Vijayalakshmi PS
Chief Financial Officer

Place: Chennai
Date : 03-Aug-21

Balaji Kumar
Company Secretary
M. No.: A44276

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

1 Corporate information and note on activities

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 provides mobility and livelihood financial solutions to unserved and underserved sections of semi-urban and rural India through Two-wheeler loan, Swift cash loan and Micro Business Loan respectively.

2 Basis of accounting and preparation of financial statements

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-systemically important-Non-Deposit taking, Non-Banking Financial Companies.

3 Uncertainties relating to Covid-19 pandemic

Consequent to the outbreak of the COVID-19 pandemic, its impact, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities, had led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. These developments resulted in lower demand for new loans and lower collections, however, regulatory measures like moratorium on payment of dues and standstill in asset classification mitigated the economic consequences on the borrowers during the year ended 31 March 2021. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance, will depend on ongoing as well as future developments which are highly uncertain.

The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

In accordance with the Board approved moratorium policy and Reserve Bank of India guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 23, 2020, the Company has offered moratorium on payment of instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to eligible borrowers as per the Company's policy. Further, the company has implemented one time restructuring scheme to eligible borrowers pursuant to RBI circular dated August 6, 2020. For such accounts where the moratorium/one time restructuring scheme had been granted, the asset classification has been made in accordance with respective RBI guidelines.

The Company has recognized provisions as on 31 March 2021, towards its loan assets, as per RBI guidelines. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of these financial statements.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

4 Summary of significant accounting policies

4.1 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.

4.2 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 reliably 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. Interest on credit facility to dealers is recognised as per terms of contract.

Gain on securitised transactions:

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.

4.3 Receivables under financing activity, classification and 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**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021***(All amounts in ₹. except otherwise stated)***ii) Classification and Provisioning**

Receivables under financing activity owned by the company which are outstanding on balance sheet date are classified as standard assets, sub-standard assets, doubtful assets and loss assets in accordance with the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the RBI and provisioning was made at the following rates as specified in the directions:

S. No	Classification of Assets	Rate
1	Standard Assets	0.25%
2.a	Sub-Standard Assets (*NPA up to 630 days)	
2.b	-Sub-Standard Normal / Re-scheduled loans	10%
2.c	-Sub-Standard Normal / Re-possessed Assets (upto 365 Days)	25%
2.d	-Sub-Standard Normal / Re-possessed Assets (after 365 Days)	50%
3.a	Doubtful (Sub-standard after 630 Days)	100%
3.b	Doubtful (Repossessed Assets - Sold)	100%
4	Loss (As Identified by Management , Auditors or Reserve bank of India)	100%

*Non-performing asset [NPA] means an asset in respect of which interest has remained overdue for a period of 90 days or more.

4.4 Write-off policy

Loans are written off when the management has exhausted all options for recovery of Principal and interest on the loans and/or considered as "Doubtful Assets" and "Loss Assets" by the Management, Statutory Auditors and Reserve Bank of India, at any time, in line with the "Provisions and Write Off Policy" duly approved by Board of Directors of the Company.

4.5 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.

Orange Retail Finance India Private Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021***(All amounts in ₹. except otherwise stated)***4.6 Intangible assets - Software & Licenses**

Intangible assets represent computer software and licenses and the same 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.

4.7 Depreciation on property, plant and equipment

Depreciation is provided pro-rata on the written-down value method at the following stated rates based on useful life of assets specified under Schedule II of the Companies Act, 2013:

Asset category	Useful life (in years)	Rates of depreciation
Computers	3	63.16%
Furniture & fittings	10	25.89%
Office equipment	5	45.07%
Leasehold improvement - interiors	10	25.89%

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.

4.8 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.

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

4.9 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.

4.10 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.

4.11 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.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

4.12 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.

4.13 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.

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.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

4.14 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.

4.15 Segment information

The Company offers a wide range of customized Two-wheeler products, which in the context of Accounting Standard 17 (Segment reporting) is considered as the only business segment. Though the company has Swift Cash Loans and Micro Business Loans in its Loan Portfolio, the said loans do not qualify the threshold limit prescribed under Accounting Standard 17 (Segment reporting). Hence, no separate segment reporting has been provided herein.

4.16 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.

4.17 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.

4.18 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

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

5	Share Capital	As at March 31, 2021		As at March 31, 2020	
		Number	Amount	Number	Amount
	Authorized				
	Equity shares of ₹. 100 each	445,000	44,500,000	445,000	44,500,000
	Preference shares of ₹. 100 each	3,555,000	355,500,000	3,555,000	355,500,000
		4,000,000	400,000,000	4,000,000	400,000,000
	Issued, subscribed and fully paid-up				
	Equity shares of ₹. 100 each	363,247	36,324,700	350,850	35,085,000
	Total	363,247	36,324,700	350,850	35,085,000

5.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	350,850	35,085,000	341,910	34,191,000
Add: Issued during the year:	12,397	1,239,700	8,940	894,000
Balance at the end of the year	363,247	36,324,700	350,850	35,085,000

5.2 Rights and preference of equity shares

The Company has only one class of equity shares having a par value of ₹. 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.

5.3 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Equity Shares				
AR Chadha & Co Private Limited	164,046	45.16%	164,046	46.76%
Mr. Ebenezer G Daniel	28,728	7.91%	28,728	8.19%
Mr. Mahesh Seshadari	28,728	7.91%	28,728	8.19%
Granite Hill Opportunities Fund II LP	23,968	6.60%	22,054	6.29%
Mr. Balamurugan	22,054	6.07%	21,669	6.18%
Atma Ram Builders Private Limited	19,386	5.34%	11,945	3.40%
	286,910	78.98%	277,170	79.00%

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.

