

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF WHIZDM FINANCE PRIVATE LIMITED

Report on the audit of the Financial Statements

We have audited the accompanying financial statements of Whizdm Finance Private Limited, which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its Profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management and Those Charged with Governance (TCWG) for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 Statement

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 judgement 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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.



Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- (g) Based on our audit, we report that the provisions of Section 197, read with Schedule V of the Act, are not applicable to the Company for the year ended March 31, 2024, since the Company is not a public company as defined under 2(71) of the Act. Accordingly, reporting under Section 197(16) of the Act, is not applicable.
- (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, 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 litigation which would impact the financial position as at March 31, 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2024.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, is applicable from April 1, 2023.

Based on our examination, which included test checks, the Company has utilized accounting software for maintaining its books of account. This software includes a feature for recording an audit trail (edit log) facility, and it has been operational throughout the year for all relevant transactions recorded in the software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S C Mehra & Associates LLP
Chartered Accountants
Reg No.: 106105W/W100305

Rishit Jain


Rishit Jain
Partner
Mem. No.: 238242

Date: May 21, 2024
Place: Bengaluru

UDIN: 24238242BKFQTS5645

Annexure A: To the Independent Auditor's Report of even date to the members of Whizdm Finance Private Limited on the Financial Statements for the year ended March 31, 2024.

Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order").

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report the following:

- i. a) A) The Company has maintained proper records showing full particulars, including quantitative details of Property, plant and equipment required under paragraph 3(i)(a), (b) and (c) of the order.
B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any intangible assets.
- b) The property, plant and equipment have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets.
- c) According to the information and explanations given to us, since no immovable property is held by the Company, this clause is not applicable.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the periodic returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.
- iv. In our opinion and the explanation given to us the Company has complied with the provision of section 185 and 186 of Companies Act, 2013 in respect of making investment, in respect of grant of loans and providing guarantees and securities as applicable.
- 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. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues to applicable authorities.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us by the management, the Company has obtained term loans during the year. Term loans were applied for the purpose for which the loans were obtained.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the act) during the year ended March 31, 2024. Accordingly, reporting under clause 3(ix)(e) & (f) is not applicable.
- x. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of shares or private placement of partially or optionally convertible debentures during the year ended March 31, 2024. Accordingly, reporting under clause 3(x)(b) is not applicable.
- xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. The Company is a private limited Company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi. a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Systemically Important Non-Banking Financial Company ("NBFC") not accepting public deposits (NBFC-ND-SI) vide certificate of Registration No. N-02-00317.
- b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the RBI as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) Based on the information and explanations provided by the management of the Company, the Whizdm group ("the group") does not have any CIC. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.



xxi. This being an audit of standalone financial statements, clause 3(xxi) of the Order is not applicable.

For S C Mehra & Associates LLP
Chartered Accountants
Firm Reg. No. 106105W/W100305

Rishit Jain

Rishit Jain
Partner
Mem. No.: 238242



Date: May 21, 2024
Place: Bengaluru

UDIN: 24238242BKFQTS5645

“Annexure B” to the Independent Auditor’s Report of even date to the members of Whizdm Finance Private Limited on the Financial Statements for the year ended March 31, 2024.

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

Independent Auditor’s Report on the internal financial controls with reference to the standalone financial statements 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 Whizdm Finance Private Limited as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon 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 Company’s internal financial controls over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company;



and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us-, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting-were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

For S C Mehra & Associates LLP
Chartered Accountants
Reg No.: 106105W/ W100305

Rishit Jain



Rishit Jain
Partner
Mem. No.: 238242

Date: May 21, 2024
Place: Bengaluru

UDIN: 24238242BKFQTS5645

Non-Banking Financial Companies Auditors' Report for the year ended March 31, 2024

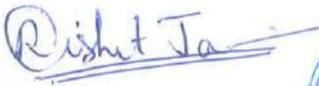
**The Board of Directors,
Whizdm Finance Private Limited
No 17/1, Kadubeesanahalli Outer Ring Road Bangalore-560087**

We have audited the accompanying financial statements of Whizdm Finance Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by Reserve Bank of India (RBI) vide notification no. DNBS.PPD.03/66.15.001/2016-17 dated September 29, 2016 on the matters specified in para 3(A) and 3(C) of Chapter-II of the said Directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit, we report that:

- I. The Company had been granted registration under section 45-IA of the Reserve Bank of India Act, 1934 on 28th of June 2019 vide Certificate of Registration No. N – 02-00317.
- II. The Company is entitled to continue to hold such registration in terms of its asset/ income pattern as on March 31, 2024.
- III. The Company is meeting the requirement of net owned funds applicable to an Investment Credit Company as laid down in Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023
- IV. The Board of Directors of the Company, in its meeting held on April 04, 2023, has passed resolution for non-acceptance of any public deposits for the Financial Year 2023-24.
- V. The Company has not accepted any public deposits during the financial year 2023-24.
- VI. The financial statements of the Company for the financial year ended March 31, 2024 have been prepared in accordance with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 - read with RBI Circular - DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021.

M/s SC Mehra & Associates LLP
Chartered Accountants
ICAI Firm registration number: 106105W / W100305


Rishit Jain
Partner
Membership No: 238242



Place: Bangalore
Date: May 21, 2024

UDIN: 24238242BKFQTR8566

Whizdm Finance Private Limited
Balance sheet as at March 31, 2024
(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| Particulars | Notes | March 31, 2024 | March 31, 2023 |
|--|-------|--------------------|------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 1,043.96 | 618.77 |
| Reserves and surplus | 4 | 64,604.19 | 16,147.03 |
| Total shareholders' funds | | 65,648.15 | 16,765.80 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 41,492.02 | 5,985.04 |
| Long-term provisions | 6 | 2,062.33 | 1,302.64 |
| Total non-current liabilities | | 43,554.35 | 7,287.68 |
| Current liabilities | | | |
| Short-term borrowings | 7 | 1,27,854.87 | 20,076.20 |
| Trade payables | 8 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 43.83 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,796.36 | 431.47 |
| Other current liabilities | 9 | 3,162.63 | 367.35 |
| Short-term provisions | 10 | 793.17 | 91.59 |
| Total current liabilities | | 1,35,650.86 | 20,966.61 |
| Total liabilities | | 1,79,205.21 | 28,254.29 |
| TOTAL EQUITY & LIABILITIES | | 2,44,853.36 | 45,020.09 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment and intangible assets | | | |
| Property, plant and equipment | 11 | 8.53 | 3.02 |
| Deferred tax asset (net) | 12 | 211.86 | 291.32 |
| Long-term loans and advances | 13 | 75,855.08 | 5,032.11 |
| Other non-current assets | 14 | - | 175.00 |
| Total non-current assets | | 76,075.47 | 5,501.45 |
| Current assets | | | |
| Cash and cash equivalents | 15 | 39,509.39 | 6,679.33 |
| Loans and advances | 13 | 1,23,925.13 | 32,112.25 |
| Other current assets | 14 | 5,343.37 | 727.06 |
| Total current assets | | 1,68,777.89 | 39,518.64 |
| TOTAL ASSETS | | 2,44,853.36 | 45,020.09 |

Summary of significant accounting policies 2.1

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

As per our report of even date

For S C Mehra & Associates LLP
Chartered Accountants
ICAI Firm registration number: 106105W / W100305


Rishit Jain
Partner
Membership No: 238242



Place: Bengaluru
Date: May 21, 2024

For and on behalf of the Board of Directors of
Whizdm Finance Private Limited

 
Puneet Agarwal Sanjay Aggarwal
Director Director & CEO
DIN: 06921984 DIN: 00931994


Ankit Kumar Jain
Company Secretary

Place: Bengaluru
Date: May 21, 2024

Whizdm Finance Private Limited

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

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| Particulars | Notes | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|-------|------------------------------|------------------------------|
| INCOME | | | |
| Revenue from operations | 16 | 47,123.90 | 6,986.60 |
| Other income | 17 | 1,047.77 | 126.70 |
| Total income (i) | | 48,171.67 | 7,113.30 |
| EXPENSES | | | |
| Employee benefit expenses | 18 | 1,309.41 | 743.58 |
| Finance costs | 19 | 13,661.40 | 2,264.94 |
| Provision on loans and advances | 20 | 8,795.60 | 1,708.90 |
| Depreciation | 21 | 2.35 | 5.18 |
| Other expenses | 22 | 19,198.94 | 2,140.22 |
| Total expenses (ii) | | 42,967.70 | 6,862.82 |
| Profit before tax [(iii)=(i)-(ii)] | | 5,203.97 | 250.48 |
| Tax expenses | | | |
| Current tax expense | | 1,242.16 | 313.40 |
| Deferred tax expense/(credit) | | 79.45 | (248.40) |
| Total tax expense (iv) | | 1,321.61 | 65.00 |
| Profit for the year [(v)=(iii)-(iv)] | | 3,882.36 | 185.48 |
| Earnings per equity share: | | | |
| Basic and diluted | 23 | 43.43 | 3.93 |
| Summary of significant accounting policies | 2.1 | | |

