

INDEPENDENT AUDITOR'S REPORT

To the Members of Save Financial Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Save Financial Services Private Limited (“the Company”), which comprise the Balance Sheet as at March 31 2020, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 32 to the accompanying financial statements, which describes the economic and social disruption as a result of the COVID-19 pandemic of the Company’s business and financial metrics, including the Company’s estimates towards provisions of loan to customers and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s Report, 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) This report does not include Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Report on internal financial controls"), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting.;
 - (g) The provisions of section 197 read with Schedule V to the Act are not applicable to the Company for the year ended March 31, 2020;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position;

S.R. BATLIBOI & CO. LLP

Chartered Accountants

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Bhaswar Sarkar Digitally signed by Bhaswar Sarkar
Date: 2020.08.25 17:27:05 +05'30'

per Bhaswar Sarkar

Partner

Membership Number: 055596

UDIN: 20055596AAAADF6163

Place of Signature: Kolkata

Date: August 25, 2020

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAVE FINANCIAL SERVICES PRIVATE LIMITED AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the Company. Accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company’s business does not involve inventories. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the information and explanations given to us, during the year, Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (b) In respect of loan granted by the Company in previous year to a Company, in which directors are interested, repayment of principal amount and payment of interest has not been regular. However, the entire loan along with interest has been repaid during the year.
- (c) According to the information and explanations given by the management, there are no loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, that are overdue for more than 90 days.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (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 and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company and hence not commented upon.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited

with the appropriate authorities though there has been a slight delay in a few cases. During the year, sales tax, duty of excise, value added tax and duty of Custom are not applicable to the Company.

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

(c) According to the information and explanation given to us there are no dues of any Income Tax and Goods and Services Tax which have not been deposited on account of any dispute.

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

(ix) According to the information and explanations given by the management, money raised by the Company by way of term loans were applied, on an overall basis, for the purpose for which they were raised. The Company has not raised any money way of initial public offer / further public offer / debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by its employees or officers has been noticed or reported during the year.

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

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

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given by the management and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting requirements under clause 3(xiv) are not applicable and hence not commented upon.

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

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Bhaswar Sarkar Digitally signed by Bhaswar
Sarkar
Date: 2020.08.25 17:27:55 +05'30'

per Bhaswar Sarkar
Partner
Membership Number: 055596
UDIN: 20055596AAAADF6163
Place of Signature: Kolkata
Date: August 25, 2020

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Balance Sheet as at March 31, 2020

	Notes	As at	As at
		March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)
I. Equity and liabilities			
Shareholders' funds			
Share capital	3	19,79,25,000	19,79,25,000
Reserves and surplus	4	22,86,10,808	22,73,37,098
		42,65,35,808	42,52,62,098
Non-current liabilities			
Long-term borrowings	5	12,95,19,151	6,30,54,404
Long term provisions	6	3,04,51,443	18,42,857
		15,99,70,594	6,48,97,261
Current liabilities			
Trade payables	7	-	-
- Total outstanding dues of micro enterprise and small enterprises;			
- Total outstanding dues of creditors other than micro enterprise and small enterprises		13,69,614	8,39,357
Other current liabilities	8	1,75,20,103	4,37,55,460
Short-term provisions	6	1,03,47,994	76,84,088
		2,92,37,711	5,22,78,905
Total		61,57,44,113	54,24,38,264
II. Assets			
Non-current assets			
Property, Plant and Equipment			
- Tangible assets	9A	35,22,047	45,71,107
- Intangible assets	9B	5,47,803	14,86,979
Deferred tax assets (net)	10	82,07,274	7,54,992
Long Term Loans and advances	11	35,69,67,782	20,83,24,529
Other non-current assets	12	4,39,975	-
		36,96,84,881	21,51,37,607
Current assets			
Current Investment	13	-	1,50,00,000
Cash and cash equivalents	14	8,93,35,121	8,26,98,387
Short Term Loans and advances	11	14,58,38,219	22,10,58,713
Other current assets	12	1,08,85,892	85,43,557
		24,60,59,232	32,73,00,657
Total		61,57,44,113	54,24,38,264

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP

ICAI Firm Registration No.301003E/E300005
Chartered Accountants

Bhaswar Sarkar
Digitally signed by Bhaswar Sarkar
Date: 2020.08.25 17:28:28 +05'30'
per Bhaswar Sarkar
Partner

AJEET KUMAR SINGH
Digitally signed by AJEET KUMAR SINGH
Date: 2020.08.25 14:10:11 +05'30'
Ajeet Kumar Singh
Director

Pankaj Kumar
Digitally signed by Pankaj Kumar
Date: 2020.08.25 14:10:11 +05'30'
Pankaj Kumar
Director

Ajay Kumar Sinha
Digitally signed by Ajay Kumar Sinha
Date: 2020.08.25 14:10:11 +05'30'
Ajay Kumar Sinha
Director

Membership No.: 055596
Date: August 25, 2020
Place : Kolkata

GOURAV SIROHI
Digitally signed by GOURAV SIROHI
Date: 2020.08.25 14:10:11 +05'30'
Gourav Sirohi
Chief Financial Officer