5.4 The company has not allotted any bonus shares in the five years immediately preceding March 31, 2021. The company has not bought back equity shares during five years immediately preceding March 31, 2021, nor has it issued any shares for consideration other than cash.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

6	Reserves and surplus	As at March 31, 2021	As at March 31, 2020
(A)	Statutory reserve (refer note 6.1)		
	Balance at the beginning of the year	2,872,842	2,872,842
	Add: Transferred from Surplus in the statement of profit and loss	-	-
	Balance at the end of the year (A)	2,872,842	2,872,842
(B)	Securities premium		
	Balance at the beginning of the year	950,086,996	890,975,716
	Add: Premium on issue of equity shares	115,378,879	59,111,280
	Balance at the end of the year (B)	1,065,465,875	950,086,996
(C)	General reserve		
	Balance at the beginning of the year	95,000	95,000
	Add: Transferred from Surplus in the statement of profit and loss	-	-
	Balance at the end of the year (C)	95,000	95,000
(D)	Surplus/(deficit) in the statement of profit and loss		
	Balance at the beginning of the year	(37,817,720)	(18,658,669)
	Profit/(loss) for the year	(81,150,066)	(19,159,051)
	Less: Appropriations		
	Transfer to statutory reserve	-	-
	Transfer to general reserve	-	-
	Balance at the end of the year (D)	(118,967,786)	(37,817,720)
Total (A+B+C+D)		949,465,931	915,237,118

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

6.1 Transfer to statutory reserve

In accordance with the provisions of Section 45 IC of the RBI Act, 1934, the Company being a NBFC is required to transfer 20% of profit after tax for the year to a statutory reserve. As the Company has reported net loss during the year ended 31 March 2021, no amount was transferred to the statutory reserve.

Long-term borrowings	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Secured Non-convertible debentures ('NCDs') [refer note 7.1 (i) and 7.2]	385,733,333	418,000,002	169,666,667	87,079,734
Total (A)	385,733,333	418,000,002	169,666,667	87,079,734
Term loans - Secured				
-From banks (refer note 7.1(ii) and 7.3)	54,341,245	173,699,496	196,260,035	351,093,823
-From financial institutions (refer note 7.1(iii) and 7.4)	212,612,649	390,962,715	478,725,029	510,072,246
Total (B)	266,953,894	564,662,211	674,985,063	861,166,069
Total (A + B)	652,687,227	982,662,213	844,651,730	948,245,803
Less: Amount disclosed under the head “other current liabilities” (refer note 8)	-	-	844,651,730	948,245,803
Net amount	652,687,227	982,662,213	-	-

7.1 Details of security

- (i) NCDs are secured by way of a first ranking, exclusive and continuing charge on identified loan receivables ("Hypothecated Receivables")
- (ii) Term 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.)
- (iii) Term loans from financial institutions are secured by way of exclusive first charge (floating) portfolio of receivables from time to time ranging from 1 - 1.25 times of the principal outstanding at any point of time and personal guarantee from Directors Mr. Ebenezer G Daniel and Mr. Mahesh Seshadari in their individual capacity.
- (iv) The Company has not defaulted in repayment of borrowings.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

7.2 Terms of repayment - Non-convertible debentures

Number	Face value (₹)	Coupon rate	Tenor (months)	Non-current		Current		Date of allotment	Maturity date	Redemption terms	
				As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020			Principal	Interest
1000	100,000	14.25%	30	-	-	-	51,079,734	21-Nov-18	08-Apr-20	Monthly	Monthly
500	100,000	14.75%	30	-	10,000,000	10,000,000	20,000,000	04-Dec-18	03-Jun-21	Annually	Monthly
1400	100,000	14.75%	42	93,333,333	140,000,000	46,666,667	-	24-Jan-19	24-Jul-22	6 equal installments Starting from 37th installment	Monthly
400	100,000	14.75%	30	-	8,000,000	8,000,000	16,000,000	27-Feb-19	26-Aug-21	Annually	Monthly
150	1,000,000	14.95%	26	-	150,000,000	90,000,000	-	28-Jun-19	28-Jun-22	8 instalments Between Jan'2021 & Aug'2021	Monthly
800	100,000	13.75%	42	80,000,000	80,000,000	-	-	07-Aug-19	07-Feb-23	Annually	Monthly
300	100,000	13.75%	42	30,000,000	30,000,002	-	-	10-Sep-19	07-Mar-23	6 equal installments	Monthly
9	10,000,000	14.00%	36	90,000,000	-	-	-	08-Dec-20	08-Dec-23	Last Installement	Monthly
4	10,000,000	14.00%	36	25,000,000	-	15,000,000	-	14-Dec-20	14-Dec-23	3 Annual Installments	Monthly
574	100,000	13.50%	36	57,400,000	-	-	-	22-Dec-20	22-Dec-23	Bullet repayment	Monthly
1	10,000,000	14.00%	42	10,000,000	-	-	-	31-Mar-21	30-Sep-24	6 equal installments Starting from 37th installment	Monthly
Total				385,733,333	418,000,002	169,666,667	87,079,734				

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

7.3 Terms of repayment - Loans from banks

Original maturity of loan	Rate of interest	Remaining Instalments	31-Mar-21				31-Mar-20			
			Non-current		Current		Non-current		Current	
			No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthly repayment										
24 months	14.25%	13	1	1,310,960	12	77,244,894	10	63,093,458	12	182,558,459
36 months	15.50%	19	7	53,030,285	12	117,348,478	14	110,606,038	12	161,868,700
Quarterly payment	13.25%									
48 months	13.75%	1	-	-	1	1,666,663	-	-	4	6,666,664
Total	14%			54,341,245		196,260,035		173,699,496		351,093,823

7.4 Terms of repayment - Loans from financial institutions

Original maturity of loan	Rate of interest	Remaining Instalments	31-Mar-21				31-Mar-20			
			Non-current		Current		Non-current		Current	
			No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthly repayment										
12 months	13% - 15%	12			12	32,501,349			11	60,176,883
18-24 months	13% - 15%	21	9	52,556,003	12	171,762,258	21	55,914,802	12	179,127,241
25-36 months	11.75%- 15.50%	31	19	160,056,646	12	244,461,422	21	305,047,913	12	230,768,123
Quarterly payment										
25-36 months	13% - 15%	3	0	-	3	30,000,000	3	30,000,000	4	40,000,000
Total				212,612,649		478,725,029		390,962,715		510,072,246