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

As per our report of even date

For S C Mehra & Associates LLP

Chartered Accountants

ICAI Firm registration number: 106105W / W100305


Rishit Jain
Partner
Membership No: 238242



Place: Bengaluru
Date: May 21, 2024

**For and on behalf of Board of Directors of
Whizdm Finance Private Limited**


Puneet Agarwal
Director
DIN: 06921984


Saijay Aggarwal
Director & CEO
DIN: 00931994


Ankit Kumar Jain
Company Secretary

Place: Bengaluru
Date: May 21, 2024

Whizdm Finance Private Limited
Cash Flow Statement for the year ended March 31, 2024
(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| Particulars | Year ended March 31 2024 | Year ended March 31 2023 |
|--|-----------------------------|-----------------------------|
| A. Cash flow from operating activities | | |
| Profit before exceptional items and tax | 5,203.97 | 250.48 |
| Adjustments: | | |
| Depreciation | 2.35 | 5.18 |
| Net (gain) on sale of mutual funds | (971.16) | (125.44) |
| Provision on Loans and Advances including write offs | 8,795.60 | 1,708.90 |
| Interest income on fixed deposits | (63.93) | (1.26) |
| Operating profit before working capital changes | 12,966.83 | 1,837.86 |
| Movements in working capital : | | |
| (Increase) in loans and advances | (1,69,832.36) | (28,860.48) |
| (Increase) in other assets | (4,441.31) | (572.11) |
| Increase in trade payable | 3,408.73 | 294.09 |
| Increase in other liabilities | 2,795.28 | 305.45 |
| Increase in provisions | 107.34 | 44.91 |
| Cash used in operations | (1,54,995.49) | (26,950.28) |
| Income tax paid (net of refunds) | (1,487.30) | (313.40) |
| Net cash flows used in operating activities (A) | (1,56,482.79) | (27,263.68) |
| B. Cash flows from investing activities | | |
| Investments in bank deposits | (22,433.64) | (1.22) |
| Redemption of fixed deposits | 20,538.24 | 28.97 |
| Purchase of property, plant and equipment | (7.85) | - |
| Purchase of investments | (2,13,781.71) | (23,816.69) |
| Proceeds from sale/maturity of current investments | 2,14,752.87 | 24,441.23 |
| Interest income on fixed deposits | 63.93 | 1.26 |
| Net cash flow (used in)/from investing activities (B) | (868.16) | 653.55 |
| C. Cash flows from financing activities | | |
| Proceeds from issuance of equity shares (including securities premium) | 45,000.00 | 10,800.01 |
| Proceeds from borrowings (other than debt securities) | 1,28,128.80 | 30,500.00 |
| Repayment of borrowings (other than debt securities) | (49,129.30) | (11,190.26) |
| Proceeds from issue of debt securities | 81,200.00 | 2,100.00 |
| Redemption of debt securities | (16,913.90) | (2,450.00) |
| Net cash flows from financing activities (C) | 1,88,285.61 | 29,759.75 |
| Net increase in cash and cash equivalents (A+B+C) | 30,934.66 | 3,149.62 |
| Cash and cash equivalents at the beginning of the year | 6,679.33 | 3,529.71 |
| Cash and cash equivalents at the end of the year | 37,613.99 | 6,679.33 |
| Components of cash and cash equivalents | | |
| Balance with banks in current account | 37,613.99 | 6,679.33 |
| Total cash and cash equivalents (Refer Note 15) | 37,613.99 | 6,679.33 |

Summary of significant accounting policies (Refer Note 2.1)

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

As per our report of even date

For S C Mehra & Associates LLP
Chartered Accountants
ICAI Firm registration number: 106105W / W100305

Rishit Jain
Rishit Jain
Partner
Membership No: 238242



Place: Bengaluru
Date: May 21, 2024

For and on behalf of Board of Directors of
Whizdm Finance Private Limited

Puneet Agnwal
Puneet Agnwal
Director
DIN: 06921984

Sandeep Agnwal
Sandeep Agnwal
Director
DIN: 00037994

Ankit Kumar Jain
Ankit Kumar Jain
Company Secretary

Place: Bengaluru
Date: May 21, 2024

Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

1. Corporate information

Whizdm Finance Private Limited ("the Company") incorporated in India on March 29, 2017 under the Companies Act, 2013 ("the Act"). The Company is engaged in lending activities. The Company has obtained its license from Reserve Bank of India ("RBI") to operate as a Non deposit accepting Non – Banking Financial Company ("NBFC - ND") on June 28, 2019 vide registration No. RBI N-02-00317.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with 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 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 and the provisions of the RBI as applicable to Middle Layer Non-Banking Finance Company ('NBFC-ML') according to Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended from time to time. The financial statements have been prepared under the historical cost convention and on an accrual basis.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. The Company has ascertained its operating cycle as 12 months for the above purpose.

The accounting policies adopted in the preparation of standalone financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

(a) Use of estimates

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

(b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its 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.



Whizdm Finance Private Limited

Notes to financial statements for the year ended March 31, 2024

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

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

(c) Depreciation on property, plant and equipment

Depreciation is calculated on Written Down Value Method ('WDV') basis using the rates arrived at based on the useful lives as specified in Schedule II to the Act.

The Company has used the following useful life and rates to provide depreciation on its property, plant and equipment:

| <u>Asset category</u> | <u>Useful life (In years)</u> |
|-----------------------|-------------------------------|
| Computer equipment | 3 |

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.

(d) Impairment of property, plant and equipment

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 assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. 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.

(e) Revenue recognition

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

i) Income from financing activities:

a) Interest Income

Interest Income on standard loans is recognized on a time proportion accrual basis taking into account the amount outstanding and interest rate implicit in the underlying agreements. Income or any other charges on non-performing assets are recognized only when realized. Any income recognized and remaining unrealised before the asset became non-performing is reversed.

b) Loan origination income i.e processing fee and other charges collected/charged upfront are recognised at the inception of loan.



Whizdm Finance Private Limited

Notes to financial statements for the year ended March 31, 2024

- c) All other charges such as cheque return charges, legal charges, collection charges, penal charges etc are recognized on realization basis. These charges are treated to accrue on realization, due to uncertainty of their realization.

ii) Interest Income on deposits

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

iii) Profit/Loss on sale of investments

Profit/loss on sale of investments is recognised on trade date basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

iv) Income from Securitisation/ Assignment

Securitized/Assigned assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of loans. The company has accounted for Securitisation and Direct Assignment in accordance with "Master Direction-RBI (Securitisation of Standard Assets) Directions, 2021 and "Master Direction-RBI (Transfer of Loan Exposures) Directions, 2021.

- a) Income on retained interest in securitised/assigned loans and income from excess interest spread in securitised/assigned loans is recognised in the statement of profit and loss account at the time of actual receipt.
b) Servicing fee received is accounted for based on the underlying deal structure of the transaction as per the agreement.

(f) 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. Current investments are carried in the standalone financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Borrowing costs

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest cost that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Costs incurred for origination of borrowings are amortized over the tenor of the agreement.

(h) Employee benefits

Defined Contribution Plan



Whizdm Finance Private Limited

Notes to financial statements for the year ended March 31, 2024

Contribution towards provident fund for all employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method, made at the end of each financial year. Actuarial gains and losses are recognized in full in the year in which they occur in the Statement of Profit and Loss.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

(i) 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 periods. 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 realized. 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 realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(j) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(k) 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 such as bonus issue, bonus element in a rights issue,



Whizdm Finance Private Limited
Notes to financial statements for the year ended March 31, 2024

share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

(l) Provision on loans and advances:

- (i) Loans are classified and provided for/ written off as per Company's policy given in below paragraphs, subject to the minimum provision required as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 applicable to a middle layer Non Banking Financial Company (NBFC-ML).
- (ii) The Company identifies Non-Performing Assets in accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 applicable to a middle layer Non Banking Financial Company (NBFC-ML).
- (iii) The Company provides 100% provision towards Non Performing assets and has a policy of writing off NPA loans greater than 180 DPD.
- (iv) The Company provides 0.40% provision towards Standard assets.

(m) Share based payments

The Holding Company has formulated an Employees Stock Option Plan 2015 (Revised), basis which stock options have been granted to the employees of the Company. In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and the same is recognized to the extent of the vesting period that has expired as an employee benefits expense with a corresponding increase in liability towards the Holding Company in the books of the Company. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

(n) 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.

(o) Cash and cash equivalents

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

(p) Special Reserve

The company transfers 20% of Net profit after Tax to Statutory Reserve Fund in accordance with the provisions of Sec 45-1C of Reserve Bank of India Act, 1934.



Whizdm Finance Private Limited

Notes to financial statements for the year ended March 31, 2024

(q) Segment Reporting

The Company operates in a single business segment i.e. lending to borrowers , which have similar risks and returns for the purpose of AS 17 on "Segment reporting" specified under section 133 of the Companies Act, 2013, read with rule 7 of the companies (Accounting standards) amendment Rules, 2016. All other activities of the company revolve around these activities. The company operate in a single geographical segment i.e. domestic.



Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| 3. Share capital | March 31, 2024 | | March 31, 2023 | |
|---|--------------------|-----------------|--------------------|-----------------|
| | No. of shares | Rs. | No. of shares | Rs. |
| Authorized shares | | | | |
| Equity shares of Rs. 10 each | 1,50,00,000 | 1,500.00 | 1,00,00,000 | 1,000.00 |
| | <u>1,50,00,000</u> | <u>1,500.00</u> | <u>1,00,00,000</u> | <u>1,000.00</u> |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of Rs. 10 each | 1,04,39,546 | 1,043.96 | 61,87,694 | 618.77 |
| Total | <u>1,04,39,546</u> | <u>1,043.96</u> | <u>61,87,694</u> | <u>618.77</u> |

(a) Reconciliation of share capital

| | Equity | | Equity | |
|---|--------------------|-----------------|------------------|---------------|
| | No. of shares | Rs. | No. of shares | Rs. |
| At the beginning of the year | 61,87,694 | 618.77 | 41,70,000 | 417.00 |
| Issued during the year | 42,51,852 | 425.19 | 20,17,694 | 201.77 |
| Outstanding at the end of the year | <u>1,04,39,546</u> | <u>1,043.96</u> | <u>61,87,694</u> | <u>618.77</u> |

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company in proportion to the number of equity shares held.

(c) Shareholding of promoter are as follows:

| | No. of shares | % holding | No. of shares | % holding |
|------------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| Equity shares of Rs.10 each | | | | |
| Whizdm Innovations Private Limited | 1,04,39,545 | 100.00% | 61,87,693 | 100.00% |
| | Change in number of shares | % change during the year | Change in number of shares | % change during the year |
| | 42,51,852 | 0.00 | 20,17,694 | 0.00 |

(d) Shares held by holding company

| | No. of shares | Rs. | No. of shares | Rs. |
|------------------------------------|--------------------|-----------------|------------------|---------------|
| Equity shares of Rs.10 each | | | | |
| Whizdm Innovations Private Limited | 1,04,39,545 | 1,043.95 | 61,87,693 | 618.77 |
| | <u>1,04,39,545</u> | <u>1,043.95</u> | <u>61,87,693</u> | <u>618.77</u> |

(e) Shareholders holding more than 5% of the shares

| | No. of shares | % | No. of shares | % |
|------------------------------------|--------------------|-------------|------------------|-------------|
| Equity shares of Rs.10 each | | | | |
| Whizdm Innovations Private Limited | 1,04,39,545 | 100% | 61,87,693 | 100% |
| | <u>1,04,39,545</u> | <u>100%</u> | <u>61,87,693</u> | <u>100%</u> |

4. Reserves and surplus

| | March 31, 2024 | March 31, 2023 |
|--|------------------|------------------|
| A. Securities premium | | |
| Balance as per the last financial statements | 15,999.69 | 5,401.44 |
| Add: Premium received on issue of shares during the year | 44,574.80 | 10,598.25 |
| Closing balance | <u>60,574.49</u> | <u>15,999.69</u> |
| B. Statutory Reserve Fund under section 45-1C of RBI Act, 1934¹ | | |
| Balance as per the last financial statements | 37.53 | 0.43 |
| Add: Transfer from Surplus in Profit and loss account | 776.47 | 37.10 |
| Closing balance | <u>814.00</u> | <u>37.53</u> |
| I. Represents transfer of 20% of Net profit after Tax in accordance with the provisions of Section 45-1C of Reserve Bank of India Act,1934. | | |
| C. Surplus in Profit and loss account | | |
| Balance as per the last financial statements | 109.81 | (38.57) |
| Add: Profit for the year | 3,882.36 | 185.48 |
| Less: Transfer to Statutory Reserve Fund under section 45-1C of RBI Act,1934 | (776.47) | (37.10) |
| Closing balance | <u>3,215.70</u> | <u>109.81</u> |
| Total reserves and surplus (A+B+C+D) | <u>64,604.19</u> | <u>16,147.03</u> |

(This space is intentionally left blank)



Whizdm Finance Private Limited
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| | March 31, 2024 | March 31, 2023 |
|--|--------------------|--------------------|
| 5. Long-term borrowings | | |
| <i>Secured</i> | | |
| Non Convertible debentures | 64,436.10 | 2,650.00 |
| Term loan from Banks | 17,565.40 | 400.00 |
| Term loan from financial institutions | 52,059.38 | 23,011.24 |
| Less: Current maturities of long-term borrowings | <u>(92,568.86)</u> | <u>(20,076.20)</u> |
| | 41,492.02 | 5,985.04 |

1. The Company has raised borrowings for general corporate purposes or to originate portfolio. The loans are secured by way of hypothecation over portfolio loans. They carry interest in the range of 8.4%-15%.

| | | |
|-----------------------------------|-----------------|-----------------|
| 6. Long-term provisions | | |
| Provision for employee benefits | 57.23 | 13.10 |
| Compensated absences | 96.40 | 39.54 |
| Gratuity (refer Note 25) | | |
| Other provisions | 1,908.70 | 1,250.00 |
| Provision for sub-standard assets | <u>2,062.33</u> | <u>1,302.64</u> |

| | | |
|--|--------------------|------------------|
| 7. Short-term borrowings | | |
| <i>Unsecured</i> | 2,500.00 | - |
| Commercial Papers | | |
| <i>Secured</i> | | |
| Term loan from Banks | 14,912.93 | - |
| Term loan from financial institutions | 17,873.08 | - |
| Current maturities of long-term borrowings | <u>92,568.86</u> | <u>20,076.20</u> |
| | 1,27,854.87 | 20,076.20 |

| | | |
|--|-----------------|---------------|
| 8. Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 43.83 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,796.36 | 431.47 |
| | <u>3,840.19</u> | <u>431.47</u> |

(a) Trade payable ageing schedule

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|---|--|---------------|------------------|------------------|-----------------|
| | Unbilled | Not due | Less than 1 year | More than 1 year | |
| Total outstanding dues of MSME | 1.42 | 13.95 | 28.46 | - | 43.83 |
| Total outstanding dues of creditors other than MSME | 3,233.57 | 356.97 | 205.82 | - | 3,796.36 |
| As at March 31, 2024 | 3,234.99 | 370.92 | 234.28 | - | 3,840.19 |
| Total outstanding dues of MSME | - | - | - | - | - |
| Total outstanding dues of creditors other than MSME | 31.37 | 395.18 | 4.92 | - | 431.47 |
| As at March 31, 2023 | 31.37 | 395.18 | 4.92 | - | 431.47 |

(b) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| (i) Dues remaining unpaid to any supplier | 43.83 | - |
| Principal | - | - |
| Interest | - | - |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. | - | - |
| (iv) The amount of interest accrued and remaining un-paid at the end of each accounting year. | - | - |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | - | - |

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

| | | |
|--|-----------------|---------------|
| 9. Other current liabilities | | |
| Statutory liabilities | 439.53 | 253.43 |
| Salaries and bonus payable | 45.41 | 15.42 |
| Interest accrued but not due on borrowings | 622.16 | 98.50 |
| Payable towards securitisation/assignment | 2,055.53 | - |
| | <u>3,162.63</u> | <u>367.35</u> |

| | | |
|----------------------------------|---------------|--------------|
| 10. Short-term provisions | | |
| Provision for employee benefits | 4.88 | 1.14 |
| Compensated absences | 3.88 | 1.27 |
| Gratuity (refer Note 25) | | |
| Other provisions | 784.41 | 89.18 |
| Provision for standard assets | <u>793.17</u> | <u>91.59</u> |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

11. Property, plant and equipment

| | Computer equipment | Total |
|---------------------------------|--------------------|-------|
| <u>Gross carrying value</u> | | |
| As at April 01, 2022 | 8.25 | 8.25 |
| Additions | - | - |
| Disposals | - | - |
| As at March 31, 2023 | 8.25 | 8.25 |
| Additions | 7.86 | 7.86 |
| Disposals | - | - |
| As at March 31, 2024 | 16.11 | 16.11 |
| <u>Accumulated Depreciation</u> | | |
| As at April 01, 2022 | 0.05 | 0.05 |
| Charge for the year | 5.18 | 5.18 |
| Disposals | - | - |
| As at March 31, 2023 | 5.23 | 5.23 |
| Charge for the year | 2.35 | 2.35 |
| Disposals | - | - |
| As at March 31, 2024 | 7.58 | 7.58 |
| <u>Net block</u> | | |
| As at March 31, 2023 | 3.02 | 3.02 |
| As at March 31, 2024 | 8.53 | 8.53 |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

12. Deferred Tax Asset (net)

Deferred tax assets

Impact of expenditure charged to the statement of profit and loss but allowable for tax purposes in subsequent

| March 31, 2024 | March 31, 2023 |
|----------------|----------------|
| 211.86 | 291.32 |
| 211.86 | 291.32 |

