

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 2021, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, 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, 2021, 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 31 to the accompanying financial statements, which describes the extent to which the COVID-19 pandemic may impact the Company's operations and its financial metrics which are dependent on uncertain future developments. 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to



events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) 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 of the Act are not applicable to the Company for the year ended March 31, 2021;



S.R. BATLIBOI & Co. LLP

Chartered Accountants

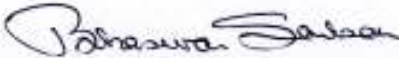
(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Bhaswar Sarkar

Partner

Membership Number: 055596



UDIN: 21055596AAAACI8645

Place of Signature: Kolkata

Date: June 28, 2021

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, 2021

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed property, plant and equipment;
- (b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company. 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) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, 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, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added 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 explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(d) In respect of sub clauses (vii) (a) to (c) above, the Company did not have any dues towards sales tax, service tax, custom duty, service tax, excise duty and value added tax during the year.

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management and audit procedures performed by us, 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 by 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.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

(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



per Bhaswar Sarkar

Partner

Membership Number: 55596



UDIN: 21055596AAAACI8645

Place of Signature: Kolkata

Date: June 28, 2021

SAVE FINANCIAL SERVICES PRIVATE LIMITED
Balance Sheet as at March 31, 2021

	Notes	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
I. Equity and liabilities			
Shareholders' funds			
Share capital	3	19,79,25,000	19,79,25,000
Reserves and surplus	4	23,08,58,740	22,86,10,808
		42,87,83,740	42,65,35,808
Non-current liabilities			
Long-term borrowings	5	15,50,86,074	12,95,19,151
Long term provisions	6	3,89,58,868	3,04,51,443
Other long-term liabilities	8	57,12,539	-
		19,97,57,481	15,99,70,594
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		15,44,624	32,89,578
Other current liabilities	8	2,78,78,831	1,56,00,139
Short-term provisions	6	68,15,855	17,85,774
		3,62,39,310	2,06,75,491
Total		66,47,80,531	60,71,81,893
II. Assets			
Non-current assets			
Property, Plant and Equipment	9A	48,62,439	35,22,047
Intangible assets	9B	10,78,474	5,47,803
Deferred tax assets	10	1,09,58,979	82,07,274
Long Term Loans and advances	11	50,31,33,578	34,84,05,562
Other non-current assets	12	1,11,25,482	4,39,975
		53,11,58,952	36,11,22,661
Current assets			
Cash and bank balances	13	2,02,11,823	8,93,35,121
Short term Loans and advances	11	9,49,42,527	14,58,38,219
Other current assets	12	1,84,67,229	1,08,85,892
		13,36,21,579	24,60,59,232
Total		66,47,80,531	60,71,81,893

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


per Bhaswar Sarkar
Partner
Membership No.: 055596


Date: June 28, 2021
Place: **KOLKATA**

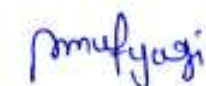
**For and on behalf of the Board of Directors of
SAVE FINANCIAL SERVICES PRIVATE LIMITED**



Ajeet Kumar Singh
Director
DIN 01857072


Gourav Sirohi
Chief Financial Officer

Date: June 28, 2021
Place: New Delhi


Pankaj Kumar
Director
DIN 01839501


Amul Tyagi
Company Secretary


Ajay Kumar Sinha
Director
DIN 01817959



SAVE FINANCIAL SERVICES PRIVATE LIMITED			
Statement of Profit and Loss for the period ended March 31, 2021			
	Notes	Year Ended March 31, 2021 (Rs.)	Year Ended March 31, 2020 (Rs.)
I. Income			
Revenue from operations	14	10,22,10,404	9,84,93,485
Other income	15	61,22,896	49,91,828
Total income		10,83,33,300	10,34,85,313
II. Expenses			
Employee benefit expenses	16	4,20,59,062	2,91,54,496
Finance costs	17	1,94,77,750	1,38,37,368
Depreciation and amortization expenses	18	24,61,232	29,17,035
Other expenses	19	3,32,57,480	2,58,81,248
Provisions and write-offs	20	81,33,398	2,79,15,905
Total expenses		10,53,88,922	9,97,06,052
Profit before Tax (iii) = (i)-(ii)		29,44,378	37,79,261
Tax expense (iv)			
- Current tax		34,48,150	85,62,220
- Deferred tax credit		(27,51,704)	(74,52,283)
- Tax expense for earlier year		-	13,95,614
Total tax expenses		6,96,446	25,05,551
Profit for the Year (iii)-(iv)		22,47,932	12,73,710
Earning per share (EPS)	21		
Nominal value of share		100/-	100/-
Basic and Diluted (Rs.)		1.14	0.64