SAVE FINANCIAL SERVICES PRIVATE LIMITED			
Statement of Profit and Loss for the period ended March 31, 2020			
	Notes	Year Ended March 31,	Year Ended March 31,
		2020	2019
		(Rs.)	(Rs.)
I. Income			
Revenue from operations	15	9,84,93,485	8,98,27,600
Other income	16	49,91,828	3,11,800
Total income		10,34,85,313	9,01,39,400
II. Expenses			
Employee benefit expenses	17	2,85,33,715	1,62,63,097
Finance costs	18	1,38,37,368	2,71,82,369
Depreciation and amortization expenses	19	29,17,035	24,39,274
Other expenses	20	2,65,02,029	1,83,05,386
Provisions and write offs	21	2,79,15,905	12,72,733
Total expenses		9,97,06,052	6,54,62,859
Profit before Tax (iii) = (i)-(ii)		37,79,261	2,46,76,541
Tax expense (iv)			
- Current tax			
Pertaining to profit for the current period		85,62,220	68,84,426
Adjustment of tax relating to earlier period		13,95,614	-
- Deferred tax credit		(74,52,283)	(4,71,731)
			-
Total tax expenses		25,05,551	64,12,695
Profit for the Year (iii)-(iv)		12,73,710	1,82,63,846
Earning per share (EPS)			
Basic (Rs.)	22	0.64	28.82
Diluted (Rs.)		0.64	1.24
Nominal value of share		100/-	100/-

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R.Batliloi & Co. LLP
ICAI Firm Registration No.301003E/E300005
Chartered Accountants

Bhaswar Sarkar
Digitally signed by Bhaswar Sarkar
Date: 2020.08.25 17:29:01 +05'30'

per Bhaswar Sarkar
Partner

Membership No.: 055596
Date: August 25, 2020
Place : Kolkata

For and on behalf of the Board of Directors of
SAVE FINANCIAL SERVICES PRIVATE LIMITED

AJEET KUMAR SINGH

Ajeet Kumar Singh
Director

Digitally signed by GOURAV SIROHI
Date: 2020.08.25 14:11:37 +05'30'

Gourav Sirohi
Chief Financial Officer

Pankaj Kumar

Pankaj Kumar
Director

Ajay Kumar Sinha

Ajay Kumar Sinha
Director

Digitally signed by Ajay Kumar Sinha
Date: 2020.08.25 13:37:05 +05'30'

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(Rs.)	(Rs.)
A. Cash flow from operating activities :		
Profit before tax	37,79,261	2,46,76,541
Adjustments for :		
Depreciation and amortisation expenses	29,17,035	24,39,274
Provision and write off	2,79,15,905	12,72,733
Loss on sale of fixed assets	-	5,500
(Profit)/ loss on sale of investments	(17,51,951)	-
Interest Income on Deposits	(28,81,684)	(11,986)
Liabilities no longer required	(3,58,193)	-
Operating profit before working capital changes	2,96,20,373	2,83,82,062
Movements in working capital:		
(Increase)/Decrease in other assets	(27,93,097)	(61,17,663)
(Increase)/Decrease in loans and advances	(7,34,22,759)	(13,87,02,860)
Increase/(Decrease) in provisions, Other liabilities and trade payables	(4,37,35,308)	2,95,98,314
Cash used in operations	(8,36,96,365)	(8,68,40,149)
Direct taxes paid	(80,30,040)	(14,07,808)
Net cash used in operating activities (A)	(9,17,26,405)	(8,82,47,957)
B. Cash flow from investing activities :		
Purchase of fixed assets	(9,28,800)	(56,52,553)
Disposal of Assets	-	3,000
Purchase of Mutual Funds	(13,00,00,000)	(1,50,00,000)
Redemption of Mutual Funds	14,67,51,951	-
Interest received on Deposits	28,92,471	1,199
Net cash flow used in investing activities (B)	1,87,15,622	(2,06,48,354)
C. Cash flow from financing activities :		
Proceeds from issuance of share capital including securities premium	-	38,04,35,000
Proceeds from long-term borrowings	20,00,00,000	19,05,67,292
Repayment from long-term borrowings	(12,03,52,486)	(39,08,09,083)
Share Issue Expenses	-	(13,50,000)
Net Cash flow from financing activities (C)	7,96,47,514	17,88,43,209
Net increase in cash and cash equivalents (A+B+C)	66,36,731	6,99,46,897
Cash and cash equivalents at the beginning of the year	8,26,98,389	1,27,51,492
Cash and cash equivalents at the end of the year	8,93,35,120	8,26,98,389
Components of cash and cash equivalents		
Cash on hand	1,64,382	2,75,198
With banks- on current account	8,91,70,738	4,74,23,191
Deposits with original maturity of less than 3 months	-	3,50,00,000
Total cash and cash equivalents (note 14)	8,93,35,120	8,26,98,389
Cash flow from operating activities include interest received of Rs.8,84,00,359 (Previous Year 7,77,35,237) and interest paid of Rs.4,50,94,821 (Previous Year 36,54,840)		

Summary of significant accounting policies

2

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

As per our report of even date

For S.R.Batliboi & Co. LLP
 ICAI Firm Registration No.301003E/E300005
 Chartered Accountants

Bhaswar Sarkar Digitally signed by Bhaswar Sarkar
 Date: 2020.08.25 17:29:35 +05'30'

per Bhaswar Sarkar
 Partner

For and on behalf of the Board of Directors of
SAVE FINANCIAL SERVICES PRIVATE LIMITED

AJEET KUMAR SINGH Digitally signed by AJEET KUMAR SINGH
 Date: 2020.08.25 14:13:02 +05'30'

Ajeet Kumar Singh
 Director

GOURAV SIROHI Digitally signed by GOURAV
 Date: 2020.08.25 14:13:02 +05'30'

Gourav Sirohi
 Chief Financial Officer

Pankaj Kumar Digitally signed by Pankaj Kumar
 Date: 2020.08.25 14:13:02 +05'30'

Pankaj Kumar
 Director

Ajay Kumar Sinha Digitally signed by Ajay Kumar Sinha
 Date: 2020.08.25 14:13:02 +05'30'

Ajay Kumar Sinha
 Director

Membership No.: 055596
 Date: August 25, 2020
 Place : Kolkata

Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2020

1. Corporate Information

Save Financial Services Private Limited ('the Company') is a private company incorporated in India having its registered office at Gulab Bagh, Pahari, Gaya. The Company was registered as a non-deposit taking Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') with effect from May 23, 2017. The Company provides individual Micro & Small Enterprises loan and Loan against Property.