13. Loans and advances

Portfolio Loans

Unsecured, considered standard
Unsecured, considered sub-standard

| | Long-Term | | Short-Term | |
|---|------------------|-----------------|--------------------|------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Unsecured, considered standard | 73,248.26 | 3,685.93 | 1,21,940.46 | 31,577.01 |
| Unsecured, considered sub-standard | 1,908.70 | 1,250.00 | - | - |
| Other loans and advances (unsecured, considered good unless otherwise stated) | | | | |
| Recoverable from related parties (refer Note 24) | - | - | - | 347.74 |
| Balances with statutory/government authorities | - | - | 479.92 | - |
| Advance tax (net of provision for tax) | 306.05 | 60.91 | - | - |
| Prepaid expenses | 392.07 | 35.27 | 1,504.75 | 187.50 |
| | 75,855.08 | 5,032.11 | 1,23,925.13 | 32,112.25 |

14. Other Assets

Interest accrued but not due on bank deposits
Interest accrued but not due on portfolio loans
Interest accrued and due on portfolio loans
Payment gateway receivable
Cash margin for Non Convertible Debentures

| | Non-current | | Current | |
|---|----------------|----------------|-----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Interest accrued but not due on bank deposits | - | - | 0.57 | - |
| Interest accrued but not due on portfolio loans | - | - | 3,923.52 | 524.53 |
| Interest accrued and due on portfolio loans | - | - | 390.91 | 48.60 |
| Payment gateway receivable | - | - | 928.37 | 153.93 |
| Cash margin for Non Convertible Debentures | - | 175.00 | 100.00 | - |
| | - | 175.00 | 5,343.37 | 727.06 |

15. Cash and cash equivalents

Cash and cash equivalents

Deposits with original maturity of less than three months
Balances with banks in current accounts

| March 31, 2024 | March 31, 2023 |
|------------------|-----------------|
| 1,600.00 | - |
| 37,613.99 | 6,679.33 |
| | |
| 295.40 | - |
| 39,509.39 | 6,679.33 |

Other bank balances

Deposit with remaining maturity of more than twelve months¹

1. Term deposit with bank amounting to Rs.146.20 is lien marked.

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Whizdm Finance Private Limited**Notes to the financial statements for the year ended March 31, 2024**

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| 16. Revenue from operations | | |
| Interest income | 30,361.87 | 4,527.53 |
| Processing fees and other charges | 16,762.03 | 2,459.07 |
| | 47,123.90 | 6,986.60 |
| 17. Other income | | |
| Interest income from investment in fixed deposits | 63.93 | 1.26 |
| Net gain on sale of mutual funds | 971.16 | 125.44 |
| Other non operating income | 12.68 | - |
| | 1,047.77 | 126.70 |
| 18. Employee benefit expenses | | |
| Salaries, wages and bonus | 982.27 | 499.03 |
| Employer's contribution to Provident fund and other employee benefit funds | 7.71 | 4.66 |
| Employee stock option costs | 259.96 | 205.45 |
| Gratuity expense | 59.47 | 34.44 |
| | 1,309.41 | 743.58 |
| 19. Finance costs | | |
| Interest on borrowings | 11,088.02 | 2,065.33 |
| Processing charges on borrowings | 1,051.11 | 146.75 |
| Guarantee fees | 1,280.66 | - |
| Bank charges | 241.61 | 52.86 |
| | 13,661.40 | 2,264.94 |
| 20. Provision on Loans and Advances | | |
| Provision for standard assets | 695.23 | 69.83 |
| Provision for sub-standard assets and write offs | 8,100.37 | 1,639.07 |
| | 8,795.60 | 1,708.90 |
| 21. Depreciation | | |
| Depreciation of property, plant and equipment | 2.35 | 5.18 |
| | 2.35 | 5.18 |
| 22. Other expenses | | |
| Professional charges ¹ | 16,135.31 | 1,905.07 |
| Transaction processing charges | 2,405.17 | 122.62 |
| IT maintenance charges | 508.71 | 102.12 |
| Rates and taxes | 126.22 | 4.18 |
| Miscellaneous expenses | 23.53 | 6.23 |
| | 19,198.94 | 2,140.22 |
| 1. Payment to auditors (excluding taxes) | | |
| (a) Audit fees | 9.00 | 4.50 |
| (b) Reimbursement of expenses | 0.27 | - |
| | 9.27 | 4.50 |

Corporate social responsibility expense

As per section 135 of the Act, a company, having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year ("applicable threshold"), needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has not met the applicable threshold and hence the requirement to comply with the said section is not applicable to the Company.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

23. Earnings per share

Nominal value of equity shares (Rs)

(a) Net Profit for the year

(b) Basic/diluted number of Equity shares of Rs 10 each outstanding during the year

(c) Weighted average number of Equity shares of Rs 10 each outstanding during the year

(d) Basic/diluted Earnings per share (Rs)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Nominal value of equity shares (Rs) | 10.00 | 10.00 |
| (a) Net Profit for the year | 3,882.36 | 185.48 |
| (b) Basic/diluted number of Equity shares of Rs 10 each outstanding during the year | 1,04,39,546 | 61,87,694 |
| (c) Weighted average number of Equity shares of Rs 10 each outstanding during the year | 89,39,603 | 47,25,655 |
| (d) Basic/diluted Earnings per share (Rs) | 43.43 | 3.93 |

24. Related party disclosures

(a) Parties where control exists includes:

| <u>Name of party</u> | <u>Nature of relationship</u> |
|------------------------------------|--|
| Sanjay Aggarwal | Director |
| Puneet Agarwal | Director |
| Nagaraj Subramanya | Director |
| Whizdm Innovations Private Limited | Holding company |
| Whizdm Fintech Private Limited | Fellow subsidiary |
| Ankit Kumar Jain | Company Secretary (w.e.f March 30, 2024) |

(b) The following table is the summary of transactions with related parties by the Company: -

Whizdm Innovations Private Limited

Loans availed during the year

Loans repaid during the year

Professional charges

Guarantee fees

Reimbursement of expense

Reimbursement of share based payments to employees

Interest expense

Business support service

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Loans availed during the year | 2,800.00 | 4,100.00 |
| Loans repaid during the year | 2,800.00 | 5,000.00 |
| Professional charges | 14,925.22 | 1,841.49 |
| Guarantee fees | 1,169.48 | - |
| Reimbursement of expense | - | 1,334.80 |
| Reimbursement of share based payments to employees | 259.96 | 205.45 |
| Interest expense | 44.02 | 170.69 |
| Business support service | 12.00 | 6.00 |

Ankit Kumar JainRemuneration¹

0.34 -

Notes

1. The gratuity and compensated absence expenses are determined for all the employees as a whole and not identifiable separately for key management personnel. Hence, the remuneration disclosed above does not include the same.

2. The Company has recovered Nil (March 2023: Rs 1,235.02) towards service deficiency charges in contractual repayment and collection related services provided by its Holding Company.

c) The balances receivable from and payable to related parties as at year end are as follows :

Whizdm Innovations Private Limited

Other (Payable)/ Receivable

| | March 31, 2024 | March 31, 2023 |
|-----------------------------|----------------|----------------|
| Other (Payable)/ Receivable | (3,208.62) | 347.74 |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

25. Gratuity

Defined benefit plans

The Company operates gratuity benefit plan, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on retirement/termination at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company. The Company has adopted Accounting Standard 15 issued by the Institute of Chartered Accountants of India and liability has been computed as per Projected Unit credit method basis actuarial valuation.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the unfunded status and amounts recognised in the balance sheet for the respective plans.

Statement of profit and loss

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| <u>Net employee benefit expense recognized in the employee cost</u> | | |
| Current service cost | 25.33 | 9.41 |
| Interest cost on benefit obligation | 3.06 | 0.46 |
| Actuarial loss recognized during the year | 31.08 | 24.57 |
| Net benefit expense | 59.47 | 34.44 |

Balance sheet

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Present value of defined benefit obligation | 100.28 | 40.81 |
| Plan liability | 100.28 | 40.81 |

Changes in the present value of the defined benefit obligation

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Opening defined benefit obligation | 40.81 | 6.37 |
| Current service cost | 25.33 | 9.41 |
| Interest cost | 3.06 | 0.46 |
| Actuarial loss on obligation | 31.08 | 24.57 |
| Benefits paid | - | - |
| Closing defined benefit obligation | 100.28 | 40.81 |

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

| | March 31, 2024 | March 31, 2023 |
|-----------------|----------------|----------------|
| Discount rate | 7.25% | 7.50% |
| Attrition rate | 10.00% | 10.00% |
| Salary increase | 10.00% | 10.00% |
| Retirement age | 60 years | 60 years |

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

26. Financial Ratios

(i) Current ratio = Current assets divided by current liabilities

| | March 31, 2024 | March 31, 2023 |
|-------------------------------|----------------|----------------|
| Current assets | 1,68,777.89 | 39,518.64 |
| Current liabilities | 1,35,650.86 | 20,966.61 |
| Ratio | 1.24 | 1.88 |
| % Change from previous period | -34% | |

Comment: Decrease in Current Ratio is on account of increase in short term borrowings and current maturities of long term borrowings thereby increasing the current liabilities balance as at year end.