Summary of significant accounting policies

2

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As per our report of even date

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

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


per Bhaswar Sarkar
Partner
Membership No.: 055596


Ajeet Kumar Singh
Director
DIN 01857072


Pankaj Kumar
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Ajay Kumar Sinha
Director
DIN 01817959

Date: June 28, 2021
Place: KOLKATA


Gourav Sirohi
Chief Financial Officer
Date: June 28, 2021
Place: New Delhi


Amul Tyagi
Company Secretary



SAVE FINANCIAL SERVICES PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2021

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs.)	(Rs.)
A. Cash flow from operating activities :		
Profit before tax	29,44,378	37,79,261
Adjustments for :		
Depreciation and amortisation expenses	24,61,232	29,17,035
Provision and write-offs	81,33,398	2,79,15,905
Gain on sale of Mutual Funds	(19,90,606)	(17,51,951)
Interest income on fixed deposits	(8,69,826)	(28,81,684)
Liabilities no longer required written back	(32,62,464)	(3,58,193)
Operating profit before working capital changes	74,16,112	2,96,20,373
Movements in working capital:		
Increase in other assets	(1,80,98,738)	(27,93,097)
Increase in loans and advances	(10,38,32,324)	(7,34,22,759)
Increase / (decrease) in provisions, Other liabilities and trade payables	1,67,00,462	(3,71,00,882)
Cash used in operations	(9,78,14,488)	(8,36,96,365)
Direct taxes paid	-	(80,30,040)
Net cash used in operating activities (A)	(9,78,14,488)	(9,17,26,405)
B. Cash flow from investing activities :		
Purchase of property, plant and equipment and intangible assets	(43,32,295)	(9,28,800)
Purchase of Mutual Funds	(32,50,00,000)	(13,00,00,000)
Redemption of Mutual Funds	32,69,90,606	14,67,51,951
Interest received on fixed deposits	7,01,718	28,92,471
Net cash flow generated / (used) in investing activities (B)	(16,39,971)	1,87,15,622
C. Cash flow from financing activities :		
Proceeds from long-term borrowings	20,53,69,481	20,00,00,000
Repayment of long-term borrowings	(17,50,38,319)	(12,03,52,486)
Net Cash flow from financing activities (C)	3,03,31,162	7,96,47,514
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(6,91,23,297)	66,36,731
Cash and cash equivalents at the beginning of the year	8,93,35,120	8,26,98,389
Cash And Cash Equivalents at the end of the year (refer note 13)	2,02,11,823	8,93,35,120
Components of cash and cash equivalents		
Cash on hand	1,79,757	1,64,382
With banks- on current account	1,74,79,880	8,91,70,738
Deposits with original maturity of less than 3 months	25,52,186	-
Total cash and cash equivalents (note 13)	2,02,11,823	8,93,35,120
Cash flow from operating activities include interest received of Rs. 8,59,66,507 (Previous Year: Rs. 8,84,00,359) and interest paid of Rs. 1,89,06,449 (Previous Year: Rs. 4,50,94,821)		

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


per Bhaswar Sarkar
Partner
Membership No.: 055596

Date: June 28, 2021
Place: New Delhi

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

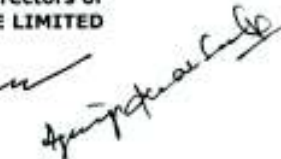

Ajeet Kumar Singh
Director
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Gourav Sirohi
Chief Financial Officer

Date: June 28, 2021
Place: New Delhi


Pankaj Kumar
Director
DIN 01839501


Amul Tyagi
Company Secretary


Ajay Kumar Sinha
Director
DIN 01817959



1. Corporate Information

Save Financial Services Private Limited ('the Company') is a private company incorporated in India having its registered office at 601-603, 6th Floor, DLF Tower Shivaji Marg, Moti Nagar New Delhi. 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 are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability and cash flows.

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.

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.

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.