Orange Retail Finance India Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

8	Other liabilities	Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Current maturities of long-term borrowings (refer note 7)	-	-	844,651,730	948,245,803
	Interest accrued but not due on borrowings	-	-	7,552,736	16,287,114
	Payable to dealers & others	-	-	171,403,132	13,367,852
	Interest strip on securitization/ assignment of loan portfolio	7,632,203	7,632,203	24,431,681	24,431,681
	Interest payable against managed portfolio	-	-	7,755,382	31,307,015
	Expenses payable	-	-	22,006,164	7,990,205
	Collections against financial assets sold to ARC	-	-	11,628,195	-
	Statutory dues payable	-	-	7,972,617	7,921,603
	Dues to employees	-	-	7,676,515	4,440,120
	Total	7,632,203	7,632,203	1,105,078,151	1,053,991,392
9	Provisions	Long-term		Short-term	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(A)	Provision for employee benefits				
	- Gratuity (refer note 31)	3,974,843	2,764,148	368,494	285,890
	- Compensated absences	3,143,108	2,105,660	860,717	686,526
	Total (A)	7,117,951	4,869,808	1,229,211	972,416
(B)	Other provisions				
	- on non-performing assets	-	-	36,612,655	15,771,778
	- on loans subject to resolution plan (refer note 35.5)	30,244,745	-	-	-
	- on loans subject to moratorium (refer note 35.4)	-	-	-	48,628,099
	Contingent provision against standard assets	3,274,322	3,144,299	-	-

Orange Retail Finance India Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

Provisions	Long-term		Short-term	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for first loss default guarantee against Managed portfolio	-	-	6,111,429	14,470,455
Provision for tax (Net of advance tax: ₹. Nil (31-Mar-20: ₹.13,83,050)	-	-	-	11,259,281
Total (B)	33,519,067	3,144,299	42,724,083	90,129,613
Total (A) + (B)	40,637,018	8,014,107	43,953,294	91,102,029

10 Short-term borrowings	As at March 31, 2021	As at March 31, 2020
Secured		
- Cash Credit facility from Banks (refer note 10.1 & 10.2 below)	34,894,076	49,880,438
Total	34,894,076	49,880,438

- 10.1 The Company has Cash Credit limit of ₹. 4.50 Crores (31-Mar-20 : ₹. 5 Crores) with Karur Vysya Bank 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.
- 10.2 The Company has Overdraft limit of ₹. 0.45 Crores (31-Mar-20 : ₹. Nil) with ICICI Bank repayable on demand at an interest rate of 6.9%, limit was not utilised as on 31-Mar-21.

11 Trade Payables	As at March 31, 2021	As at March 31, 2020
Sundry Creditors (refer note 33)	15,588,120	7,465,730
Total	15,588,120	7,465,730

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

12A Property, Plant and Equipment

Particulars	Leasehold Improvements – Interiors	Office equipment	Computer equipment	Furniture and Fitting	Total
Gross block					
At March 31, 2020	35,048,809	12,177,091	29,402,292	1,935,483	78,563,675
Additions during the year	3,892,249	4,081,462	2,259,101	391,554	10,624,366
Deletions	267,454	404,135			671,589
At March 31, 2021	38,673,604	15,854,418	31,661,393	2,327,037	88,516,452
Accumulated Depreciation					
At March 31, 2020	7,905,806	6,649,154	19,787,202	1,125,598	35,467,759
Charge for the year	6,853,189	2,759,286	6,377,219	219,945	16,209,639
Deletions	64,817	293,883	-	-	358,700
At March 31, 2021	14,694,178	9,114,557	26,164,421	1,345,543	51,318,699
Net block					
At March 31, 2020	27,143,003	5,527,937	9,615,091	809,885	43,095,916
At March 31, 2021	23,979,426	6,739,861	5,496,973	981,494	37,197,754

12B Intangible assets

Particulars	Computer Software	Total
Gross block		
At March 31, 2020	9,825,353	9,825,353
Additions during the year	-	-
Deletions	-	-
At March 31, 2021	9,825,353	9,825,353
Amortization		
At March 31, 2020	3,827,368	3,827,368
Charge for the year	1,552,893	1,552,893
Deletions	-	-
At March 31, 2021	5,380,261	5,380,261
Net block		
At March 31, 2020	5,997,985	5,997,985
At March 31, 2021	4,445,092	4,445,092

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

13	Deferred tax assets (net)	As at		As at	
		March 31, 2021		March 31, 2020	
	Deferred tax asset arising on				
	Brought forward loss		31,078,797		-
	Provision for employee benefits		2,170,262		1,701,256
	Provision on loan assets		19,963,242		22,358,831
	Others		1,236,348		232,960
	Depreciation and amortisation		3,856,730		2,874,888
	Total		58,305,379		27,167,934
14	Investments	Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
A	Quoted, lower of cost or net realisable value Investments in:				
	- Mutual funds (refer note 14.1 below)	-	-	464,469	43,594,604
B	Unquoted, lower of cost or net realisable value - 53, 13.25% bonds of ₹. 1,00,000 each with Aye Finance Private Limited	-	-	-	5,362,540
C	Unquoted, at cost - 1,39,588 security receipts of ₹. 1,000 each with RARC (ORFIPL TWL) 066 Trust	132,005,000	-	-	-
	Total	132,005,000	-	464,469	48,957,144
14.1	Investments in mutual funds	As at March 31, 2021		As at March 31, 2020	
		Units	Amount	Units	Amount
	ICICI prudential income fund - direct plan - growth	1,527	464,469	114,919	33,442,953
	Northern Arc Money Market Alpha Fund	-	-	101,517	10,151,651
		1,527	464,469	216,435	43,594,604

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

14.2	Market value	As at	
		March 31, 2021	March 31, 2020
	Aggregate market value of investments in mutual funds	465,420	43,912,669

15	Receivables under financing activities	Non-Current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Secured, considered good (refer note 15.1 below)				
	Two wheeler loans	672,837,941	1,310,350,476	951,486,827	835,052,396
	Other loans	13,699,763	23,272,872	42,030,072	46,332,672
		686,537,704	1,333,623,349	993,516,899	881,385,068
	Secured, considered doubtful (refer note 15.2 below)				
	Two wheeler loans	78,661,141	31,930,120	226,138,035	206,074,216
	Other loans	113,167	280,067	2,288,926	574,813
		78,774,307	32,210,187	228,426,961	206,649,029
	Unsecured, considered good (refer note 15.1 below)				
	Credit facility to dealers	-	-	35,480,898	15,295,259
	Other loans	4,063,383	-	2,947,495	-
		4,063,383	-	38,428,394	15,295,259
	Unsecured, considered Doubtful (refer note 15.2 below)				
	Two Wheeler Loan	-	-	-	-
	Other Loan	-	-	-	-
	Credit facility to dealers	-	-	4,981,014	4,390,794
		-	-	4,981,014	4,390,794
	Total	769,375,395	1,365,833,536	1,265,353,267	1,107,720,150