(ii) Debt Equity ratio = Total debt divided by total equity where total debt refers to sum of current and non current borrowings

| | March 31, 2024 | March 31, 2023 |
|-------------------------------|----------------|----------------|
| Total debt | 1,69,346.89 | 26,061.24 |
| Total equity | 65,648.15 | 16,765.80 |
| Ratio | 2.58 | 1.55 |
| % Change from previous period | 66% | |

Comment: Increase in Debt Equity Ratio is on account of the fact that significant debt was raised near the end of the year, thereby, increasing the debt balance significantly as at year end. The Company is optimising its leverage ratio in view of adequate capital support by the Holding company.

(iii) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Profit before tax | 5,203.97 | 250.48 |
| Add: Non cash operating expenses and finance cost | | |
| - Interest on borrowings | 11,088.02 | 2,065.33 |
| - Depreciation | 2.35 | 5.18 |
| - Provision on loans and advances | 8,795.60 | 1,708.90 |
| Earnings available for debt services (A) | 25,089.94 | 4,029.89 |
| Short-term borrowings | 1,27,854.87 | 20,076.20 |
| Add - Current interest payments | 12,530.94 | 2,147.01 |
| Total Debt (B) | 1,40,385.81 | 22,223.21 |
| Ratio | 0.18 | 0.18 |
| % Change from previous period | -1% | |

(iv) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Average Equity

| | | |
|-------------------------------|-----------|-----------|
| Net Profit after tax | 3,882.36 | 185.48 |
| Average equity | 41,206.98 | 11,273.05 |
| Ratio | 0.09 | 0.02 |
| % Change from previous period | 473% | |

Comment: Increase in Return on Equity Ratio is on account of significantly higher average portfolio outstanding during the current year as compared to previous year which has led to better earnings in the current year. Further, the Company had a low leverage ratio throughout the year which has helped boost its profitability.

(v) Net capital Turnover Ratio = Revenue from operations divided by Average Net Working capital

| | | |
|-------------------------------|-----------|-----------|
| Revenue from operations | 47,123.90 | 6,986.60 |
| Net working capital | 25,839.53 | 12,673.43 |
| Ratio | 1.82 | 0.55 |
| % Change from previous period | 231% | |

Comment: Increase in Net Capital Turnover Ratio is on account of significantly higher average portfolio outstanding during the current year as compared to previous year which has led to better earnings in the current year.

(vi) Net profit ratio = Net profit after tax divided by Revenue from operations

| | | |
|-------------------------------|-----------|----------|
| Net Profit after tax | 3,882.36 | 185.48 |
| Revenue from operations | 47,123.90 | 6,986.60 |
| Ratio | 0.08 | 0.03 |
| % Change from previous period | 210% | |

Comment: Increase in Net Profit Ratio is on account of low leverage ratio throughout the year which has helped boost the profitability of the Company.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

26. Financial Ratios (contd.)

(vii) Return on Capital employed (pre cash)=Earnings before interest and taxes (EBIT) divided by Average Capital Employed

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------|------------------------------|------------------------------|
| Net Profit before tax | 5,203.97 | 250.48 |
| Add: Interest on borrowings | 11,088.02 | 2,065.33 |
| EBIT | 16,291.99 | 2,315.81 |
| Average capital employed | 1,38,911.04 | 27,854.43 |
| Ratio | 0.12 | 0.08 |
| % Change from previous period | -41% | |

Comment: Increase in Return on Capital employed is on account of significantly higher average portfolio outstanding during the current year as compared to previous year which has led to better earnings in the current year. Further, the Company had a low leverage ratio throughout the year which has helped boost its profitability

27. Segment Information

The Company operates in a single reportable segment i.e. financing and all its operations are in India only. Accordingly, there are no separate reportable segments for the purpose of AS-17 on 'Segment Reporting' specified under section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.

28. Contingent liability and commitments

(a) There are no contingent liabilities as at March 31, 2024 (March 31, 2023: Nil)

(b) There is no pending litigation on the Company as at March 31, 2024 (March 31, 2023: Nil)

(c) The Company has no long term contracts for which there were any material foreseeable losses as on March 31, 2024 (March 31, 2023: Nil)

29. The Company has no foreign currency exposure for the year ended March 31, 2024 (March 31, 2023: Nil)

Disclosures pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 (as amended from time to time)

30. Information in respect of Restructured assets

| | Standard | Sub Standard |
|---|----------|--------------|
| <u>Restructured accounts as on April 01, 2023</u> | | |
| No of Accounts | - | 1 |
| Amount Outstanding | - | 0.14 |
| Provision thereon | - | 0.14 |
| <u>Restructuring during the year</u> | | |
| No of Accounts | - | - |
| Amount Restructured | - | - |
| <u>Restructured accounts as on March 31, 2024</u> | | |
| No of Accounts | - | 1 |
| Amount Outstanding | - | 0.03 |
| Provision thereon | - | 0.03 |
| <u>Restructured accounts as on April 01, 2022</u> | | |
| No of Accounts | 12 | - |
| Amount Outstanding | 1.59 | - |
| Provision thereon | 0.00 | - |
| <u>Restructuring during the year</u> | | |
| No of Accounts | - | - |
| Amount Restructured | - | - |
| <u>Restructured accounts as on March 31, 2023</u> | | |
| No of Accounts | - | 1 |
| Amount Outstanding | - | 0.14 |
| Provision thereon | - | 0.14 |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

31 Schedule to the Balance Sheet of an NBFC

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|----------------|----------------------|----------------|
| | Outstanding | Overdue | Outstanding | 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 | 64,694.56 | - | 2,650.00 | - |
| Unsecured | - | - | - | - |
| (other than falling within the meaning of public deposits) | | | | |
| b) Deferred credits | - | - | - | - |
| c) Term loans | 1,02,774.49 | - | 23,509.74 | - |
| d) Inter-corporate loans and borrowings | - | - | - | - |
| e) Commercial paper | 2,500.00 | - | - | - |
| f) Public deposits | - | - | - | - |
| g) Other loans | - | - | - | - |
| Assets side | | | | |
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue |
| 2. Breakup of loans and advances including bills receivables (including interest accrued) | | | | |
| a) Secured | - | - | - | - |
| b) Unsecured | 2,01,411.85 | - | 37,086.07 | - |
| 3. Breakup of leased assets and stock on hire and other assets | | | | |
| i. Lease assets including lease rentals under sundry debtors | | | | |
| a) Financial lease | - | - | - | - |
| b) Operating lease | - | - | - | - |
| ii. Stock on hire including hire charges under sundry debtors | | | | |
| a) Assets on hire | - | - | - | - |
| b) Repossessed assets | - | - | - | - |
| iii. Other loans counting towards asset financing activities | | | | |
| a) Loans where assets have been repossessed | - | - | - | - |
| b) Loans other than (a) above | - | - | - | - |
| 4. Breakup of investments | | | | |
| Current investments | | | | |
| I. Quoted | | | | |
| i. Shares | | | | |
| a) Equity | - | - | - | - |
| b) Preference | - | - | - | - |
| ii. Debentures and bonds | - | - | - | - |
| iii. Units of mutual funds | - | - | - | - |
| iv. Government securities | - | - | - | - |
| v. Others | - | - | - | - |
| II. Unquoted | | | | |
| i. Shares | | | | |
| a) Equity | - | - | - | - |
| b) Preference | - | - | - | - |
| ii. Debentures and bonds | - | - | - | - |
| iii. Units of mutual funds | - | - | - | - |
| iv. Government securities | - | - | - | - |
| v. Others | - | - | - | - |
| Long term investments | | | | |
| I. Quoted | | | | |
| i. Shares | | | | |
| a) Equity | - | - | - | - |
| b) Preference | - | - | - | - |
| ii. Debentures and bonds | - | - | - | - |
| iii. Units of mutual funds | - | - | - | - |
| iv. Government securities | - | - | - | - |
| v. Others | - | - | - | - |
| II. Unquoted | | | | |
| i. Shares | | | | |
| a) Equity | - | - | - | - |
| b) Preference | - | - | - | - |
| ii. Debentures and bonds | - | - | - | - |
| iii. Units of mutual funds | - | - | - | - |
| iv. Government securities | - | - | - | - |
| v. Others | - | - | - | - |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

31 Schedule to the Balance Sheet of an NBFC (cont'd):

(i) Borrower group - wise classification of assets financed

As at March 31, 2024

| Category | Net of provisions | | | |
|-------------------------------------|-------------------|--------------------|-----------------|--------------------|
| | Secured | Unsecured | Provisions | Total |
| 1 Related parties | | | | |
| a) Subsidiaries | - | - | - | - |
| b) Companies in the same group | - | - | - | - |
| c) Other related parties | - | - | - | - |
| 2 Other than related parties | - | 2,01,411.85 | 2,693.11 | 1,98,718.74 |
| Total | - | 2,01,411.85 | 2,693.11 | 1,98,718.74 |