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Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2021

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. Profit/premium arising at the time of securitization/assignment of loan portfolio is amortized over the life of the underlying loan portfolio/securities and any loss arising therefrom is accounted for immediately. Income from interest strip (excess interest spread) is recognized in the statement of profit and loss account net of any losses at the time of actual receipt. Interest retained under assignment of loan receivables is recognized on realization basis over the life of the underlying loan portfolio.
- iv. 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.
- v. 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.



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Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2021

e) Property, plant and equipment ("PPE") and depreciation/amortisation

PPE

All PPE are carried at cost of acquisition less accumulated depreciation. The cost of PPE 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.

PPE under construction and PPE 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 PPE 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 PPE are recognized in the Statement of Profit and Loss.

f) 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.

g) 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.

h) 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 2021

i) 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.

j) 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.

k) 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.

l) 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.



[Handwritten signatures: S.R. Ballal, Pankaj, G. S. Ballal, and others]



Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2021

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.

m) 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.

n) 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.

o) 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.



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Save Financial Services Private limited

Notes to the financial statements as at and for the year ended 31 March 2021

p) 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.



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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2021

3	Share capital	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Authorized Shares		
	20,00,000 (March 31, 2020: 20,00,000) equity shares of Rs.100/- each	20,00,00,000	20,00,00,000
	Issued, subscribed and fully paid-up shares		
	19,79,250 (March 31, 2020: 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, 2021		As at March 31, 2020
			Number	(Rs.)	Number
	Outstanding at the beginning of the year		19,79,250	19,79,25,000	19,79,250
	Issued during the year		-	-	-
	Shares outstanding at the end of the year		19,79,250	19,79,25,000	19,79,250

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				
			As at March 31, 2021		As at March 31, 2020
	Name of shareholder		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)		19,79,250	100.00%	19,79,250
	Total		19,79,250	100.00%	19,79,250

D	Details of shares held by holding Company				
			As at March 31, 2021		As at March 31, 2020
	Name of shareholder		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)*		19,79,250	100.00%	19,79,250
	Total		19,79,250	100.00%	19,79,250

* Number of shares includes 1,500 shares held by directors as nominee shareholders on behalf of holding company.

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.
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4	Reserves and surplus	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	A. Securities premium		
	Balance as per last financial statements	20,83,76,250	20,83,76,250
	Add: Addition during the year	-	-
	Closing Balance (A)	20,83,76,250	20,83,76,250
	B. Statutory reserve		
	Balance as per last financial statements	40,49,682	37,94,940
	Add: Amount transferred from surplus balance in the statement of profit and loss	6,49,586	2,54,742
	Closing Balance (B)	44,99,269	40,49,682
	C. Surplus in the Statement of Profit and Loss		
	Balance as per last financial statements	1,61,84,876	1,51,65,908
	Profit for the year	22,47,932	12,73,710
	Less: Appropriations		
	Transferred to Statutory reserve (@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934)	(4,49,586)	(2,54,742)
	Net surplus in the statement of profit and loss (C)	1,79,83,221	1,61,84,876
	Total (A+B+C)	23,08,58,740	22,86,10,808

5	Long-term borrowings	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Term Loan		
	Secured Loan		
	-Indian rupee loan from non banking finance companies	2,18,60,452	3,55,08,212
	-Indian rupee loan from bank	-	13,90,562
	Unsecured Loan		
	-Indian Rupee loan from holding company	15,19,09,514	10,65,40,033
	Total	17,37,69,966	14,34,38,807
	Less: Current maturities of long-term borrowings disclosed under the head "other current liabilities" (refer note 8)	(1,86,83,892)	(1,39,19,656)
	Total	15,50,86,074	12,95,19,151

1. 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.

2. Term loan from non banking financial company 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.



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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021

8A Long-term borrowings (Contd.)
Terms of repayment of Term Loans as on March 31, 2021

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 Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)		
Term Loans										
Monthly repayment schedule										
From NBFCs:										
0-2 Yrs.	12	1,86,83,892	2	31,76,560	-	-	-	-	14.50%	2,18,60,452
From Holding Company										
Bullet repayment schedule	-	-	-	-	-	-	1	15,19,08,514	10.5%-15.5%	15,19,08,514
3-5 Yrs.										
Grand Total	12	1,86,83,892	2	31,76,560	-	-	1	15,19,08,514		17,37,58,966

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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021

5B 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:										
0-3 Yrs.	10	1,36,47,760	12	1,86,83,892	2	31,76,580	-	-	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	4,94,090	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