Orange Retail Finance India Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

15.1 Represents Standard assets in accordance with the company's asset classification policy (refer note 4.3)

15.2 Represents Non-performing assets in accordance with the company's asset classification policy (refer note 4.3)

16	Loans and advances	Long-term		Short-term	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Unsecured, considered good				
	Security deposit	2,400,000	-	7,770,883	7,428,883
	Advances for capital expenses	-	-	12,406,250	572,250
	Others	-	-	2,587,693	174,036
	Total	2,400,000	-	22,764,826	8,175,169

17	Other assets	Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Interest accrued and due on loans	-	-	61,193,459	63,479,453
	Interest accrued but not due				
	-On loan portfolio	-	-	60,099,072	79,139,865
	-On term deposits	-	-	1,597,536	740,188
	Accrued bounce charges & other charges	-	-	72,421,973	70,405,916
	Input tax credit on GST	-	-	8,511,464	3,532,385
	Income from Securitisation Receivable	-	-	1,428,540	1,004,477
	Interest strip on securitization/ assignment of loan portfolio	7,632,203	7,632,203	24,431,681	24,431,681
	Prepaid Expenses	-	-	1,619,490	2,248,932
	Deposits with Banks (refer note 17.1 below)	16,422,463	16,422,463	-	-
	Prepaid taxes (net of provision ₹ 2,43,600 (31-Mar-20: Nil))	-	-	1,704,558	1,780,046
	MAT credit entitlement	-	-	606,325	-
	Others	-	-	2,354,111	986,389
	Total	24,054,666	24,054,666	235,968,208	247,749,331

17.1 Represents cash collaterals towards securitisation of receivables amounting to ₹ 1,64,22,463 (31-Mar-20: ₹ 1,64,22,463)

Orange Retail Finance India Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

18	Cash and bank balances	As at March 31, 2021	As at March 31, 2020
	Cash and cash equivalents		
	Balances with banks:		
	in current accounts (refer note 18.1 below)	260,223,182	260,404,795
	Cash on hand	68,703,483	10,671,319
		328,926,665	271,076,114
	Other bank balances		
	Deposits with original maturity of more than 3 months but less than 12 months (Refer Note 18.2 below)	21,422,463	17,664,749
	Less: Amount disclosed as other non-current assets (refer note 16)	16,422,463	16,422,463
		5,000,000	1,242,286
	Total	333,926,665	272,318,400

18.1 Includes balance of ₹. 2,34,194 (31-Mar-20: ₹. 2,75,832) in escrow accounts maintained for managed portfolio.

18.2 Includes ₹. 50,00,000 earmarked against cash credit facility from ICICI Bank Limited.

19	Revenue from operations	Year ended March 31, 2021	Year ended March 31, 2020
	Interest income		
	- on lending activity	523,808,692	573,247,212
	- on co-lending activity	197,141,456	139,009,788
	- on credit facility to dealers	1,594,301	204,813
	Total (A)	722,544,449	712,461,813
	Other operating revenue		
	Loan processing fee	30,271,164	81,754,766
	Loan maintenance charges	17,074,065	18,961,039
	Loan collection charges	402,000	4,853,000
	Loan processing fee and other charges collected	47,747,229	105,568,805
	Income from securitisation	20,868,083	32,777,809
	Bounce Charges	31,990,783	68,894,335
	Recovery from bad debts earlier written-off	1,218,182	-
	Pre-closure charges	1,766,456	1,355,038
	Service fee income	332,676	700,000
	Total (B)	103,923,409	209,295,987
	Total (A+B)	826,467,858	921,757,799

Orange Retail Finance India Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021
(All amounts in ₹. except otherwise stated)

20	Other income	Year ended	Year ended
		March 31, 2021	March 31, 2020
	Interest income on fixed deposits and bonds	3,763,434	1,412,483
	Loss on sale of bonds	(47,748)	(15,133)
	Income from investment in mutual fund	189,203	233,130
	Profit on sale of investments in mutual fund	936,911	8,315,898
	Miscellaneous receipts	2,009,125	3,705,926
	Total	6,850,925	13,652,304
21	Finance Cost	Year ended	Year ended
		March 31, 2021	March 31, 2020
	Interest on borrowings		
	- on Fixed period loans	165,424,332	205,805,652
	- on cash credit facility	2,580,468	1,223,233
	- on debentures	72,413,375	63,637,088
		240,418,175	270,665,973
	Processing and syndication fees	10,736,943	20,953,595
	Other bank charges	1,623,630	1,488,404
	Total	252,778,748	293,107,972
22	Employee benefits expense	Year ended	Year ended
		March 31, 2021	March 31, 2020
	Salaries, wages and bonus	200,603,700	217,981,434
	Man power supply charges	130,800,000	168,350,500
	Contribution to provident and other funds	14,113,364	15,485,687
	Staff welfare expenses	6,101,810	4,675,563
	Gratuity expense (refer note 31)	1,293,299	858,946
	Total	352,912,173	407,352,129
23	Other expenses	Year ended	Year ended
		March 31, 2021	March 31, 2020
	Travelling & Conveyance	26,333,078	23,384,894
	Legal and Professional fee	22,436,074	25,165,045
	Collection Charges	15,631,047	9,989,015
	Rent	14,389,358	12,205,605
	Software expenses	11,890,942	9,091,551
	Dealers' commission	8,523,841	4,782,405
	Business Promotion	7,192,751	3,558,460
	Rates and taxes	5,148,666	7,098,402
	Maintenance expenses	4,593,801	4,141,720
	Communication	3,153,382	3,298,323
	Printing & stationery	2,068,163	3,691,657
	Electricity charges	2,167,983	2,538,231
	Auditor's remuneration (refer note 23.1 below)	1,390,000	800,000
	Postage & courier	921,877	3,167,125
	Stamping charges	929,831	2,361,457
	Insurance	229,126	271,742
	Miscellaneous expenses	4,667,635	2,810,189
	Total	131,667,556	118,355,822