2. Summary of Significant accounting policies/estimates

a) 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 aspects with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, provisions of the RBI applicable as per Master Directions - Non-Banking Financial Company –Non- Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Notification No. DNBR. PD. 007/03.10.119/2016-17 dated September 01, 2016, as amended from time to time ('the NBFC Master Directions, 2016') and other applicable clarifications provided by the RBI.

The financial statements have been prepared under the historical cost convention on an accrual basis except interest on non-performing loans that will be recognized on realization. The accounting policies applied by the Company are consistent with those applied in the previous years unless specified otherwise.

In view of matters mentioned in Note – 32, the company has assessed the impact of the novel coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligation as and when they become due. With gradual relaxation of lockdown rules, as well as resumption of commercial activities by borrowers in a majority of geographies in which company operates, management is confident that collection will resume. In this regard, the company's all offices are in a state of readiness with optimal workforce to deal with normal business operations, while continuing to comply with regulatory guidelines of businesses, social distancing etc. In additions, management has considered various stimulus packages announced by the Government of India which directly or indirectly benefit NBFC. Company's lenders to seek/extend and various other financial support, in determining the company's liquidity position over the period of next 12 months. Based on forgoing and necessary stress tests considering various scenarios, management believe that company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those applied in the previous years unless specified otherwise.

b) Use of estimates

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

Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2020

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

c) Revenue recognition

- i. Interest income on loan portfolio is recognized in the statement of profit & loss on time proportion basis taking into account the amount outstanding and the rates applicable except in the case of non-performing assets (NPA's) where it is recognized, upon realization, as per the prudential norms of RBI.
- ii. Loan processing fee are considered to be accrued at the time of entering into a binding agreement upon its receipt and are recognized as revenue as upfront income.
- iii. Interest income on term deposits with bank and other financial institutions has been recognized on the time proportion basis taking into account the amount outstanding and the underlying applicable interest rate.
- iv. All other income is recognized on an accrual basis.

d) Classification of loan portfolio and provisioning policy

Loan Portfolio is classified and provision is made in accordance with the prudential norms of RBI and directions issued by Reserve Bank of India under NBFC- Master Directions 2016 as mentioned below:

Asset classification norms:

- i. Standard asset means the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.
- ii. Non-performing asset means an asset for which, interest/principal payment has remained overdue for a period of 6 months or more.
- iii. Sub-standard assets mean an asset which has been classified as non-performing asset for a period not exceeding 18 months.

“Overdue” refers to interest and / or installment remaining unpaid from the day it became receivable”

Provisioning norms:

The aggregate loan provision on outstanding loan portfolio shall be

1. Standard Provision @ 0.25% of the standard portfolio and,
2. General provision of 10% on total sub-standard assets outstanding.
3. As per RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 In respect of accounts in default but standard Company Has Taken a general provision of 5% of the total outstanding of such accounts for the Quarter ended March 31, 2020.

Save Financial Services Private limited**Notes to the financial statements as at and for the year ended 31 March 2020****e) Fixed assets and depreciation/amortisation****Tangible fixed assets**

All tangible fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of tangible fixed assets comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use.

Tangible fixed assets under construction and tangible fixed assets acquired but not ready for their intended use are disclosed as capital work-in-progress.

The Management has assessed the estimated useful life of the tangible fixed assets as specified in Schedule II to the Companies Act, 2013 as in the opinion of the management the same reflects the estimated useful life. The depreciation is provided under written down value method. Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

Losses arising from retirement or gains or losses arising from disposal of fixed assets are recognized in the Statement of Profit and Loss.

Intangible assets

Intangible assets are carried at cost of acquisition less amortization. Intangible assets that are acquired by the Company are measured initially at cost.

Intangible assets are amortized in the Statement of Profit and Loss on written down value method, over their estimated useful lives from the date they are available for use based on the expected pattern of consumption of economic benefits of the asset.

Subsequent expenditure for both tangible and intangible assets, is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

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.

Current investments are carried in the financial statement 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 the carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

g) Borrowing costs

Borrowing costs includes interest and other ancillary costs that the company incurs in connection with borrowing of funds.

Other ancillary borrowing costs incurred in connection with obtaining funding are amortized over the period of loan. In case any loan is prepaid/cancelled then the unamortized portion of such borrowing cost is charged to the Statement of Profit and Loss in the year such loan is prepaid / cancelled.

Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2020

h) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset is the greater of its value in use and its net selling price. If such recoverable amount of the assets is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortised historical cost.

i) Retirement and other employee benefits

Employee benefits includes provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

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 year.

Leave Encashment Policy

The company provides leave encashment to all eligible employees on yearly basis. Leave encashment liability is provided based on actuarial valuation carried out at the end of the financial period using projected unit credit method.

Actuarial gains and losses (if any) arising during the year, for both leave encashment and gratuity liability, are immediately recognized in the Statement of Profit and Loss in the year which they arise and are not deferred.

j) Earnings per share ("EPS")

Basic earnings per share is computed by dividing the net profit after tax for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes if any) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share (if any), net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.

Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2020

k) Income tax

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.

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

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that

sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carried forward unabsorbed depreciation or tax losses, all deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available in future against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax assets 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 assets 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.

l) Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

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.

m) Leases

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in the statement of profit and loss on a straight line basis over the lease period unless another systematic basis is more representative of the time pattern of the benefit.

Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2020

n) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company is segregated.

o) Cash and cash equivalents

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

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2020

3 Share capital		As at March 31, 2020 (Rs.)		As at March 31, 2019 (Rs.)	
Authorized Shares 20,00,000 (March 31, 2019: 20,00,000) equity shares of Rs.100/- each		20,00,00,000		20,00,00,000	
		20,00,00,000		20,00,00,000	
Issued, subscribed and fully paid-up shares 19,79,250 (March 31, 2019:19,79,250) equity shares of Rs.100/- each		19,79,25,000		19,79,25,000	
Total issued, subscribed and fully paid-up share capital		19,79,25,000		19,79,25,000	
A Reconciliation of the shares outstanding at the beginning and at the end of the reporting year					
Equity shares		As at March 31, 2020		As at March 31, 2019	
		Number		Number	
Outstanding at the beginning of the year		19,79,250		2,50,000	
Issued during the year		-		17,29,250	
Shares outstanding at the end of the year		19,79,250		19,79,250	
		19,79,25,000		19,79,25,000	
B Terms/rights attached to equity shares					
The Company has only one class of equity shares having par value of Rs 100/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.					
C Details of shareholders holding more than 5% shares in the Company					
Name of shareholder		As at March 31, 2020		As at March 31, 2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Rs.100 each fully paid up					
Save Solutions Private Limited (Holding Company)		19,77,750 99.92%		19,77,750 99.92%	
Total		19,77,750 99.92%		19,77,750 99.92%	
D Details of shares held by holding Company					
Name of shareholder		As at March 31, 2020		As at March 31, 2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of Rs.100 each fully paid up					
Save Solutions Private Limited (Holding Company)		19,77,750 99.92%		19,77,750 99.92%	
Total		19,77,750 99.92%		19,77,750 99.92%	
E No shares were allotted as fully paid-up by way of Bonus shares or pursuant to contract without payment being received in cash during last 5 years. Further, none of the shares were bought back by the company during last 5 financial year.					
4 Reserves and surplus		As at March 31, 2020 (Rs.)		As at March 31, 2019 (Rs.)	
A. Securities premium					
Balance as per last financial statements		20,83,76,250		22,16,250	
Add: Addition during the year		-		20,75,10,000	
Less: Share issue expenses		-		(13,50,000)	
Closing Balance (A)		20,83,76,250		20,83,76,250	
B. Statutory reserve					
Balance as per last financial statements		37,94,940		1,42,171	
Add: Amount transferred from surplus balance in the statement of profit and loss		2,54,742		36,52,769	
Closing Balance (B)		40,49,682		37,94,940	
C. Surplus in the Statement of Profit and Loss					
Balance as per last financial statements		1,51,65,908		5,54,831	
Profit for the year		12,73,710		1,82,63,846	
Less: Appropriations					
Transferred to Statutory reserve (@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934)		(2,54,742)		(36,52,769)	
Net surplus in the statement of profit and loss (C)		1,61,84,876		1,51,65,908	
Total (A+B+C)		22,86,10,808		22,73,37,098	
5 Long-term borrowings		Non Current		Current	
		As at March 31, 2020 (Rs.)		As at March 31, 2020 (Rs.)	
		As at March 31, 2019 (Rs.)		As at March 31, 2019 (Rs.)	
A. Term loans					
Secured					
- From non banking finance companies		2,18,60,452		1,36,47,760	
B. Vehicle loans					
Secured					
- From banks		11,18,666		2,71,896	
15,14,371				2,36,889	
C. Other loans					
Unsecured					
- From Director		-		-	
- From Holding Company		10,65,40,033		5,00,000	
Total		12,95,19,151		1,39,19,656	
Amount disclosed under the head "other current liabilities" (Refer Note 8)		-		1,39,19,656	
Total		12,95,19,151		6,30,54,404	

1. Loan against vehicles are secured by way of hypothecation of the vehicles financed against such loans and are repayable in equated monthly instalments carrying interest rate @ 9.2% p.a.

2. Unsecured loan from holding company carries interest rate @ 10.50% - 15.50% p.a and is repayable after 5 years from the date of respective disbursements. These loans were disbursed in multiple tranches and the repayment of loans will start from April 2022 onwards. The lender has an option to convert the unpaid loan amount including accrued interest but not paid into equity shares at any point of time until the loan amount was fully repaid.

3. Term loan from non banking financial institutions carries interest rate @ 14.50% p.a and is repayable in 36 monthly EMIs started from April 2019, secured by way of hypothecation of outstanding loan portfolio.

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2020

5A Long-term borrowings (Contd.) Terms of repayment of Term Loans as on March 31, 2020										
Description	Due within 1 year		Due between 1 to 2 years		Due between 2 to 3 Years		Due between 3 to 5 Years		Interest Rate	Total
	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)		
Term Loans										
Monthly repayment schedule										
From NBFCs:										
1-3 Yrs.	10	1,36,47,760	12	1,86,83,892	2	31,76,560	-	-	14.50%	3,55,08,212
From Holding Company										
Bullet repayment schedule										
3-5 Yrs.	-	-	-	-	-	-	1	10,65,40,033	10.5%-15.5%	10,65,40,033
Vehicle Loans										
Monthly repayment schedule										
From Banks										
5-7 Years	24	2,71,896	24	2,97,992	24	3,26,594	33	4,94,080	9.20%	13,90,562
Grand Total	34	1,39,19,656	36	1,89,81,884	26	35,03,154	34	10,70,34,113		14,34,38,807

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2020
5B Long-term borrowings (Contd.)