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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2021

6	Provisions	Non Current		Current	
		As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
A.	Provision for portfolio loans (Refer Note 24)				
	On standard assets	39,69,690	6,76,612	7,74,052	3,79,980
	On non performing assets	95,34,826	65,75,598	-	-
	Additional Provision on Portfolio	2,30,66,420	7,25,00,098	-	-
		3,74,90,936	2,47,51,610	7,74,052	3,79,980
B.	Provision for employee benefits				
	Provision for gratuity (refer note 23)	14,67,932	6,94,833	2,751	1,341
	Provision for Bonus	-	-	44,004	7,23,563
	Provision for Leave Encashment	-	-	25,46,898	6,86,898
		14,67,932	6,99,633	25,92,653	14,69,799
C.	Others				
	Provision for income tax	-	-	34,48,150	-
		-	-	34,48,150	-
Total (A+B+C)		3,89,58,868	3,04,51,643	68,15,855	17,85,774

7	Trade Payable	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
Trade Payable	Total outstanding dues of micro enterprises and small enterprises		
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	15,44,624	32,89,578
	Total	15,44,624	32,89,578

8	Other Liabilities	Non-current		Current	
		As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)	As at March 31, 2021 (Rs.)	As at March 31, 2020 (Rs.)
	Current maturities of long-term borrowings (refer note 5)				
	-non banking finance company	-	-	1,66,83,892	1,36,47,700
	-banks	-	-	-	2,71,896
	Interest accrued but not due on borrowings	-	-	39,079	90,611
	Payable towards Securitisation transactions	-	-	20,19,096	-
	Unrealised gain on securitisation transaction	57,12,539	-	51,37,240	-
	Employee Benefits Payable	-	-	6,45,824	1,84,362
	Insurance premium payable *	-	-	-	58,046
	Statutory dues payable	-	-	10,53,418	12,67,000
	Other payables **	-	-	3,20,284	80,761
	Total	57,12,539	-	3,78,78,831	1,56,09,139

* Represents 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 EPS received in advance.

*** As per Guidelines on Securitisation of Standard Assets of NBFC ND-RE issued by Reserve Bank of India the Company has shown an unrealised gain on securitisation transaction under other liabilities and Interest kept on securitisation transaction under other assets by capitalisation of future interest receivable i.e. I/O Strips.



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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2021

9A. PROPERTY, PLANT AND EQUIPMENT - Tangible Assets

Particulars	Furniture and Fixtures	Computers	Electric Equipments	Office Equipments	Vehicles	Total
1st April 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
Additions	6,56,456	22,07,708	8,41,770	1,00,300	-	35,06,295
Disposal	-	-	-	-	-	-
At 31st March 2021	22,08,495	45,18,220	12,66,037	5,14,167	26,25,526	1,11,32,444
Accumulated Depreciation						
1st April 2019	2,06,742	6,80,142	1,69,110	59,244	10,01,005	21,26,243
Charge For the Year	3,29,324	9,12,047	1,43,561	85,509	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
Charge For the Year	3,67,595	11,30,314	1,71,266	1,47,832	3,48,896	21,65,903
Disposal	-	-	-	-	-	-
At 31st March 2021	9,03,661	27,22,502	4,83,937	3,02,666	18,57,239	62,70,005
Net Block						
At 31st March 2020	10,15,973	7,18,262	4,11,596	2,59,033	11,17,183	35,22,047
At 31st March 2021	13,04,834	17,95,718	7,82,100	2,11,501	7,68,287	48,62,439

9B. Intangible Assets

Particulars	Software
Gross block	
1st April 2019	29,08,379
Additions	-
At 31st March 2020	29,08,379
Additions	8,26,000
At 31st March 2021	37,34,379
Amortization	
1st April 2019	14,21,400
Charge for the year	9,39,176
At 31st March 2020	23,60,576
Charge for the year	2,95,329
At 31st March 2021	26,55,905
Net Block	
At 31st March 2020	5,47,803
At 31st March 2021	10,78,474



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10 Deferred tax assets	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)
Impact of difference between tax depreciation and depreciation charged for the financial reporting	5,42,256	4,76,321
Impact of provision on portfolio	91,90,237	71,98,999
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	12,26,466	5,29,944
Total	1,09,58,959	82,07,274