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

23.1	Auditor's remuneration		
	- Statutory audit	600,000	600,000
	- Tax audit	400,000	100,000
	- Certification fees	100,000	100,000
	- For reimbursement of expenses including taxes	290,000	-
		1,390,000	800,000
24	Provisions & write-offs	Year ended March 31, 2021	Year ended March 31, 2020
	Bad debts written-off	120,258,455	66,794,105
	Loss on sale of stressed assets	83,644,549	-
	Provision for non-performing assets	20,840,877	4,991,411
	Contingent provision against standard assets	130,022	(1,146,820)
	Provision/(reversal) for FLDG against managed portfolio	(8,359,027)	5,639,722
	Total	216,514,877	76,278,418
25	Depreciation and amortization expense	Year ended March 31, 2021	Year ended March 31, 2020
	Depreciation on property, plant and equipment (refer note 12)	16,209,639	15,976,599
	Amortization of intangible assets (refer note 12)	1,552,893	1,597,936
	Total	17,762,532	17,574,535
26	Exceptional items	Year ended March 31, 2021	Year ended March 31, 2020
	Provision/(reversal) for loans on account of Moratorium (refer note 35.4)	(48,628,099)	48,628,099
	Provision for loans subject to resolution plan (refer note 35.5)	30,244,745	-
	Total	(18,383,354)	48,628,099
27	Earnings per share (EPS)	31-Mar-21	31-Mar-20
	Net profit /(loss) as per statement of profit & loss	(81,150,066)	(19,159,051)
	Weighted average number of equity shares in calculating basic EPS	352,477	347,577
	Effect of dilution:		
	Convertible Preference Shares	-	-
	Weighted average number of equity shares in calculating diluted EPS	352,477	347,577
	Earnings per share:		
	Basic (₹)	(230.23)	(55.12)
	Diluted (₹)	(230.23)	(55.12)
	Nominal value per equity share (₹)	100.00	100.00
28	Contingent liabilities and Commitments	31-Mar-21	31-Mar-20
A	Contingent Liabilities		
	(i) Claims against the company not acknowledged as debt		
	(a) For Cases filed against the company	400,000	-
	(ii) Others		
	(a) First loss default guarantee (FLDG) provided for Co-lending arrangements	112,162,489	160,787,266
	(b) Credit enhancement provided by the company towards securitisation transactions (including cash collaterals)	39,883,124	39,883,124
B	Commitments	-	-

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

29	Earnings and expenditure in foreign currency		31-Mar-21	31-Mar-20
	Earnings		Nil	Nil
	Expenditure		Nil	Nil
30	Related party transactions			
30.1	Names of Related Parties and nature of relationship			
	Relationship	Name of the party		
	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives Key Management Personnel	AR Chadha and Co India Private limited Atma Ram Builders Pvt Ltd Kotravai Capital Advisory LLP Mr. Ebenezer G Daniel Mr. Mahesh Seshadari Mr.Seetharaman A Ms. Vijayalakshmi P S Mr. Balaji Kumar		
30.2	Transactions made during the Year	Associates / Enterprises owned or significantly influenced by key management personnel or their relatives		Directors & Key Management Personnel
		31-Mar-21	31-Mar-20	31-Mar-21 31-Mar-20
	Proceeds from unsecured borrowings			- -
	Atma Ram Builders Pvt Ltd	-	25,000,000	3,772,143
	Atma Ram Properties Pvt Ltd	-	20,000,000	-
	Repayment of unsecured borrowings			- -
	Atma Ram Builders Pvt Ltd	-	25,059,178	-
	Atma Ram Properties Pvt Ltd	-	20,751,561	-
	Interest paid on unsecured borrowings			- -
	Atma Ram Builders Pvt Ltd	-	65,753	-
	Atma Ram Properties Pvt Ltd	-	835,068	-
	Issue of shares			- -
	Atma Ram Builders Pvt Ltd	-	-	69,997,487
	Remuneration to Key Management Personnel			
	Mr. Ebenezer G Daniel	-	-	5,028,000 5,028,000
	Mr. Mahesh Seshadari	-	-	3,387,000 4,092,000
	Mr. Seetharaman A	-	-	3,900,000 -
	Ms. Vijayalakshmi P S	-	-	4,400,004 429,866
	Mr. Balaji Kumar	-	-	758,396 708,396
30.3	Outstanding receivable/(payable)		-	-
30.4	The provision for gratuity and compensated absences is made on the basis of actuarial valuation for all the employees of the company including for the key management personnel. Proportionate gratuity and compensated absences is not included in the above disclosure, since the exact amount is not ascertainable.			
30.5	Related parties have been identified on the basis of the declaration received by the management and other records available.			

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021 (All amounts in ₹. except otherwise stated)

31 Employee Benefits plans

31.1 The company's contribution to defined contribution plans are disclosed as "contribution to provident and other funds" under "Employee benefits expense". During the current year, the company has provided ₹. 1,41,13,364 (31-Mar-20: ₹. 1,54,85,687) towards contribution to provident fund and other funds.

31.2 The disclosure of Gratuity required as per the Accounting standard (AS) 15, 'Employee benefits' are as under:

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.

31.2.1 Statement of Profit and loss

Net employee benefit expense recognized in the employee cost	31-Mar-21	31-Mar-20
Interest Cost	187,577	153,596
Current Service Cost	1,731,200	1,443,092
Net actuarial (gain)/loss recognized	(628,059)	(737,742)
Past Service Cost - Vested Benefits	(25,019)	-
Expense to be recognized in statement of Profit and Loss	1,265,699	858,946

31.2.2 Balance sheet

Benefit asset/ liability	31-Mar-21	31-Mar-20
Present value of obligation on the accounting date:	4,315,737	3,050,038
Fair Value of Plan Assets on the accounting date:	-	-
Unrecognized Actuarial (gain) / loss	-	-
Net Asset / (liability) recognized in Balance Sheet	4,315,737	3,050,038

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

	31-Mar-21	31-Mar-20
Liability as at the beginning of the period	3,050,038	2,191,092
Add: Interest Cost:	187,577	153,596
Add: Current Service Cost:	1,731,200	1,443,092
Less: Benefits Paid	-	-
Add: Past Service Cost	(25,019)	-
Actuarial gain / loss	(628,059)	(737,742)
Liability as at the end of the period	4,315,737	3,050,038

