

INDEPENDENT AUDITORS' REPORT

To the Members of Capsave Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Capsave Finance Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICAI) 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 opinion.

Emphasis of Matter

We draw attention to note 21.13 of the financial statements which explains the uncertainties and management's assessment of the financial impact due to the lockdown including other restrictions imposed by the Governments and conditions related to the CoVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.



Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are 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 (AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

Auditors' 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 auditors' 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 financial 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 (Auditors' 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 statement of cash flows 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 prescribed under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at 31 March 2020 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.

3. With respect to the matter to be included in the Auditors' Report under section 197(16), since the Company is a private limited company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197 of the Act is not applicable.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No. 201402
UDIN: **20201402AAAABA2772**

Place of Signature: Mumbai
Date: June 26, 2020



Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Capsave Finance Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2020.

(i) In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by third parties on behalf of the Management upon purchase and deployment of assets on lease in accordance with a programme of verification which in our opinion, provides for physical verification of every fixed asset once during its lifetime / lease term. According to the information and explanations given to us, no material discrepancies were noted on such verification.
- (c) The Company does not own any immovable properties. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

(ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

(iii) 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 Act. Therefore, the provisions of Clause 3 (iii), (iii)(a), (iii)(b), (iii)(c) of the said Order are not applicable to the Company.

(iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act.

(vii)
(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Service Tax (GST), cess and any other material statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Service Tax (GST), cess and any other statutory dues were in arrears, as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) There have been no dues relating to income tax / sales tax / service tax / duties of customs / duties of excise / value added tax, Goods and Service Tax (GST) which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues of term loans to the financial institution, bank or debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, in our opinion and as far as it appears from the examination of the books of accounts, the money raised by way of term loans were applied for the purpose for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the Standards on Auditing as specified in Section 143 of the Companies Act, 2013, and to the best of our knowledge and belief and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees nor have we been informed of any such case by the Management of the Company.
- (xi) Since the Company is a Private Limited Company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, provisions of clause 3(xi) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, the provisions of clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company is a Private Limited Company and hence provisions of Section 177 is not applicable to it. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18 - Related Party Disclosures specified under Section 133 of the Act.
- (xiv) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order is not applicable.



PKF Sridhar & Santhanam LLP
Chartered Accountants

- (xv) Based on our audit procedures and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- (xvi) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Institution without accepting public deposits.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No. 201402
UDIN : **20201402AAAABA2772**

Place of Signature: Mumbai
Date: June 26, 2020



Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of Capsave Finance Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No. 201402
UDIN: **20201402AAAABA2772**



Place of Signature: Mumbai
Date: June 26, 2020

CAPSAVE FINANCE PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2020

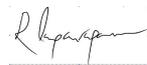
(Rupees)			
Particulars	Note no.	As at 31.03.2020	As at 31.03.2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	93,651,180	78,324,360
Reserves and surplus	3	1,909,461,171	1,330,047,293
		2,003,112,351	1,408,371,653
Non-Current Liabilities			
Long Term Borrowings	4	329,999,998	400,000,000
Other long term liabilities	5	577,610,947	361,345,723
Long term provisions	6	15,493,209	6,096,885
		923,104,154	767,442,608
Deferred tax liabilities (net)	7	99,954,306	92,885,385
Current Liabilities			
Short-term borrowings	8	500,000,000	450,000,000
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises		101,104	182,978
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,776,641	266,623
Other current liabilities	9	507,402,026	374,239,883
Short term provisions	6	10,419,148	2,179,378
		1,019,698,919	826,868,862
TOTAL		4,045,869,730	3,095,568,508
ASSETS			
Non-current assets			
Property, Plant and Equipment	10	995,683,594	915,755,822
Intangibles under development		3,225,000	-
Asset under Deployment		22,512,352	4,960,783
Long-term loans and advances	11	1,746,979,149	1,296,279,744
Other non-current assets	12	415,993	393,242
		2,768,816,088	2,217,389,591
Current assets			
Trade receivables	13	11,259,837	8,199,054
Cash and bank balances	14	85,959,143	145,533,106
Short-term loans and advances	11	1,094,841,995	670,879,507
Other current assets	15	84,992,667	53,567,250
		1,277,053,642	878,178,917
TOTAL		4,045,869,730	3,095,568,508

Significant Accounting Policies 1(B)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No.201402
UDIN: 20201402AAAABA2772
Place: Mumbai
Dated: 26th June 2020