11 Loans and advances	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(Considered good unless stated otherwise)				
A Portfolio loans				
Secured				
- Considered good	43,15,83,208	27,71,58,424	7,77,05,027	11,48,43,189
Total (a)	43,15,83,208	27,71,58,424	7,77,05,027	11,48,43,189
Unsecured				
- Considered good	9,52,42,734	8,80,47,759	27,27,863	2,81,03,395
- Considered doubtful	1,50,77,167	-	-	-
Total (a)	6,53,19,896	8,80,47,759	27,27,863	2,81,03,395
Total (a + b)	49,69,03,102	34,52,06,183	8,04,32,890	14,29,46,584
(Unsecured, considered good unless stated otherwise)				
B Security deposits	31,37,556	16,13,500	-	-
C Advances recoverable in cash or kind				
Receivable from a related party (Refer note 22)	-	-	1,07,80,100	-
D Others				
Balance with statutory authorities	27,17,920	9,63,729	-	-
Advance tax	3,74,998	3,62,150	-	-
Advance to employees	-	-	1,48,353	48,501
Prepaid expense	-	-	28,93,849	26,42,946
Unamortised expense on the loan taken	-	-	6,71,181	-
Other advances *	-	-	21,154	7,00,188
Total (A+B+C+D)	30,92,920	12,66,879	37,29,637	28,91,635
Total (A+B+C+D)	80,61,95,022	34,64,05,562	9,41,62,527	14,58,38,219

* Represent advance given to vendors for repairs of office premises.

12 Other assets	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(Unsecured, considered good unless stated otherwise)				
Non-current bank balances (refer note 13)	54,12,943	-	-	-
Interest accrued but not due on portfolio loans	-	-	1,24,00,215	1,04,50,887
Interest accrued but not due on deposits placed with banks	-	-	1,68,108	-
Interest strip on securitisation transaction *	37,12,519	-	51,17,240	-
Unamortised processing fee - loan	-	4,39,975	4,39,973	4,35,205
EIS receivable	-	-	-	-
Ex-grota claim receivable	-	-	3,41,693	-
Total	1,11,25,462	4,39,975	1,84,67,226	1,08,86,892

* As per Guidelines on Securitisation of Standard Assets of NBFC-ND-LSI issued by Reserve Bank of India the Company has shown an unrealised gain on securitisation transaction under other liabilities and interest strip on securitisation transaction under other assets by capitalisation of future interest receivable i.e. I/O Strip.

13 Cash and bank balances	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Cash and cash equivalents				
Balances with banks	-	-	-	-
- on current accounts	-	-	1,74,79,880	8,91,70,720
- deposit with original maturity of less than three months	-	-	25,52,186	-
Cash in hand	-	-	1,79,757	1,64,362
Other bank balances				
- Deposit with maturity for more than 12 months (*)	54,12,943	-	-	-
Total	54,12,943	-	2,02,11,823	8,93,35,121
Less: Amount disclosed under non-current assets	(54,12,943)	-	-	-
Total	-	-	2,02,11,823	8,93,35,121

* Deposit certificates of Rs 54,12,943 is pledged under securitisation deal.



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SAFE FINANCIAL SERVICES PRIVATE LIMITED
Notes to financial statements as at and for the period ended March 31, 2021