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

31.2.4	Changes in the fair value of plan asset as follows:	31-Mar-21	31-Mar-20
	Fair Value of plan assets at the beginning of the year	-	-
	Changes during the year	-	-
	Fair Value of plan assets at the end of the year	-	-

31.2.5	Actuarial Gain / Loss Recognised	31-Mar-21	31-Mar-20
	Actuarial gain / loss for the period - obligation	628,059	737,742
	Actuarial gain / loss for the period - asset		
	Total gain / loss for the period	628,059	737,742
	Actuarial gain / loss recognised in the year	628,059	737,742
	Unrecognised actuarial gain / loss	-	-

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

	31-Mar-21	31-Mar-20
Interest (Discount) Rate (Liabilities)	6.19%	6.15%
Interest Rate (Rate of Return on Assets)	0.00%	0.00%
Salary escalation Rate (per annum)	6.75%	6.75%
Attrition Rate (per annum)	15.00%	18.00%

32 Lease Disclosures

32.1 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 ₹. 1,43,96,358 (31-Mar-20: ₹. 1,22,05,605) has been recognised in statement of Profit & Loss.

32.2 Finance Leases:

The company has not taken assets on finance lease as on March 31, 2021

33 Disclosure required under MSMED Act, 2006

The company has not received any information from parties regarding their registration under Micro, Small and Medium Enterprises (development) Act 2006. In this circumstances, disclosures relating to amount remaining unpaid as at the year end together with interest, if any, payable under the Act are not ascertainable.

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

34 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-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
(I) Secured Loans						
A) Two wheeler Loans						
Standard asset	1,624,324,768	2,145,977,686	3,057,634	2,963,722	1,621,267,133	2,143,013,964
Sub-standard asset	304,799,176	206,074,216	40,528,681	20,607,422	264,270,495	185,466,794
Doubtful asset	-	31,930,120	-	7,988,905	-	23,941,215
Total - A	1,929,123,944	2,383,982,023	43,586,316	31,560,049	1,885,537,628	2,352,421,974
B) Other loans						
Standard asset	55,729,835	69,030,731	110,458	140,491	55,619,378	68,890,240
Sub-standard asset	2,402,092	574,813	411,027	57,481	1,991,065	517,332
Doubtful asset	-	280,067	-	93,374	-	186,692
Total - B	58,131,927	69,885,611	521,485	291,347	57,610,442	69,594,264
Secured Total						
Standard asset	1,680,054,603	2,215,008,417	3,168,092	3,104,213	1,676,886,511	2,211,904,204
Sub-standard asset	307,201,268	206,649,029	40,939,709	20,664,903	266,261,559	185,984,126
Doubtful asset	-	32,210,187	-	8,082,280	-	24,127,908
Total Secured (I= A+B)	1,987,255,871	2,453,867,634	44,107,801	31,851,396	1,943,148,070	2,422,016,238
(II) Unsecured Loans						
A) Other loan						
Standard asset	7,010,879	-	17,527	-	6,993,352	-
Total - A	7,010,879	-	17,527	-	6,993,352	-
B) Credit Facility to Dealers						
Standard asset	35,480,898	15,295,259	88,702	40,086	35,392,196	15,255,174
Sub-standard asset	3,551,822	3,217,493	355,182	321,749	3,196,639	2,895,743
Doubtful asset	-	1,173,301	-	1,173,301	-	-
Loss asset	1,429,192	-	1,429,192	-	-	-
Total - B	40,461,912	19,686,053	1,873,077	1,535,136	38,588,835	18,150,917
Unsecured Total						
Standard asset	42,491,777	15,295,259	106,229	40,086	42,385,547	15,255,174
Sub-standard asset	3,551,822	3,217,493	355,182	321,749	3,196,639	2,895,743
Doubtful asset	-	1,173,301	-	1,173,301	-	-
Loss asset	1,429,192	-	1,429,192	-	-	-
Total Unsecured (II= A+B)	47,472,791	19,686,053	1,890,604	1,535,136	45,582,187	18,150,917
Grand Total (I+II)	2,034,728,662	2,473,553,686	45,998,405	33,386,532	1,988,730,257	2,440,167,154

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

35 Additional disclosures pursuant to Reserve Bank of India (RBI) Circulars / notifications issued from time to time:

35.1 Disclosure relating to securitisation/assignment as per RBI circular no. DBOD.No.BP.BC.60/21.04.048/200506 dated February 1, 2006

Particulars		31-Mar-21	31-Mar-20
i)	Total number of loan assets securitized during the year	3,228	17,739
ii)	Book value of loan assets securitized during the year	111,252,879	784,683,245
iii)	Sale consideration received	100,127,591	694,125,587
iv)	Credit enhancement provided during the year	-	16,422,463
v)	Un-amortised interest spread as at year end	26,514,409	67,985,348
vi)	Interest spread recognised in the statement of Profit & Loss during the year (including amortization of unamortised interest spread)	20,868,083	32,777,809

35.2 Disclosure relating to securitisation as per RBI circular no. DNBR.PD.008/03.10.119/2016-17 dated Sep 01, 2016

Particulars		31-Mar-21	31-Mar-20
(i)	No. of SPVs sponsored by the NBFC for securitisation transactions	1	1
(ii)	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	237,213,350	237,213,350
(iii)	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	23,460,661	23,460,661
	• Others	-	-
(iv)	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

Particulars		31-Mar-21	31-Mar-20
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	16,422,463	16,422,463
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-

35.3 Disclosure on financial assets sold during the year to securitisation/reconstruction company for asset reconstruction

During the year, the company has sold financial assets to Reliance Asset Reconstruction Company Limited and details are given below:

Particulars		31-Mar-21	31-Mar-20
i)	No. of accounts	5,000	-
ii)	Aggregate value of accounts sold	238,944,549	-
lii)	Aggregate consideration	155,300,000	-
iv)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
v)	Aggregate gain/(loss) over net book value	83,644,549	-

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

35.4 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 Regulatory Package - Asset Classification and Provisioning

Particulars		31-Mar-21	31-Mar-20
i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	-	972,561,978
ii)	Respective amount where asset classification benefits is extended	-	524,257,213
lii)	Provisions made/(reversal) during the year	(48,628,099)	48,628,099
	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	-	-

35.5 Disclosure relating to resolution framework implemented on account of Covid-19 related stress pursuant to RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated Aug 6, 2020

The company has implemented one time restructuring scheme to the customers who have been affected by Covid-19 pursuant to RBI circular stated above.