As at March 31, 2023

| Category | Net of provisions | | | |
|-------------------------------------|-------------------|------------------|-----------------|------------------|
| | Secured | Unsecured | Provisions | Total |
| 1 Related parties | | | | |
| a) Subsidiaries | - | - | - | - |
| b) Companies in the same group | - | - | - | - |
| c) Other related parties | - | - | - | - |
| 2 Other than related parties | - | 37,086.07 | 1,339.18 | 35,746.89 |
| Total | - | 37,086.07 | 1,339.18 | 35,746.89 |

(ii) Investor group - wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

| Category | As at March 31, 2024 | | As at March 31, 2023 | |
|-------------------------------------|---|-------------------------------|---|-------------------------------|
| | Market value / break up or fair value or NAV(*) | Book value (Net of provision) | Market value / break up or fair value or NAV(*) | Book value (Net of provision) |
| 1 Related parties | | | | |
| a) Subsidiaries | - | - | - | - |
| b) Companies in the same group | - | - | - | - |
| c) Other related parties | - | - | - | - |
| 2 Other than related parties | - | - | - | - |
| Total | - | - | - | - |

(iii) Other information

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| i Gross non-performing assets | | |
| a) Related parties | - | - |
| b) Other than related parties | 1,908.70 | 1,250.00 |
| ii Net non-performing assets | | |
| a) Related parties | - | - |
| b) Other than related parties | - | - |
| iii Assets acquired in satisfaction of debt | - | - |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

32 Asset Liability Management Maturity pattern of certain items of assets and liabilities:-

| As at March 31, 2024 | | | | | | | | | | | |
|----------------------|-------------|---------------------------|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|-----------------------------|--------------|-------------|
| Particulars | Upto 7 days | Over 08 days upto 14 days | Over 15 days upto 1 months | Over 1 month upto 2 months | Over 2 months upto 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years & upto 5 years | Over 5 years | Total |
| Liabilities | | | | | | | | | | | |
| Borrowings | 753.01 | 589.81 | 7,257.63 | 21,298.22 | 14,933.27 | 32,759.19 | 50,263.74 | 41,492.02 | - | - | 1,69,346.89 |
| Assets | | | | | | | | | | | |
| Loans | 13,742.26 | - | - | 14,967.24 | 13,710.37 | 34,051.59 | 45,171.67 | 66,501.73 | 8,957.56 | - | 1,97,897.42 |

| As at March 31, 2023 | | | | | | | | | | | |
|----------------------|-------------|---------------------------|----------------------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|-----------------------------|--------------|-----------|
| Particulars | Upto 7 days | Over 08 days upto 15 days | Over 15 days upto 1 months | Over 1 month upto 2 months | Over 2 months upto 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years & upto 5 years | Over 5 years | Total |
| Liabilities | | | | | | | | | | | |
| Borrowings | 71.89 | 225.00 | 981.85 | 1,735.96 | 2,186.77 | 5,408.52 | 9,466.22 | 5,985.03 | - | - | 26,061.24 |
| Assets | | | | | | | | | | | |
| Loans | 4,646.20 | - | 140.11 | 4,613.80 | 4,194.75 | 8,735.67 | 9,246.48 | 3,613.79 | 1,322.14 | - | 36,512.94 |

Note: The Company does not have deposits, investments, foreign currency assets and liabilities as at March 31, 2024 and March 31, 2023.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

33 Public disclosure on liquidity risk

(i) Funding concentration based on significant counterparty (borrowings)

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------------------------|----------------|----------------|
| Number of Significant Counterparties | 23 | 2 |
| Amount | 1,03,630.46 | 13,138.62 |
| % of Total deposits | Nil | Nil |
| % of Total liabilities | 57.83% | 46.50% |

Note:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

2. Total liabilities has been computed as total assets less equity share capital less reserve & surplus and computed basis extant regulatory ALM guidelines

(ii) Top 20 large deposits- Nil (March 2023: Nil)

(iii) Top 10 outstanding borrowings

| | | |
|-----------------------|-----------|-----------|
| Amount | 54,329.60 | 22,130.56 |
| % of Total borrowings | 32.08% | 84.92% |

Note:

1. Accrued interest on borrowings not considered

2. Total borrowing has been computed as gross total debt basis extant regulatory ALM guidelines

(iv) Funding Concentration based on significant instrument/product

| As at March 31, 2024 | | |
|----------------------------------|--------------------|------------------------|
| Number of the instrument/product | Amount | % of Total liabilities |
| Non convertible debentures | 64,436.10 | 35.96% |
| Term Loan from Banks | 32,478.33 | 18.12% |
| Term Loan from FIs | 69,932.46 | 39.02% |
| Commercial Papers | 2,500.00 | 1.40% |
| Total | 1,69,346.89 | 94.50% |

| As at March 31, 2023 | | |
|----------------------------------|------------------|------------------------|
| Number of the instrument/product | Amount | % of Total liabilities |
| Non convertible debentures | 2,650.00 | 9.38% |
| Term Loan from Banks | 400.00 | 1.42% |
| Term Loan from FIs | 23,011.24 | 81.44% |
| Total | 26,061.24 | 92.24% |

Note:

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

Total liabilities has been computed as Total assets less equity share capital less reserve & surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratios:

a) Commercial papers as a % of total public funds, total liabilities and total assets-

| | March 31, 2024 | March 31, 2023 |
|--------------------|----------------|----------------|
| Total Public funds | 1.48% | Nil |
| Total Liabilities | 1.40% | Nil |
| Total Assets | 1.02% | Nil |

b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets:- Nil (March 2023: Nil)

c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets:

| | | |
|--------------------|--------|--------|
| Total Public funds | 80.10% | 80.45% |
| Total Liabilities | 75.70% | 74.21% |
| Total Assets | 55.40% | 46.57% |

(vi) Institutional set-up for liquidity risk management

Board of Directors:

The Board has the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance limits decided by it.

Risk Management Committee:

The Risk Management Committee is responsible for evaluating the overall risks faced by the NBFC including liquidity risk.

Asset-Liability Management Committee (ALCO):

The ALCO ensures adherence to the risk tolerance limits set by the Board as well as implements the liquidity risk management strategy of the NBFC.

34 No penalties were imposed by RBI and other regulators during the year ended March 31, 2024 and March 31, 2023.

35 The Company has not withdrawn any amount from any reserves during the year ended March 31, 2024 and March 31, 2023.

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Whizdm Finance Private Limited
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)
36 Exposure

- a) Exposure to real estate sector: Nil (March 31, 2023: Nil)
b) Exposure to capital market: Nil (March 31, 2023: Nil)
c) Sectoral exposure:

| Sectors | Current Year | | | Previous Year | | |
|--------------------------------------|---|------------|---|---|------------|---|
| | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on balance sheet and off-balance sheet exposure) | Gross NPAs | Percentage of Gross NPAs to total exposure in that sector |
| 1. Agriculture and Allied Activities | - | - | - | - | - | - |
| 2. Industry | - | - | - | - | - | - |
| i. MSME- Micro | 1,181.51 | - | - | - | - | - |
| 3. Services | - | - | - | - | - | - |
| i. Other services | 44,141.97 | - | - | - | - | - |
| 4. Personal Loans | - | - | - | - | - | - |
| i. Other Personal loans | 1,60,821.97 | 1,908.70 | 1.19% | 36,512.94 | 1,250.00 | 3.42% |
| Total of Personal Loans | | | | | | |
| 5. Others | - | - | - | - | - | - |

- d) Intra-group exposures: Nil (March 31, 2023: Nil)
e) Unhedged foreign currency exposure: Nil (March 31, 2023: Nil)

37 Related party disclosures:

| Items | Related Party | | Parent | | Key Management Personnel | | Relatives of Key Management Personnel | | Total | |
|--|---------------|---------------|--------------|---------------|--------------------------|---------------|---------------------------------------|---------------|--------------|---------------|
| | Current year | Previous year | Current year | Previous year | Current year | Previous year | Current year | Previous year | Current year | Previous year |
| Borrowings availed during the year | 2,800.00 | 4,100.00 | - | - | - | - | - | - | 2,800.00 | 4,100.00 |
| Borrowings repaid during the year | 2,800.00 | 5,000.00 | - | - | - | - | - | - | 2,800.00 | 5,000.00 |
| Other receivable/ (payable) | (3,208.62) | 347.74 | - | - | - | - | - | - | (3,208.62) | 347.74 |
| Interest paid | 44.02 | 170.69 | - | - | - | - | - | - | 44.02 | 170.69 |
| Professional charges | 14,925.22 | 1,841.49 | - | - | - | - | - | - | 14,925.22 | 1,841.49 |
| Guarantee fees | 1,169.48 | - | - | - | - | - | - | - | 1,169.48 | - |
| Reimbursement of expense | - | 1,334.80 | - | - | - | - | - | - | - | 1,334.80 |
| Service deficiency charges | - | 1,235.02 | - | - | - | - | - | - | - | 1,235.02 |
| Reimbursement of share based payments to employees | 259.96 | 205.45 | - | - | - | - | - | - | 259.96 | 205.45 |
| Business support service | 12.00 | 6.00 | - | - | - | - | - | - | 12.00 | 6.00 |
| Remuneration | 0.34 | - | - | - | - | - | - | - | 0.34 | - |

Note: 1. The Company does not have any subsidiary, associate or joint venture in the current year or previous year.