14	Revenue from operations	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Interest income on portfolio loans	8,79,16,034	9,03,18,277
	Service fee income from securitisation	1,00,000	-
	Excess interest spread on securitisation	43,92,258	-
	Other operating revenue:		
	Processing fee on portfolio loans	45,37,280	49,45,691
	Other operating income *	52,64,832	12,29,317
	Total	10,22,10,404	9,64,93,285
* Represent Initial money receipts and foreclosure charge taken from borrowers.			
15	Other income	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Interest income on fixed deposits with banks	8,69,620	18,81,684
	Gain on sale of Mutual Funds	19,90,606	17,51,951
	Liabilities no longer required written back	37,62,464	3,56,193
	Total	36,22,690	40,91,828
16	Employee benefit expenses	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Salaries and bonus	3,46,90,416	2,62,20,089
	Contributions to Provident and other funds	17,25,526	11,98,788
	Gratuity expenses (Refer note 23)	7,85,509	5,22,466
	Leave Encashment	19,10,610	2,77,961
	Incentives	11,96,260	3,12,481
	Staff welfare expenses	15,64,782	6,25,783
	Total	6,20,89,082	2,95,84,498
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect is yet to be notified and the final rules/interpretation are yet to be promulgated. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.			
17	Finance costs	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Interest expense		
	On term vehicle loans from banks	92,242	1,58,020
	On term loans from a NBFC	44,99,715	62,31,136
	On term loans from Holding Company	1,43,52,760	70,15,392
	Other finance costs *	6,23,033	4,32,820
	Total	1,94,77,750	1,38,37,368
* Represent processing fee paid on borrowing amortised during the year.			
18	Depreciation and amortisation expenses	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Depreciation on tangible assets	21,65,983	19,77,859
	Amortisation on intangible assets	2,95,329	9,39,176
	Total	24,61,312	29,17,035
19	Other expenses	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Rent	1,06,23,335	55,41,154
	Rates and taxes	4,16,487	6,17,455
	Repairs & maintenance	6,77,795	10,01,846
	Traveling and conveyance	25,57,433	25,03,950
	Postage, Courier & Communication expenses	13,67,719	4,90,029
	Printing & Stationery	4,02,871	3,61,794
	Legal and professional fees	90,95,266	72,26,955
	Payment to auditors (Refer note 19A)	6,60,000	6,72,429
	Bank charges	1,09,836	89,334
	Electricity & water expenses	6,52,785	3,22,709
	Commission expense	12,16,427	18,35,580
	Insurance charges	19,607	40,589
	IT support charges	40,74,571	41,71,969
	Office expenses	11,16,371	3,09,107
	Miscellaneous expenses	4,66,997	5,08,787
	Total	3,32,67,480	2,58,81,248
19A	Payment to auditors	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	As Auditor:		
	Audit fee	6,60,000	6,47,265
	Reimbursement of expenses	-	25,164
	Total	6,60,000	6,72,429
20	Provisions and write offs	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Provision for standard and non performing assets	66,46,978	54,15,965
	Additional Provision on portfolio	14,89,420	2,23,00,200
	Total	81,33,398	2,79,16,165
21	Earnings per share (EPS)	Year Ended March 31, 2021	Year Ended March 31, 2020
		(Rs.)	(Rs.)
	Net Profit for calculation of Basic EPS	12,47,932	12,73,210
	Add : Interest on convertible loan from holding company (net of tax)	1,35,35,122	12,45,758
	Net Profit for calculation of diluted EPS	1,47,83,054	25,18,968
	Weighted average number of equity shares in calculating basic EPS	19,79,250	19,79,250
	Weighted average number of equity shares that will be available on conversion of loan from holding company	13,68,173	66,81,326
	Weighted average number of equity shares in calculating diluted EPS	33,47,423	86,60,576
	Earnings per share:		
	Basic (Rs.)	0.64	0.64
	Diluted (Rs.) *	0.64	0.64

(*) The likely impact of EPS on conversion of "loan from holding company" which carries an option for conversion to equity has not been considered as it is anti dilutive.



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SAVE FINANCIAL SERVICES PRIVATE LIMITED													
Notes to financial statements as at and for the year ended March 31, 2021													
22. Related Party Disclosure													
Particulars of Related Parties													
Particulars	Holding Company		Entities in which Key Management Personnel and / or their relatives exercise significant influence		Enterprises under common control		Key Management Personnel & Relatives of KMP		Total		Balance outstanding as on closing date	Transaction Value for the period	Balance outstanding as on closing date
	Transaction Value for the period	Balance outstanding as on closing date	Transaction Value for the period	Balance outstanding as on closing date	Transaction Value for the period	Balance outstanding as on closing date	Transaction Value for the year	Balance outstanding as on closing date	Transaction Value for the period	Balance outstanding as on closing date			
Loan Taken													
Save Solutions Private Limited	20,53,69,481 (15,00,00,000)	15,19,09,514 (10,65,40,032)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	20,53,69,481 (15,00,00,000)	15,19,09,514 (10,65,40,032)			
Refund of Loan taken													
Save Solutions Private Limited	16,00,00,000 (10,50,00,000)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	16,00,00,000 (10,50,00,000)	- (-)			
Interest expense													
Save Solutions Private Limited	1,43,52,760 (70,15,392)	(27,509) (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	1,43,52,760 (70,15,392)	(27,509) (-)			
Reimbursement of expenses													
Receivable from Save Microfinance Private Limited	- (-)	- (-)	- (-)	- (-)	1,07,80,100 (-)	1,07,80,100 (-)	- (-)	- (-)	1,07,80,100 (-)	1,07,80,100 (-)			
Receipt of Loan given													
Maitraya Bhawan Services Private Limited	- (-)	- (-)	(67,78,423) (-)	(-) (-)	- (-)	- (-)	- (-)	- (-)	(67,78,423) (-)	- (-)			
Interest Income													
Maitraya Bhawan Services Private Limited	- (-)	- (-)	(6,96,049) (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(6,96,049) (-)	- (-)			
Salary (includes perquisites)													
Amul Tyagi (Company Secretary)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	3,09,107 (-)	- (-)	3,09,107 (-)	- (-)			