Terms of repayment of Term Loans as on March 31, 2019

Description	Due within 1 year		Due between 1 to 2 years		Due between 2 to 3 Years		Due between 3 to 5 Years		Above 5		Interest Rate	Total
	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)	No. of Instalments	Amount (in Rupees)		
From Holding Company Bullet repayment schedule 3-5 Yrs.	-	-	-	-	-	6,15,40,033	1	6,15,40,033	-	-	10.5%-15.5%	6,15,40,033
Vehicle Loans Monthly repayment schedule From Banks 5-7 Years	24	2,36,881	24	2,60,012	24	2,84,968	48	6,54,519	19	3,14,880	9.20%	17,51,260
Grand Total	24	2,36,881	24	2,60,012	24	2,84,968	49	6,21,94,552	19	3,14,880		6,32,91,293

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2020

6	Provisions	Non Current		Current	
		As at	As at	As at	As at
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
A.	Provision for portfolio loans (Refer Note 25)				
	On standard assets	6,76,012	4,89,832	3,79,980	5,51,534
	On non performing assets	65,75,598	11,74,317	-	-
	Additional Provision on Portfolio	2,25,00,000	-	-	-
		2,97,51,610	16,64,149	3,79,980	5,51,534
B.	Provision for employee benefits				
	Provision for gratuity (refer note 24)	6,99,833	1,78,708	1,341	-
	Provision for bonus	-	-	7,23,563	-
	Provision for Leave Encashment	-	-	6,80,890	4,98,128
		6,99,833	1,78,708	14,05,794	4,98,128
C.	Others				
	Provision for Income Tax	-	-	85,62,220	66,34,426
		-	-	85,62,220	66,34,426
	Total (A+B+C)	3,04,51,443	18,42,857	1,03,47,994	76,84,088

7	Trade Payable	As at	As at
		March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)
	Trade Payable		
	- Total outstanding dues of micro enterprises and small enterprises	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	13,69,614	8,39,357
	Total	13,69,614	8,39,357

8	Other current liabilities	As at	As at
		March 31, 2020	March 31, 2019
		(Rs.)	(Rs.)
	Current maturities of long-term borrowings (refer note 5)	1,39,19,656	7,36,889
	Interest accrued but not due on borrowings	90,811	3,17,81,084
	Employee Benefits Payable	1,84,362	1,76,763
	Insurance premium payable *	58,046	19,97,297
	Statutory dues payable	12,67,003	30,77,003
	Payable to a related party (refer Note 23)	-	48,49,669
	Other payables **	20,00,225	11,36,755
	Total	1,75,20,103	4,37,55,460

* Represent amount collected from customers towards payment to be made to the Insurance Company. Outstanding loan amount will be waived in case of death of the customer/nominees and balance outstanding will be claimed from the Insurance Company.

** Other payable represent payable to borrowers on account of insurance premium collected earlier year but not paid to insurance company.

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2020
PROPERTY, PLANT AND EQUIPMENT
9A. Tangible Assets

Particulars	Furniture and Fixtures	Computers	Electric Equipments	Office Equipments	Vehicles	Total
At 31st March 2018	83,096	1,79,367	21,293	21,015	25,18,526	28,23,297
Additions	12,52,721	16,63,474	6,94,494	1,64,864	1,07,000	38,82,553
Disposal	-	-	-	8,500	-	8,500
At 31st March 2019	13,35,817	18,42,841	7,15,787	1,77,379	26,25,526	66,97,350
Additions	2,16,222	4,67,610	8,480	2,36,488	-	9,28,800
Disposal	-	-	-	-	-	-
At 31st March 2020	15,52,039	23,10,451	7,24,267	4,13,867	26,25,526	76,26,150
Accumulated Depreciation						
At 31st March 2018	61,088	20,853	9,035	11,040	2,63,673	3,65,688
Charge For the Year	1,45,655	6,59,289	1,60,075	61,710	7,37,332	17,64,061
Disposal	-	-	-	3,506	-	3,506
At 31st March 2019	2,06,742	6,80,142	1,69,110	69,244	10,01,005	21,26,243
Charge For the Year	3,29,324	9,12,047	1,43,561	85,589	5,07,338	19,77,859
Disposal	-	-	-	-	-	-
At 31st March 2020	5,36,066	15,92,189	3,12,671	1,54,833	15,08,343	41,04,102
Net Block						
At 31st March 2019	11,29,075	11,62,699	5,46,677	1,08,135	16,24,521	45,71,107
At 31st March 2020	10,15,973	7,18,262	4,11,596	2,59,033	11,17,183	35,22,047

9B. Intangible Assets

Particulars	Software
Gross block	
At 31st March 2018	11,38,379
Additions	17,70,000
At 31st March 2019	29,08,379
Additions	-
At 31st March 2020	29,08,379
Amortization	
At 31st March 2018	7,42,681
Charge for the year	6,78,719
At 31st March 2019	14,21,400
Charge for the year	9,39,176
At 31st March 2020	23,60,576
Net Block	
At 31st March 2019	14,86,979
At 31st March 2020	5,47,803