38 Loans to Directors, Senior Officers and Relatives of Directors

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| Directors and their relatives | - | - |
| Entities associated with directors and their relatives | - | - |
| Senior Officers and their relatives | - | - |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

39 Disclosure as per RBI Master Direction on Securitisation of Standard Assets, 2021

| Particulars | As on March 31, 2024 | As on March 31, 2023 |
|--|----------------------|----------------------|
| No of SPE's holding assets for securitisation transactions originated by the originator (only the SPV's relating to outstanding securitization exposures to be reported here) | 1 | - |
| Total amount of securitised assets as per books of SPEs | 2,697.21 | - |
| Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet | | - |
| a) Off-Balance sheet exposures | | |
| First Loss | - | - |
| Others | - | - |
| b) On-Balance sheet exposures | | |
| First Loss- Cash collateral | 146.20 | - |
| Others | 365.50 | - |
| Amount of exposures to securitisation transactions other than MRR | | |
| a) Off-Balance sheet exposures | | |
| i) Exposure to own securitisations | | |
| First Loss | - | - |
| Others | - | - |
| ii) Exposure to third party securitisations | | |
| First Loss | - | - |
| Others | - | - |
| Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation | 2,558.48 | - |
| Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc. | - | - |
| Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided | | |
| (a) Amount paid | - | - |
| (b) Repayment received | - | - |
| (c) Outstanding amount | - | - |
| Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e RMBS, Vehicle loans etc | - | - |
| Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e RMBS, Vehicle loans etc | - | - |
| Investor complaints (a) Directly/ Indirectly received and ; (b) Complaints outstanding | - | - |

40 Details of assignment transactions undertaken by the Company

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|-----------------------------------|-----------------------------------|
| Number of loans | 32,708 | - |
| Aggregate amount | 8,894.43 | - |
| Sale consideration | 8,427.91 | - |
| Number of transactions | 2 | - |
| Weighted average remaining maturity (in months) | 10.09 | - |
| Weighted average holding period after origination (in months) | 6.77 | - |
| Retention of beneficial economic interest | 466.52 | - |
| Coverage of Tangible Security Coverage | - | - |
| Rating wise distribution of rated loans | - | - |
| Number of instances (transactions) where transferred as agreed to replace the transferred loans | - | - |
| Number of transferred loans replaced | - | - |

41 Details of non-performing financial assets purchases/sold

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|---------------------------|---------------------------|
| i) Number of accounts | - | - |
| ii) Total amount outstanding | - | - |

42 Details of financial assets sold to securitisation/reconstruction company for asset reconstruction

The Company has not sold any financial asset to Securitisation/Asset Reconstruction Company for asset reconstruction during the year ended March 31, 2024 and March 31, 2023.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

43 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

| Particulars | | FY 23-24 | FY 22-23 |
|--|---|----------|----------|
| Complaints received by the NBFC from its customers | | | |
| 1 | Number of complaints pending at beginning of the year | - | - |
| 2 | Number of complaints received during the year ¹ | 307 | 46 |
| 3 | Number of complaints disposed during the year | 306 | 46 |
| 3.1 | Of which, number of complaints rejected by the NBFC | - | - |
| 4 | Number of complaints pending at the end of the year | 1 | - |
| Maintainable complaints received by the NBFC from Office of Ombudsman² | | | |
| 5 | Number of maintainable complaints received by the NBFC from Office of Ombudsman | 30 | 4 |
| 5.1 | Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman | 28 | 4 |
| 5.2 | Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | - | - |
| 5.3 | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC | 2 | - |
| 6 | Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

1. Includes complaints received by NBFC from the office of Ombudsman

2. Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously "The Ombudsman Scheme for Non-Banking Financial Companies, 2018") and covered within the ambit of the Scheme.

Top five grounds of complaints received by the NBFCs from customers

| FY 23-24 | | | | | |
|--|---|---|--|---|---|
| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
| 1 | 2 | 3 | 4 | 5 | 6 |
| Promise To Pay | - | 153 | 100% | - | - |
| Credit bureau related matters | - | 74 | 68% | 1 | - |
| Settlement Request | - | 15 | 100% | - | - |
| Payment Confirmation | - | 11 | 100% | - | - |
| Bank Charges | - | 10 | 100% | - | - |

| FY 22-23 | | | | | |
|--|---|---|--|---|---|
| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
| 1 | 2 | 3 | 4 | 5 | 6 |
| Non-observance of fair practices code | - | 2 | 100% | - | - |
| Credit bureau related matters | - | 44 | 780% | - | - |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

44 Corporate Governance

1) Composition of the Board

| Name of Director | Director since | Capacity | DIN | Number of Board Meetings | | No. of other Directorships | Remuneration | | | No. of shares held in and convertible instruments held in the NBFC |
|---------------------|----------------|------------------------|----------|--------------------------|----------|----------------------------|-------------------------------|-------------|------------|--|
| | | | | Held | Attended | | Salary and other compensation | Sitting Fee | Commission | |
| Puneet Agarwal | 27-03-2017 | Non-Executive Director | 06921984 | 27 | 3 | 3 | - | - | - | - |
| Sanjay Aggarwal | 27-03-2017 | Non-Executive Director | 00931994 | 27 | 27 | 4 | - | - | - | 1 Share (As a nominee of Whizdm Innovations Private Limited) |
| Nagaraj Subrahmanya | 27-03-2017 | Non-Executive Director | 06906928 | 27 | 27 | 1 | - | - | - | - |

2) Details of change in composition of the Board during the current and previous financial year

| Name of Director | Capacity | Nature of change | Effective date |
|------------------|----------|------------------|----------------|
| NA | NA | NA | NA |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

44 Corporate Governance (cont'd):

3) Committees of the Board and their composition

| Name of the Committee | Terms of Reference |
|---------------------------|--|
| Asset Liability Committee | <ul style="list-style-type: none"> Liquidity Risk Management Decision on desired maturity profile and mix of incremental assets and liabilities Sale of assets as a source of funding. Management of liquidity Risk overseeing the liquidity positions Funding & Capital Planning Forecasting and analysing 'What If' scenarios relating to liquidity Preparation of contingency plans Review and approval of Benchmark Rate, if any Review and approval of new products |
| Risk Management Committee | <ul style="list-style-type: none"> Identifying, measuring and monitoring the various risks faced by the Company Mitigating various risks associated with functioning of the Company To deal with issues relating to credit policy and procedure and manage the credit risk, operational risk, etc. Creation of models that are used for risk measurement from time to time Monitoring implementation of Risk Management Policy and the other policies including Know Your Customer & Anti Money Laundering Policy (KYC Policy) To review exposure including consumer credit exposure Identification, assessment and management of data quality risk Such other functions as delegated by the Board or as mandated by RBI, from time to time. |
| Borrowing Committee | <ul style="list-style-type: none"> To avail financial facilities from financial institution(s) / bank(s) or other entities in form of term loan(s), guarantee(s) or in any other forms ("facilities"), in connection with Company's business requirement. To avail inter-corporate loan from any company/body corporate. To apply and avail cash management services with various banks. To assign the receivables in favour of any entity or third party. To consider and approve availing of bank guarantees from various banks. To pledge / hypothecate FDRs as security towards Letter of Credit in favor of third party(s). To avail loan facilities and overdraft facility from various banks. To provide inter-corporate loans, make investments and provide guarantees or security within the limits as approved and delegated by the shareholders/Board of the Company as per the Act. To review the list of signatories for purpose of providing loans, guarantees & ICDs on behalf of the Company. To apply and avail corporate credit cards facility from various banks. To consider and approve the issue of FDRs from the Company in favor of Banks, for treasury operations. To consider and approve the list of authorized signatories to execute the documents required by various banks for cheque printing facilities. To consider availing of credit card facility in the name of employees / officials of the Company. To open and close any required bank accounts and add or delete signatories to bank accounts. To open any required trading accounts with other brokers / sub brokers. To open any other types of accounts with third parties. To amend or change the signatories in relation to items above. To allot debentures of the Company pursuant to issue of debentures, approved by the Board. To authorize to represent the Company in matters related to above. Delegate specific authority to the Company's officials to execute the borrowing or finance transaction documents, create security etc. |

| Name of Director | Member of Committee since | Capacity | Number of meetings of the | | No. of shares held in the NBFC |
|---------------------|---|---------------------------------------|---|---|--|
| | | | Held | Attended | |
| Puneet Agarwal | 1. Risk Management Committee (RMC) - Since 21/03/2022 | 1. Member | RMC - 4 Meetings | RMC - 4 Meetings | - |
| Sanjay Aggarwal | 1. Asset Liability Committee (ALCO) - Since 15/04/2021 2. Risk Management Committee (RMC) - Since 21/03/2022 3. Borrowing Committee (BC) - Since 19/08/2023 | 1. Member 2. Member 3. Chairman | ALCO - 4 Meetings RMC - 4 Meetings BC - 25 Meetings | ALCO - 4 Meetings RMC - 4 Meetings BC - 25 Meetings | 1 Share (As a nominee of Whizdm Innovations Private Limited) |
| Nagaraj Subrahmanya | 1. Borrowing Committee - Since 19/08/2023 | 1. Member | BC - 25 Meetings | BC - 25 Meetings | - |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