23 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, 2021	As at March 31, 2020
Assumptions:		
Discount Rate	8.90%	7.00%
Salary Escalation	6.00%	6.00%
Expected Average Remaining Working Life of Employees (Years)	30.61	31.80
Table Showing changes in present value of Defined Benefit obligation:		
Present value of defined benefit obligations as at beginning of the year	(Rs.) 7,01,174	(Rs.) 1,78,708
Interest cost	49,082	12,544
Current service cost	6,45,827	4,72,328
Actuarial loss on obligations	74,600	37,594
Present value of defined benefit obligations as at end of the year	14,70,683	7,01,174
Actuarial Loss recognised:		
Actuarial loss on obligations	74,600	37,594
Actuarial loss (Gain) recognised in the year	74,600	37,594
The amounts to be recognised in the Balance Sheet:		
Present value of obligations at the end of the year	14,70,683	7,01,174
Fair value of plan assets at the end of the year	-	-
Net liability recognised in balance sheet	14,70,683	7,01,174
Expenses Recognised in statement of Profit and Loss:		
Current Service Cost	6,45,827	4,72,328
Interest Cost	49,082	12,544
Expected return on Plan assets	-	-
Net Actuarial loss recognised in the year	74,600	37,594
Past service cost - vested benefits	7,69,509	5,22,466

Defined benefit pension plan *	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Defined benefit obligation	14,70,683	7,01,174	1,78,708	34,721
Plan assets	-	-	-	-
Deficit	14,70,683	7,01,174	1,78,708	34,721
Experience adjustments on plan liabilities	1,06,638	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 4 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.



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SAVE FINANCIAL SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2021

24. Loan portfolio and provision for standard and non-performing assets as at March 31, 2021:

(Rs.)

Asset classification	Portfolio loans outstanding (Gross)		Provision for standard and non-performing assets				Portfolio loans outstanding (Net)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020	Provision made during the year	Provision utilized for write-off	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Standard assets	49,20,64,902	42,23,96,793	10,55,992	36,87,750	-	47,43,742	48,73,21,160	42,13,40,801
Non-Performing assets	8,52,71,090	6,57,55,974	2,90,75,598	44,45,648	-	3,35,21,246	5,17,49,844	3,66,80,377
Total	57,73,35,992	48,81,52,767	3,01,31,590	81,33,398	-	3,82,64,988	53,90,71,003	45,80,21,178

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

(Rs.)

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, 2019	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	2,79,01,281	-	2,90,75,598	3,66,80,376	1,05,68,856
Total	48,81,52,767	42,82,89,938	22,15,684	2,79,15,906	-	3,01,31,590	45,80,21,177	42,60,74,254



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Save Financial Services Private Limited**Notes to the financial statements for the year ended 31 March 2021**

(All amounts in Indian rupees unless otherwise stated)

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

The provision for outstanding loan portfolio as at 31 March 2021 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.

Asset classification	As at 31 March 2021		As at 31 March 2020	
	Loan portfolio	Provision	Loan portfolio	Provision
Considered good	56,72,58,830	3,62,49,556*	48,81,52,767	3,01,31,589*
Considered doubtful	1,00,77,162	20,15,432	-	-
Total	57,73,35,992	3,82,64,988	48,81,52,767	3,01,31,589

* Includes additional provision amounting to Rs. 2,39,86,420 (March 31, 2020: Rs. 2,25,00,000) and provision on non-performing assets but not doubtful Rs. 75,19,394 (March 31, 2020: Rs. 65,75,598)

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

Particulars	As at 31 March 2021			As at 31 March 2020		
	Standard portfolio	Non-performing portfolio	Total	Standard portfolio	Non-performing portfolio	Total
Opening Balance	10,55,992	2,90,75,598	3,01,31,590	10,41,367	11,74,317	22,15,684
Additions	36,87,750	44,45,648	81,33,398	14,625	2,79,01,281	2,79,15,906
Closing	47,43,742	3,35,21,246	3,82,64,988	10,55,992	2,90,75,598	3,01,31,590

Based on management assessment and considering various factor the company has accrued an additional provision to the extent of 2,39,86,420 (Previous year- 2,25,00,000) in addition provision required on outstanding portfolio as per prudential norms of provisioning issued by Reserve Bank of India.