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2020

10	Deferred tax assets / (liabilities)	As at March 31, 2020		As at March 31, 2019	
		(Rs.)		(Rs.)	
	Impact of difference between tax depreciation and depreciation charged for the financial reporting	4,78,331		2,65,005	
	Impact of provision on portfolio	71,98,999		2,62,329	
	Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	5,29,944		2,27,658	
	Total	82,07,274		7,54,992	
11	Loans and advances (Unsecured, considered good unless stated otherwise)	Non Current		Current	
		As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
A	Portfolio loans				
	- Considered good	27,94,50,209	19,59,32,981	14,29,46,584	22,06,13,784
	- Considered doubtful	6,57,55,974	1,17,43,173	-	-
		34,52,06,183	20,76,76,154	14,29,46,584	22,06,13,784
B	Security deposits				
		19,33,500	5,94,000	-	-
		19,33,500	5,94,000	-	-
C	Advances recoverable in cash or kind				
	Receivable from a related party (Refer Note 23)	-	54,375	-	-
		-	54,375	-	-
D	Others				
	Balance with statutory authorities	9,63,729	-	-	2,64,594
	TDS Receivable	2,89,370	-	-	1,199
	Advance Tax	85,75,000	-	-	-
	Advance to Employee	-	-	48,501	-
	Prepaid Expense	-	-	26,42,946	-
	Other Advance *	-	-	2,00,188	1,79,136
		98,28,099	-	28,91,635	4,44,929
	Total (A+B+C+D)	35,69,67,782	20,83,24,529	14,58,38,219	22,10,58,713
* Represent advance given to vendors for repairs of office premises.					
12	Other assets (Unsecured, considered good unless stated otherwise)	Non Current		Current	
		As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2019 (Rs.)
	Interest accrued but not due on portfolio loans	-	-	1,04,50,687	85,32,770
	Interest accrued but not due on deposits placed with banks	-	-	-	10,787
	Unamortised Processing Fee - Loan	4,39,975	-	4,35,205	-
	Total	4,39,975	-	1,08,85,892	85,43,557
13	Current Investments	As at March 31, 2020 (Rs.)		As at March 31, 2019 (Rs.)	
	Investment in Mutual funds			-	1,50,00,000
	Total			-	1,50,00,000
14	Cash and bank balances	As at March 31, 2020 (Rs.)		As at March 31, 2019 (Rs.)	
	Cash and cash equivalents				
	Balances with banks				
	-on current accounts	8,91,70,739		4,74,23,191	
	-deposit with original maturity of less than three months	-		3,50,00,000	
	Cash in hand	1,64,382		2,75,196	
	Total	8,93,35,121		8,26,98,387	

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2020

15	Revenue from operations	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Interest income on portfolio loans	9,03,18,277	8,35,12,422
	Other operating revenue:		
	- Processing fee on portfolio loans	49,45,891	48,98,767
	- Other Operating Income *	32,29,317	14,16,411
	Total	9,84,93,485	8,98,27,600
* Represent Initial money receipts and foreclosure charge taken from borrowers.			
16	Other income	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Interest income on fixed deposits with banks	28,81,684	11,986
	Income from sale of investment in Mutual funds	17,51,951	-
	Liability written back	3,58,193	2,99,814
	Total	49,91,828	3,11,800
17	Employee benefit expenses	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Salaries and bonus	2,65,08,060	1,56,22,287
	Contributions to Provident and other funds	11,90,788	4,96,823
	Gratuity expenses (Refer note 24)	5,22,466	1,43,987
	Incentives	3,12,401	-
	Total	2,85,33,715	1,62,63,097
18	Finance costs	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Interest expense		
	On term vehicle loans from banks	1,58,020	1,75,162
	On term loans from financial institutions	62,31,136	-
	On term loans from Holding Company	70,15,392	2,70,07,207
	Other finance costs *	4,32,820	-
	Total	1,38,37,368	2,71,82,369
* Represent processing fee paid on borrowing amortised during the year.			
19	Depreciation and amortisation expenses	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Depreciation on tangible assets	19,77,859	17,60,555
	Amortisation on intangible assets	9,39,176	6,78,719
	Total	29,17,035	24,39,274
20	Other expenses	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Rent	95,36,126	45,94,632
	Rates and taxes	6,17,455	4,81,068
	Repairs & maintenance	10,01,846	7,00,211
	Travelling and conveyance	25,03,550	11,17,683
	Communication costs	6,98,020	5,30,479
	Printing & stationery	3,41,794	5,01,714
	Legal and professional fees	72,26,955	46,26,282
	Payment to auditors (Refer note 20A)	6,72,429	4,01,387
	Bank charges	89,304	68,164
	Electricity expense	3,22,709	1,86,742
	Commission expense	18,35,580	39,88,810
	Meetings & training expenses	-	1,14,604
	Loss on Sale of Fixed Assets	-	5,500
	Staff welfare expenses	6,20,781	2,20,435
	Miscellaneous expenses	10,35,480	7,67,675
	Total	2,65,02,029	1,83,05,386
20A	Payment to auditors	Year Ended	Year Ended March
		March 31, 2020	31, 2018
		(Rs.)	(Rs.)
	As Auditor:		
	Audit fee	6,47,265	3,50,000
	Reimbursement of expenses	25,164	51,387
	Total	6,72,429	4,01,387
21	Provisions and write offs	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Provision for standard and non performing assets	54,15,905	12,72,733
	Additional Provision on portfolio	2,25,00,000	-
	Total	2,79,15,905	12,72,733
22	Earnings / (Loss) per share (EPS)	Year Ended	Year Ended March
		March 31, 2020	31, 2019
		(Rs.)	(Rs.)
	Net Profit / (Loss) for calculation of basic EPS	12,73,710	1,82,63,846
	Add : Interest on convertible loan from holding company (net of tax)	52,49,758	2,02,10,033
	Net Profit / (Loss) for calculation of diluted EPS	65,23,468	3,84,73,879
	Weighted average number of equity shares in calculating basic EPS	19,79,250	6,33,751
	Weighted average number of equity shares that will be available on conversion of loan from Holding company	66,81,326	3,03,89,803
	Earnings per share:		
	Basic (Rs.)	0.64	28.82
	Diluted (Rs.) *	0.64	1.24

* The likely impact arising on conversion of "loan from holding company" on EPS is anti-dilutive as on March 31, 2020 and hence, not considered above for computation of diluted EPS.

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2020

24 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on departure and it is computed at 15 days salary (last drawn salary) for each completed year of service. The gratuity plan is unfunded.

The following tables summarize the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plans.