44 Corporate Governance (cont'd):

4) General Body Meetings

| Type of Meeting (Annual/ Extra-Ordinary) | Date and Place | Special resolutions passed |
|--|--------------------------------|--|
| Annual General Meeting | 29/09/2023 & Registered Office | 1) Authorisation for issuance of NCD through Private Placement |
| Extra Ordinary General Meeting | 27/06/2023 & Registered Office | 1) Authorisation for issuance of NCD through Private Placement |
| Extra Ordinary General Meeting | 20/07/2023 & Registered Office | 1) Authorisation for issuance of NCD through Private Placement |
| Extra Ordinary General Meeting | 10/08/2023 & Registered Office | 1) Authorisation for issuance of NCD through Private Placement |
| Extra Ordinary General Meeting | 24/08/2023 & Registered Office | 1) Authorisation for issuance of NCD through Private Placement |
| Extra Ordinary General Meeting | 01/02/2024 & Registered Office | NIL special resolution |

45 Capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| i) CRAR (%) | 26.97% | 44.78% |
| ii) Tier I Capital (%) | 26.67% | 44.53% |
| iii) Tier II Capital (%) | 0.30% | 0.25% |
| iv) Amount of subordinated debt raised as Tier II Capital | - | - |
| v) Amount raised by issue of perpetual Debt instruments | - | - |

46 Investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Value of Investments | | |
| (i) Gross Value of Investments | - | - |
| (a) In India | - | - |
| (b) Outside India | - | - |
| (ii) Provisions for Depreciation | - | - |
| (a) In India | - | - |
| (b) Outside India | - | - |
| (iii) Net Value of Investments | - | - |
| (a) In India | - | - |
| (b) Outside India | - | - |
| Movement of provisions held towards depreciation on investments. | | |
| (i) Opening balance | - | - |
| (ii) Add : Provisions made during the year | - | - |
| (iii) Less : Write-off / write-back of excess provisions during the year | - | - |
| (iv) Closing balance | - | - |

47 Provisions and Contingencies

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|---------------------------|---------------------------|
| Provision for Standard Assets | 695.23 | 69.83 |
| Provision towards NPA | 658.70 | 1,051.23 |
| Provision made towards Income tax | 1,242.16 | 313.40 |
| Other provisions and contingencies (with details) | | |
| Provision for gratuity | 59.47 | 34.44 |
| Provision for compensated absences | 48.43 | 11.49 |

48 Concentration of advances, exposures and NPA

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Concentration of advances | | |
| Total Advances to twenty largest borrowers | 140.00 | 100.00 |
| Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC | 0.07% | 0.27% |
| Concentration of exposures | | |
| Total exposure to twenty largest borrowers/ customers | 140.00 | 100.00 |
| Percentage of exposures to twenty largest borrowers/customers to Total exposures of the applicable NBFC on borrowers/ customers | 0.07% | 0.27% |
| Concentration of NPA | | |
| Total Exposure to top four NPA accounts | 12.99 | 10.40 |

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

49 Sector-wise NPAs

| Sector | As at March 31, 2024 (Percentage of NPAs to Total Advances in that Sector) | As at March 31, 2023 (Percentage of NPAs to Total Advances in that Sector) |
|-----------------------------------|--|--|
| Agriculture and allied activities | - | - |
| MSME | - | - |
| Corporate borrowers | - | - |
| Services | - | - |
| Unsecured personal loans | 1.26% | 3.42% |
| Auto loans | - | - |
| Other personal loans | - | - |

50 Movement of NPAs

| Particulars | As at March 31 2024 | As at March 31 2023 |
|--|---------------------|---------------------|
| (i) Net NPAs to Net Advances (%) | 0.00% | 0.00% |
| (ii) Movement of NPAs (Gross) | | |
| Opening balance | 1 250.00 | 198.78 |
| Additions during the year | 10 312.65 | 3 249.33 |
| Reductions during the year | 9 653.95 | 2 198.11 |
| Closing balance | 1 908.70 | 1 250.00 |
| (iii) Movement of Net NPAs | | |
| Opening balance | - | - |
| Additions during the year | - | - |
| Reductions during the year | - | - |
| Closing balance | - | - |
| (iv) Movement of provisions for NPAs (excluding provisions on standard assets) | | |
| Opening balance | 1 250.00 | 198.78 |
| Provisions made during the year | 10 312.65 | 3 249.33 |
| Write-off / write-back of excess provisions | 9 653.95 | 2 198.11 |
| Closing balance | 1 908.70 | 1 250.00 |

51 Details of non-compliance with companies act

The Company has not noticed any default in compliance of provisions of Companies Act, 2013 during the financial year ended March 31, 2024 and 2023 respectively.

52 Details of Breach of covenant

There was no breach of covenant of the loan availed or debt security issued during the financial year ended March 31, 2024 and 2023 respectively.

53 Divergence in asset classification provisioning

No divergence in asset classification and provisioning was observed by RBI during the financial year ended March 31, 2024 and 2023 respectively.

54 Declaration of dividend

The Company has not declared dividend during the financial year ended March 31, 2024 and 2023 respectively.

55 Pledging of securities

The Company has not pledged any securities during the financial year ended March 31, 2024 and 2023 respectively.

56 Issue of Perpetual Debt Instruments

The Company has not issued any perpetual debt instruments during the financial year ended March 31, 2024 and 2023 respectively.

57 Derivatives

The Company does not have any exposure to derivatives as at March 31, 2024 and March 31, 2023.

58 Details of financing of parent company products

The Company has not financed any parent company products as at March 31, 2024 and March 31, 2023.

59 Details of single borrower limit (SGL) / Group borrower limit (GBL) exceeded by applicable NBFC

The Company has not exceed single borrower limit / Group borrower limit as at March 31, 2024 and March 31, 2023.

60 Unsecured Advances

The Company has not given any Loans and Advances against intangible securities as at March 31, 2024 and March 31, 2023.

61 Registration obtained from other financial sector regulators

The Company is registered with Reserve Bank of India. Besides Reserve Bank of India, Company is registered with Ministry of Corporate Affairs "MCA", Finance Intelligence Unit "FIU" and CERSAJ.

62 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company does not have overseas assets as at March 31, 2024 and March 31, 2023.

63 Off-balance Sheet SPVs sponsored

The Company has not sponsored any SPVs as at March 31, 2024 and March 31, 2023.

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Whizdm Finance Private Limited

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

64 Credit Rating Details

| Type of Instrument | Name of Rating Agency | Date of rating | Rating | Borrowing limit imposed by rating agency | Valid up to |
|----------------------------|-------------------------------------|----------------|----------------|--|-------------|
| Non convertible debentures | India Rating and Research Pvt. Ltd. | 13-Mar-24 | INDBBB+/Stable | 10,000 | 12-Mar-25 |
| Non convertible debentures | India Rating and Research Pvt. Ltd. | 13-Mar-24 | INDBBB+/Stable | 35,000 | 12-Mar-25 |
| Commercial paper | India Rating and Research Pvt. Ltd. | 13-Mar-24 | IND A2 | 6,500 | 12-Mar-25 |
| Commercial paper | India Rating and Research Pvt. Ltd. | 13-Mar-24 | IND A2 | 5,000 | 12-Mar-25 |
| Bank Lines | India Rating and Research Pvt. Ltd. | 13-Mar-24 | INDBBB+/Stable | 40,000 | 12-Mar-25 |
| Bank Lines | India Rating and Research Pvt. Ltd. | 13-Mar-24 | INDBBB+/Stable | 10,000 | 12-Mar-25 |

65 Migration of credit rating

There was no migration in credit rating during year ended March 31, 2024 and 2023 respectively.

66 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(ii) The Company does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has no such transaction which is recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company is not declared as wilful defaulter by any bank or financial institution or government or any government authority.

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

As per our report of even date

For S C Mehra & Associates LLP

Chartered Accountants

ICAI Firm registration number: 106105W / W100305

Rishit Jain
Partner

Membership No: 238242

**For and on behalf of the Board of Directors of
Whizdm Finance Private Limited**Puneet Agarwal
Director
DIN: 06921984Sanjay Aggarwal
Director
DIN: 00931994
Ankit Kumar Jain
Company SecretaryPlace: Bengaluru
Date: May 21, 2024Place: Bengaluru
Date: May 21, 2024