26. 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.



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Save Financial Services Private Limited**Notes to the financial statements for the year ended 31 March 2021** (continued)

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

27. 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 2021	For the year ended 31 March 2020
Operating lease expenses recognised in the statement of profit and loss	1,04,23,335	55,41,154

28. Information on instances of fraud:

There are no cases of fraud/ misappropriation of cash by the employee during the year ended March 31, 2021.

29. 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, 2021, no creditor has intimated the company about the status as micro or small enterprises or its registration with appropriate authority under MSMED.

30. Assets & Liability Maturity Pattern

Particulars	1 day to 30/31 days	1 month to 2 months	Over months upto 3 months	Over months to 6 months	Over months to 1 year	Over 1 year upto 3 years	Over 3 upto 5 years	Over 5 years	Total
Borrowings	14,51,836	14,77,823	14,87,914	45,81,693	96,84,626	31,76,560	15,19,09,514	-	17,37,69,066
Advances	8,31,99,152	59,94,753	61,33,009	1,90,88,437	4,12,99,923	19,54,33,941	11,89,83,520	10,72,83,257	57,73,35,992

31. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, as led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and collection efficiency. This may lead to a rise in the number of borrower defaults consequently an increase in corresponding provisions. Further, pursuant to the Reserve Bank of India ("RBI") COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between



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Save Financial Services Private Limited**Notes to the financial statements for the year ended 31 March 2021** (continued)

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

March 1, 2020 and August 31, 2020, the Company had offered a moratorium to its borrowers until May 31, 2020 which was further extended up to August 31, 2020.

The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's impairment on loan and advances and future results will depend on future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

The Company has recognized provisions as on March 31, 2021 aggregating to Rs. 3,82,64,988 based on the information available at this point of time, in accordance with RBI (Reserve Bank of India) guidelines. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial statements.

Given the dynamic and evolving nature of the pandemic, these estimates include the possible impact of known events till date and are subject to uncertainty caused by resurgence of COVID-19 pandemic and related events.

32. Reserve Bank of India ("RBI") on March 27, 2020, April 17, 2020 and May 23, 2020 announced "COVID-19 Regulatory Package" on asset classification and provisioning. In terms of these RBI guidelines, the Company has granted a moratorium of six months on payments of all instalments / interest as applicable, falling due between March 1, 2020 and August 31, 2020 ("moratorium period") to all eligible borrowers classified as standard, even if overdue, as on February 29, 2020. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The disclosures as required by RBI circular dated April 17, 2020 are given below:

(Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Respective amount in SMA/Overdue categories where the moratorium / deferment was extended in terms of paragraph 2 and 3 as of February 29, 2020	3,08,49,896	5,34,38,872
Respective amount where assets classification benefits is extended	3,08,49,896	5,34,38,872
Provision outstanding in terms of paragraph 5 of circular	53,43,887	53,43,887
Provision adjusted against slippage in terms of paragraph 6 of the circular	22,58,897	-
Residual provision as per paragraph 6 of the circular	30,84,990	53,43,887

33. Disclosure pursuant to RBI Notification – RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020 ("Resolution Framework for COVID-19 Related Stress") is not applicable as the Company has not restructured any loan accounts during the year.



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Save Financial Services Private Limited

Notes to the financial statements for the year ended 31 March 2021 (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

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


per Bhaswar Sarkar
Partner
Membership No.: 055596
Date: June 28, 2021
Place: ~~KOLKATA~~



Ajeet Kumar Singh
Director
DIN 01857072


Pankaj Kumar
Director
DIN 01839501


Ajay Kumar Sinha
Director
DIN 01817959


Gourav Sirohi
Chief Financial Officer

Date : June 28, 2021
Place : New Delhi




Amul Tyagi
Company Secretary