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	11,901	280,554,696	-	-	30,244,745
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	11,901	280,554,696	-	-	30,244,745

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

35.6 Schedule to the Balance Sheet of a NBFC as on March 31, 2021 pursuant to Para 19 of Master Direction - Non-Banking Financial /Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (as amended by time to time)

Particulars	Amount outstanding (₹)	Amount overdue (₹)
Liabilities side :		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	558,007,742	-
Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans, including interest accrued but not paid	946,876,502	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Other Loans (specify nature)	-	-
Assets side :		
(2) Break up of Loans and Advances :		
a) Secured	1,987,255,871	-
b) Unsecured	47,472,791	-
(3) Break up of Leased Assets		
(i) Lease assets including lease rentals under sundry debtors:		
(a) finance lease	-	-
(b) operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) assets on hire	-	-
(b) repossessed asset	-	-
(iii) Other loans counting towards AFC activities		
(a) loans where assets have been repossessed		-
(b) loans other than (a) above		-
(4) Breakup of investments (long-term unquoted equity)		
Current Investments :		
1. Quoted		
(i) Shares :		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		464,469
(iv) Government Securities		-
(v) Others		-

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

Assets side:	
2. Unquoted	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-
Long Term investments :	
1. Quoted	
(i) Shares :	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-
2. Unquoted	
(i) Shares:	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	132,005,000

(5) Borrower group-wise classification of assets financed as in (2) and (3)

Category	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) other related parties	-	-	-
2. Other than related parties	1,987,255,871	47,472,791	2,034,728,662
Total	1,987,255,871	47,472,791	2,034,728,662

Orange Retail Finance India Private Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021***(All amounts in ₹. except otherwise stated)*

(6) Investor group-wise classification of all investments (currents and long term) in shares and securities (both quoted and unquoted)

Category	Market value/ Breakup or fair value or NAV	Book value (net of provisions)
1. Related parties	-	-
2. Other than related parties	132,470,420	132,469,469
Total	132,470,420	-

(7) Other information

(i) Gross non-performing assets	
(a) Related parties	-
(b) Other than related parties	312,182,282
(ii) Net non-performing assets	
(a) Related parties	-
(b) Other than related parties	269,458,199
(iii) Assets acquired on satisfaction of debt	-

35.7 Information on instances of fraud identified during the year

Particulars	31-Mar-21	31-Mar-20
Number of cases	91	-
Amount of fraud	571,605	-
Recovery	571,605	-
Amount written-off	-	-

Orange Retail Finance India Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

(All amounts in ₹. except otherwise stated)

36 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.

37 Comparatives

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

As per our report of even date
for V Nagarajan & Co.,
Chartered Accountants

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

A G Sitaraman
Partner
M. No.: 017799 ICAI FRN:04879N

Ebenezer G Daniel
MD and CEO
DIN: 06672917

Seetharaman A
Executive Director
DIN: 08760898

Place: Chennai
Date : 03-Aug-21

UDIN: 21017799AAAAEQ9000

Vijayalakshmi PS
Chief Financial Officer

Place: Chennai
Date : 03-Aug-21

Balaji Kumar
Company Secretary
Membership no:
A44276

NOTICE TO MEMBERS

NOTICE is hereby given that the 32nd Annual General Meeting of the members of Orange Retail Finance India Private Limited will be held on Tuesday, November 30, 2021 at 11.30 A.M at 4/363, 2nd Floor, Kandhanchavadi, Old Mahabalipuram Road, Chennai – 600096 Tamil Nadu to transact the following business:

ORDINARY BUSINESS:

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

“RESOLVED THAT the financial statements of the company for the financial year ended 31 March, 2021 together with the Directors report and Independent Auditors’ Report thereon be and are hereby considered, approved and adopted.

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

**Place: Chennai
Date: 25th November 2021**

**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") read with General Circular No. 02/2021 dated 13th January 2021, 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 (AGM) 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.

Pursuant to the aforementioned circulars, the Company has decided to provide an option for the members to attend the Company's AGM through OAVM in view of the continuing restrictions on the movement of persons at several places in the country and to avoid holding a general meeting which requires physical presence of the shareholders at a common venue.

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 to persons entitled to receive the same.

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 2020-21 and AGM Notice are sent to persons who are entitled to receive the same and 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 the option to attend the AGM through VC / OAVM is made available, physical presence of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available and hence the proxy form is not annexed to this notice.

5. Corporate member(s) intending to authorise their representative to attend the AGM are requested to send a certified copy of board resolution authorising such representative to attend and vote on their behalf at this AGM to the Company's email id – balaji.kumar@orangeretailfinance.com prior to the commencement of the meeting.

6. 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.

7. The members desiring to inspect the documents referred to in this notice and other statutory registers are required to send request on the Company's email address: balaji.kumar@orangeretailfinance.com. An extract of such documents would be sent to the members on their registered email address and the same shall be available for inspection up to the date of AGM

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

- i) The meeting is scheduled to begin on 30th November 2021 at 11:30 AM
 - ii) The meeting will be held through Zoom
 - iii) Following is the link through which the members can join the Company's AGM:
<https://us06web.zoom.us/j/88236155624?pwd=bll3N1RGZ3Q2K2FsUG13cEFqdWJRQT09>
Meeting ID: 882 3615 5624
Passcode: 997752
 - iv) An invitation of the link will also be sent to all members to their registered email id.
 - v) The members may join the meeting from any web browser by logging into their zoom account and clicking on the link sent by the Company to their email id.
 - vi) Alternatively, members may also join the AGM through their mobile phones by downloading the zoom app on their android or ios phones
 - Android users - use the below link to download the app from Google play store:
https://play.google.com/store/apps/details?id=us.zoom.videomeetings&hl=en_IN&gl=US
 - ios users – use the below link to download the app from App store:
<https://apps.apple.com/us/app/zoom-cloud-meetings/id546505307>
 - vii) In case of any queries or hindrance with regard to joining the meeting through zoom, you may:
 - send an email to balaji.kumar@orangeretailfinance.com or
 - contact Mr Balaji Kumar at +91 9791071559
 - viii) The members will be able to access the link 15 minutes before the scheduled time
 - ix) Members are requested to join the meeting on time and from a place where they have proper internet connection to avoid any hassles.
 - x) Members are requested to join the meeting from a secluded place to maintain confidentiality
 - xi) Members are requested to ensure that they have granted access to zoom to use their camera and microphone so that the other participants can see and hear them
 - xii) Members having any questions on the matters to be resolved at the meeting, they may send their queries through email to the Company's email id – balaji.kumar@orangeretailfinance.com any time prior to the commencement of the meeting
Post commencement of the meeting, the members may raise their queries directly through OAVM or through physical mode
 - xiii) During the meeting, matters requiring members' approval shall be put to vote by show of hands
 - xiv) In case a decision is made at the AGM to vote on any matter through poll, every member shall cast their vote through e-mail to the Company's email id – balaji.kumar@orangeretailfinance.com, only from their email id registered with the Company
- Note: In case of email being sent from any email id not registered with the Company, the same shall not be taken into consideration and shall be treated invalid