For and on behalf of the Board of Directors



Jinesh Jain
CEO & Director
DIN: 06807613

Place: Mumbai
Dated: 26th June 2020



Praveen Chauhan
Director
DIN: 06802734

Place: Mumbai
Dated: 26th June 2020



Ashok Biyani
Chief Financial Officer

Place: Mumbai
Dated: 26th June 2020



CAPSAVE FINANCE PRIVATE LIMITED
Statement of Profit and Loss for the period ended 31st March 2020

(Rupees)

Particulars	Note no.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
I. Income from operations	16	831,437,876	589,522,616
II. Other income	17	16,906,950	7,643,543
III. Total Revenue (I + II)		848,344,826	597,166,159
IV. Expenses:			
Purchase cost of Bonds		92,046,408	109,652,351
Employee Benefit Expenses	18	36,301,178	28,499,633
Finance costs	19	96,998,175	60,221,078
Depreciation and amortisation	10	183,111,746	101,590,868
Provisions against Standard Assets		10,643,501	4,249,208
Other expenses	20	71,535,914	39,514,815
Total expenses		490,636,922	343,727,953
V Profit / (Loss) before exceptional items and tax (III-IV)		357,707,904	253,438,206
VI Exceptional items (Financial Advisory fees)		-	22,400,000
VII Profit / (Loss) before tax (V+VI)		357,707,904	275,838,206
VIII Tax expense:			
Current tax		(104,945,684)	(57,933,742)
MAT Credit Entitlement		-	48,649,660
Excess/(Short) Provision of Tax for Earlier Years		101,687	-
Deferred tax	7	(7,068,921)	(69,704,267)
		(111,912,918)	(78,988,349)
IX Profit / (Loss) for the year (VII-VIII)		245,794,986	196,849,857
Significant Accounting Policies	1(B)		
X Earnings per share (face value Rs. 10 each):			
Basic and Diluted	21(8)	28.22	26.79

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.003990S/S200018

For and on behalf of the Board of Directors



R Suriyanarayanan
Partner
Membership No.201402
UDIN: 20201402AAAAABA2772
Place: Mumbai
Dated: 26th June 2020




Jinesh Jain
CEO & Director
DIN: 06807613

Place: Mumbai
Dated: 26th June 2020



Praveen Chauhan
Director
DIN: 06802734

Place: Mumbai
Dated: 26th June 2020



Ashok Biyani
Chief Financial Officer

Place: Mumbai
Dated: 26th June 2020



CAPSAVE FINANCE PRIVATE LIMITED
Statement of Cash Flows for the year ended 31 March 2020

(Rupees)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
A. Cash flow from Operating Activities		
Net Profit/(Loss) before Tax	357,707,904	275,838,206
Adjustments for:		
Depreciation and Amortisation	183,111,746	101,590,868
Interest Income	(7,109,262)	(4,632,204)
Provisions against Standard Assets	10,643,501	4,249,208
Purchase of Bonds	92,046,408	109,652,351
Sale of Bonds	(92,133,014)	(109,764,904)
Finance Costs	80,794,434	59,359,396
Other non-operating expenses - net	85,611	210,296
(Gain)/ Loss on Sale of Leased Assets - net	(392,687)	-
(Gain)/ Loss on Sale of Mutual Fund Investments	(9,099,692)	(2,974,273)
Operating (loss)/profit before Working Capital changes	615,654,949	433,528,944
Adjustments for:		
(Increase)/ Decrease in Operating Leased Assets - net of sales	(313,119,293)	(670,820,626)
(Increase)/ Decrease in Assets on Finance	(716,445,134)	(590,321,859)
(Increase)/ Decrease in Receivable Discounting Facility	(83,488,691)	(134,249,674)
(Increase)/ Decrease in Assets under Deployment	(17,551,569)	60,108,426
(Increase)/Decrease in Advances and Other Assets	(91,589,879)	(193,497,471)
Increase/ (Decrease) in Interest on Long Term Borrowing	(56,730,502)	(50,481,823)
Increase/ (Decrease) in Interest on Inter-corporate loan from Holding Company	(19,851,777)	(7,552,911)
Changes in Payables, Liabilities and Provisions	274,073,838	367,001,180
	(1,024,703,007)	(1,219,814,758)
Cash flow before taxation	(409,048,058)	(786,285,814)
Direct taxes paid (Including Interest)	(58,557,918)	(75,917,358)
Net Cash Flow generated from/used in Operating Activities (A)	(467,605,976)	(862,203,172)
B. Cash flow from Investing Activities		
Deposits placed (net)	51,138,798	(37,872,378)
Interest received on Deposits	7,139,783	4,461,326
Purchase and generation of Intangible Assets	(3,225,000)	-
Purchase of Mutual Fund Investment	(1,330,000,000)	(827,500,000)
Sale of Mutual Fund Investment	1,339,099,692	830,474,272
Purchase of Bonds	(92,046,408)	(109,652,351)
Sale of Bonds	92,133,014	109,764,904
Net Cash Flow generated from Investing Activities (B)	64,239,879	(30,324,227)
C. Cash flow from Financing Activities		
Debt and other borrowings		
- Availment from Holding company	647,500,000	550,000,000
- Repayment to Holding company	(597,500,000)	(337,500,000)
- Availment from Banks and Financial Institutions	200,000,000	650,000,000
- Repayment to Banks and Financial Institutions	(203,333,332)	(100,000,000)
Share issue expenses	(681,448)	(210,296)
Proceeds from issue of Equity Shares (including premium)	348,945,712	210,296,268
Net Cash Flow from Financing Activities (C)	394,930,932	972,585,972
Net Increase in Cash and Cash Equivalents (A+B+C)	(8,435,165)	80,058,573
Cash and Cash Equivalents at the beginning of the year	86,368,692	6,310,119
Cash and Cash Equivalents at the end of the year	<u>77,933,527</u>	<u>86,368,692</u>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (Refer Note 14)	86,309,143	145,883,106
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		
In earmarked accounts	(8,375,616)	(59,514,414)
Cash and Bank Balance (As per note 14)	77,933,527	86,368,692