Particulars	As at March 31, 2020	As at March 31, 2019
Assumptions:		
Discount Rate	7.00%	7.70%
Salary Escalation	6.00%	6.00%
Expected Rate of Return on Assets	0.00%	0.00%
Expected Average Remaining Working Life of Employees (Years)	31.80	32.11
Table Showing changes in present value of Defined Benefit obligation:	(Rs.)	(Rs.)
Present value of defined benefit obligations as at beginning of the year	1,78,708	34,721
Interest cost	12,544	2,674
Current service cost	4,72,328	1,73,998
Past service cost – (vested benefits)	-	-
Benefits paid	-	-
Actuarial loss on obligations	37,594	(32,685)
Present value of defined benefit obligations as at end of the year	7,01,174	1,78,708
Actuarial (Gain)/Loss recognised:		
Actuarial loss (Gain) on obligations	37,594	(32,685)
Actuarial (gain) / loss on plan assets	-	-
Actuarial loss (Gain) recognised in the year	37,594	(32,685)
The amounts to be recognised in the Balance Sheet:		
Present value of obligations at the end of the year	7,01,174	1,78,708
Fair value of plan assets at the end of the year	-	-
Net liability recognised in balance sheet	7,01,174	1,78,708
Expenses Recognised in statement of Profit and Loss:		
Current Service Cost	4,72,328	1,73,998
Interest Cost	12,544	2,674
Expected return on Plan assets.	-	-
Net Actuarial loss (gain) recognised in the year	37,594	(32,685)
Past service cost – vested benefits	5,22,466	1,43,987
Expenses recognised in statement of profit and loss	-	-
Actual return on plan assets	-	-

Defined benefit pension plan *	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Defined benefit obligation	7,01,174	1,78,708	34,721
Plan assets	-	-	-
Surplus / (deficit)	7,01,174	1,78,708	34,721
Experience adjustments on plan liabilities	1,89,366	1,00,846	-
Experience adjustments on plan assets	-	-	-

* Since, company started taking valuation of gratuity from financial Year 2017-18 onward. Thus, disclosure w.r.t gratuity shown above is for 3 years.

The estimates of future salary increases considered in actuarial valuation, takes account of inflation, seniority and other relevant factors, such as supply and demand in the employment market.

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2020

25 Loan portfolio and provision for standard and non-performing assets as at March 31, 2020:

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2019	Provision made during the year	Provision utilized for write-off	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Standard assets	42,23,96,793	41,65,46,765	10,41,367	14,625	-	10,55,992	42,13,40,801	41,55,05,398
Non-Performing assets	6,57,55,974	1,17,43,173	11,74,317	2,79,01,280	-	2,90,75,597	3,66,80,377	1,05,68,856
Total	48,81,52,767	42,82,89,938	22,15,684	2,79,15,905	-	3,01,31,589	45,80,21,178	42,60,74,254

Loan portfolio and provision for standard and non-performing assets as at March 31, 2019:

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018	Provision made during the year	Provision utilized for write-off	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Standard assets	41,65,46,765	28,79,14,956	7,19,787	3,21,580	-	10,41,367	41,55,05,398	28,71,95,169
Non-Performing assets	1,17,43,173	22,31,647	2,23,165	9,51,152	-	11,74,317	1,05,68,856	20,08,482
Total	42,82,89,938	29,01,46,603	9,42,952	12,72,732	-	22,15,684	42,60,74,254	28,92,03,651

Save Financial Services Private Limited**Notes to the financial statements for the year ended 31 March 2020**

(All amounts in Indian rupees unless otherwise stated)

26. Provision for outstanding loan portfolio**a) Provision for outstanding loan portfolio (own):**

The provision for outstanding loan portfolio as at 31 March 2020 has been calculated as follows

1. Standard provision of 0.25% of the standard advances
2. General provision of 10% has been made on sub-standard advances i.e. an advance which has been classified as non-performing assets for a period not exceeding 12 months.
3. General provision of 10% has been made on advances which has been classified as NPA for the period exceeding 12 months.

Asset classification	As at 31 March 2020		As at 31 March 2019	
	Loan portfolio	Provision	Loan portfolio	Provision
Standard portfolio	42,23,96,793	10,55,992	41,65,46,765	10,41,367
Sub-Standard portfolio	6,57,55,974	2,90,75,597*	1,17,43,173	11,74,317
Total	48,81,52,767	3,01,31,589	42,82,89,938	22,15,684

*This includes additional provision amounting to INR 2,25,00,000 made during the financial year 2019-20.

b) The movement in provision during the year is as given below:

Particulars	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Standard portfolio	Non-performing portfolio	Total	Standard portfolio	Non-performing portfolio	Total
Opening Balance	10,41,367	11,74,317	22,15,684	7,19,787	2,23,165	9,42,952
Additions	14,625	2,79,01,280	2,79,15,905	3,21,580	9,51,153	12,72,732
Closing	10,55,992	2,90,75,597	3,01,31,589	10,41,367	11,74,317	22,15,684

Based on management assessment and considering various factor the company has accrued an additional provision to the extent of 2,25,00,000 (Previous year- Nil) in addition provision required on outstanding portfolio as per prudential norms of provisioning issued by Reserve Bank of India.

27. Segment reporting**Business segment**

The Company operates in a single reportable segment i.e. Non- Banking financing activities, which have similar risk and return. Accordingly, there is no reportable segment to be disclosed as required by Accounting Standard (AS) – 17 “Segment Reporting”.

Geographical Segment

The Company is engaged in business within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

Save Financial Services Private Limited**Notes to the financial statements for the year ended 31 March 2020** (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

28. Operating leases

Head office and branch office premises are obtained on operating lease. The branch office premises are generally leased on cancellable term ranging from twelve months to thirty-six months with or without escalation clause. The rent agreement for head office premise has been obtained on a lease term of three years. There are no subleases. Lease payments during the year are charged to statement of profit and loss. Following are the details of lease charges for the year.