9. 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.

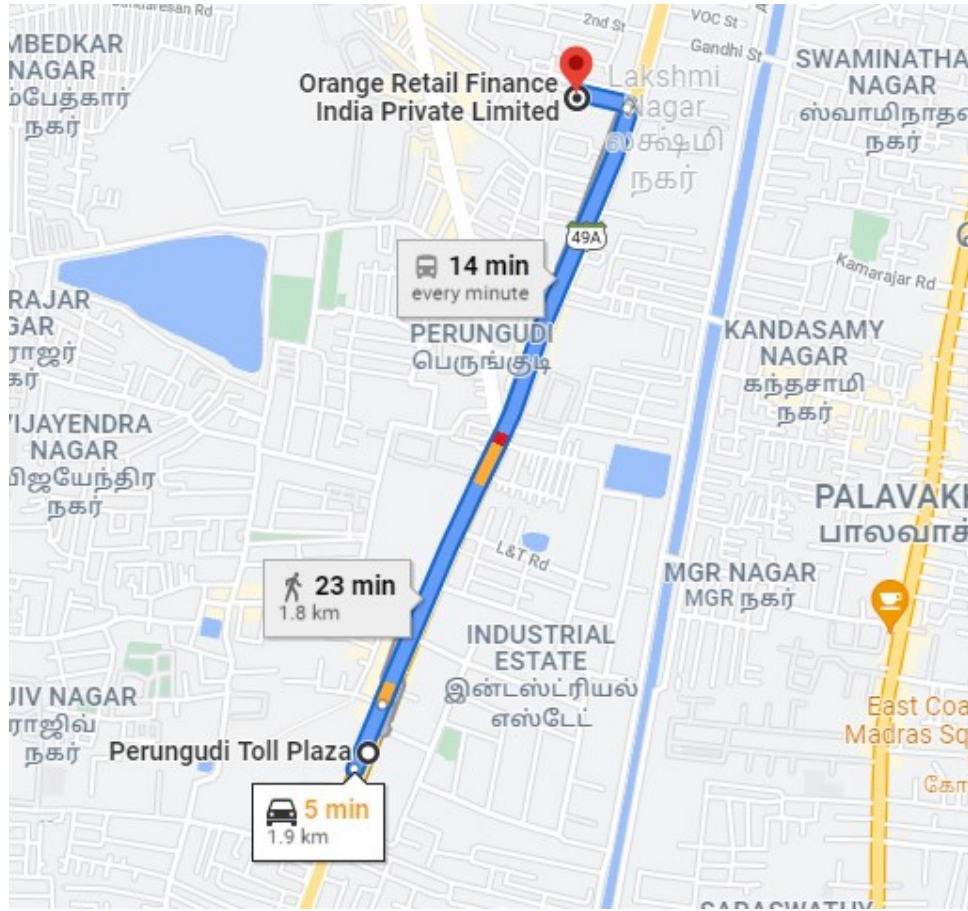
10. All documents/registers referred to in the accompanying notice are open for inspection at the registered office of the Company during the office hours on all working days up to the date of AGM for shareholders intending to be present at the venue of AGM physically

11. Instructions to members intending to be present at the venue of AGM physically for the meeting is as follows:

- a) Company has taken adequate steps to follow all guidelines specified by the Government with respect to COVID pandemic situation.
- b) Members travelling from different states are requested to ensure that you adhere to all the rules/guidelines as specified by the Government from time to time
- c) Members will be allowed entry into the venue of AGM only after thermal check and ensuring that every member is wearing a mask.
- d) Members aged 60+ and having pre-existing medical conditions such as cardiovascular disease, respiratory condition, diabetes, etc are requested to attend the AGM through OAVM
- e) Members are requested to maintain social distancing when present at the venue of AGM
- f) Members are requested to affix their signature at the space provided for in the attendance slip and handover the same at the entrance of the venue of this AGM.
- g) Corporate member(s) intending to send their authorised representatives to attend, are requested to send a certified copy of board resolution authorising such representative to attend and vote on its behalf at this AGM.
- h) As per the requirement of secretarial standards – 2 notified under the Companies Act, 2013, Route Map to the venue of this AGM is annexed to this notice. Landmark: Perungudi Toll.

As always, we would be glad and will always look forward to all shareholders attending the Company's AGM physically. However, in view of the existing pandemic condition and for your own safety, we encourage all members to attend the AGM through OAVM.

Route Map for 32nd Annual General Meeting of the Company to be held at at 4/363, 2nd Floor, Kandhanchavadi, Old Mahabalipuram Road, CHENNAI – 600096 TAMIL NADU on Tuesday, the 30th day of November 2021 at 11:30 AM



ORANGE RETAIL FINANCE INDIA PRIVATE LIMITED

4/363, 2nd Floor, Kandhanchavadi, Old Mahabalipuram Road, Chennai – 600096

Attendance Slip

Shareholders attending the meeting in person are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 32nd Annual General Meeting of the Company at 4/363, 2nd Floor, Kandhanchavadi, Old Mahabalipuram Road, Chennai – 600096 at 11:30 a.m. on Tuesday, the 30th day of November 2021.

.....

.....

Full name of the shareholder
(in block capitals)

Signature

Folio No.



Thank You