Description	For the year ended 31 March 2020	For the year ended 31 March 2019
Operating lease expenses recognised in the statement of profit and loss	55,41,154	45,94,632

29. Information on instances of fraud:

There are no cases of fraud/ misappropriation of cash by the employee during the year ended March 31, 2020.

30. Amounts payable to Micro, Small and Medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (the 'MSMED') pertaining to small or medium enterprises. For the year ended March 31, 2019, no creditor has intimated the company about the status as micro or small enterprises or its registration with appropriate authority under MSMED.

31. Assets & Liability Maturity Pattern

Particulars	1 day to 30/31 days	1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year upto 3 years	Over 3 upto 5 years	Over 5 years	Total
Borrowings	21,868	21,688	13,07,154	40,31,165	85,37,780	2,24,85,039	10,70,34,113	-	14,34,38,808
Advances	7,82,34,840	58,90,724	76,41,544	1,90,75,082	3,21,04,393	14,95,43,128	10,25,53,400	9,31,09,655	48,81,52,767

32. (i) The Novel Coronavirus (Covid-19) pandemic (declared by WHO on March 1, 2020) has contributed to a significant decline and volatility in global and Indian markets, and a significant decrease in economic activity. On March 24, 2020 government of India announced nationwide lockdown till April 14, 2020, which was further extended till May 31, 2020, through subsequent announcements. This has led to significant disruptions and dislocations for individuals and business, impacting company's regular operations including lending and collection activities due inability of staff to physically reach to the borrowers.

The company has major portion of its borrowers in sub-urban and rural area, where the impact of COVID-19 has relatively lower so far as compared to the urban area. Additionally, the State and Central Government has announced series of economic relief measures to rural India, which will further support rural borrowers' repayment capacity.

Save Financial Services Private Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

(ii) As discussed above, the COVID-19 pandemic has impacted company's regular operations including lending and collection activities, consequently impacting the carrying value of the loans and advances, financial position and performance of the company.

Further, pursuant to the Reserve Bank of India circular dated March 27, 2020 and May 23, 2020 allowing lending institutions to offer moratorium to its borrowers on payment of installment falling due between March 1, 2020 and August 31, 2020, the company has extended / will be extending moratorium to its borrowers.

(iii) In view of matters mentioned above, the company has assessed the impact of COVID-19 pandemic on its liquidity and ability to fulfill its obligations as and when they are due and evaluated assets liability maturity (ALM) pattern in various time buckets as prescribed under the guidance notes issued by RBI. Pursuant to the order issued by Ministry of Home Affairs on April 15, 2020 allowing Microfinance companies to operate in specified areas from April 20, 2020 by complying with regulatory guidelines of business, social distancing etc. and with gradual relaxation of lockdown rules thereafter, our employees were able to meet with collect from those borrowers who have indicated their willingness to pay even when the aforesaid moratorium is effective. As observed since resumption of operations, the management is confident that collection will continue to improve. In addition, management has considered various packages announced by Government will directly or indirectly benefit NBFC-MFI. Company is having liquidity position to meet debt obligation over the period of next 12 months from the end of reporting period. Based on the foregoing and necessary stress test considering various scenarios, management is confident that company will be able to meet debt obligations as and when these become due.

(iv) During the year ended March 31, 2020, the company has recognized provision aggregating to Rs. 2,25,00,000 over and above the minimum provision required as per RBI guidelines.

33. Appointment of Key Managerial Personnel:

As per provision of section 203 of Companies Act 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint a Company Secretary (CS). The Company though falls under the regulation, is yet to appoint above-mentioned officer (Referred to as "Key Managerial Personnel"). Further, the financial statements of the Company have not been authenticated by Company Secretary as required under sub-section (1) of section 134 of the Act. Management is of the view of non-appointment of Key Managerial Personnel will not have material impact on the profit for the year and the net assets of the Company as at March 31 2020. The Company is in the process of appointing Company Secretary.

Save Financial Services Private Limited

Notes to the financial statements for the year ended 31 March 2020 (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

34. Previous year figures have been regrouped/ rearranged, where necessary to conform to current year classification.

**As per our report of even date attached
For S.R.Batlboi & Co. LLP**
ICAI Firm Registration No.301003E/E300005
Chartered Accountants

Bhaswar Sarkar Digitally signed by
Bhaswar Sarkar
Date: 2020.08.25
17:30:14 +05'30'

per Bhaswar Sarkar
Partner
Membership No.: 055596
Date: August 25, 2020
Place: Kolkata

**For and on behalf of the Board of Directors of
SAVE FINANCIAL SERVICES PRIVATE LIMITED**

AJEET KUMAR
SINGH

Digitally signed by AJEET KUMAR SINGH
DN: cn=Ajeet Kumar Singh, o=Save Financial Services Private Limited, ou=Save Financial Services Private Limited, email=Ajeet.Kumar.Singh@savefinancialservices.com, c=IN

Ajeet Kumar Singh
Director

Pankaj
Kumar

Digitally signed by Pankaj Kumar
DN: cn=Pankaj Kumar, o=Save Financial Services Private Limited, ou=Save Financial Services Private Limited, email=Pankaj.Kumar@savefinancialservices.com, c=IN

Pankaj Kumar
Director

Ajay Kumar
Sinha

Digitally signed by Ajay Kumar Sinha
DN: cn=Ajay Kumar Sinha, o=Save Financial Services Private Limited, ou=Save Financial Services Private Limited, email=Ajay.Kumar.Sinha@savefinancialservices.com, c=IN

Ajay Kumar Sinha
Director

GOURA
V
SIROHI

Digitally signed by GOURAV
SIROHI
Date:
2020.08.25
14:14:38 +05'30'

Gourav Sirohi
Chief Financial Officer