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No.201402
UDIN: 20201402AAAABA2772
Place: Mumbai
Dated: 26th June 2020



For and on behalf of the Board of Directors



Jinesh Jain
CEO & Director
DIN: 06807613

Place: Mumbai
Dated: 26th June 2020



Praveen Chauhan
Director
DIN: 06802734

Place: Mumbai
Dated: 26th June 2020



Ashok Biyani
Chief Financial Officer

Place: Mumbai
Dated: 26th June 2020



Capsave Finance Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Note 1

A. Company Overview

Capsave Finance Private Limited ("the Company"), formerly (till 30th August 2016) called "Abhishek Capitals Private Limited", was incorporated on 7th August 1992. The Company is a 100% subsidiary of "Rent Alpha Private Limited", with effect from 15th June 2016 and is engaged in the business of leasing and purchase of rent receivables.

The Company is Non-Banking Financial Company (NBFC) under section 45-IA of the Reserve Bank of India Act, 1934. The Company received the Certificate of Registration vide Registration No. B - 1301702 from the RBI on 05 February 2004, enabling the Company to carry on business as a Non-banking Finance Company without acceptance of public deposits. Accordingly, all provisions of the Reserve Bank of India Act, 1934 and all directions, guidelines or instructions of the RBI that have been issued from time to time and are in force and as applicable to a NBFC are applicable to the Company.

B. Significant Accounting Policies

a) Basis of accounting and preparation of Financial Statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention as a going concern and on accrual basis and in accordance with Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act"), directions prescribed by the Reserve Bank of India for Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies and the relevant provisions of the 2013 Act. The assets and liabilities are classified as non-current and current based on a 12-month operating cycle.

b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the period then ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognized prospectively.

c) Fixed Assets

Tangible Assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and any costs directly attributable to bringing the asset to its working conditions for its intended use.

Cost of assets acquired for the purpose of renting is disclosed as "Assets under Deployment" till rental schedules with customers are firm up, under current assets.

d) Depreciation

Depreciation on tangible leased assets is provided for pro-rata to their period of use, on a Straight-Line Method over the estimated useful life of the assets at rates which are lower or higher than the rates prescribed under Schedule II of the 2013 Act in order to reflect the actual usage of the assets which has been assessed taking into account the nature and operating conditions of the assets:

Useful life of Assets under operating lease	Life Assessed	Life as Schedule II 2013
Office Equipment	8 years	5 years
Furniture and Fixtures	8 years	10 years
IT Equipments	3 years	3 years

e) Impairment

The Company assesses at each Balance sheet date whether there is any indication that any asset may be impaired. If such indication exists, and the carrying amount of asset exceeds its recoverable amount, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognized in the statement of profit and loss to that extent. The recoverable amount is the higher of the net selling price of the assets and their value in use. If at the Balance sheet there is any indication that a previously assessed impairment loss no longer exists then such loss is reversed, and asset is restated to that extent.



f) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realization. Monetary items denominated in foreign currency as at the Balance sheet date are converted at the exchange rates prevailing at that date. All exchange differences are dealt with in the Statement of Profit and Loss

g) Cash and Bank Balances

Cash and cash equivalents comprise cash, bank balances and bank deposits maturing within 3 months. Other Bank balances includes margin deposits for Letter of credits issued by the Banks and are classified as current where such deposits mature within a period of 12 months from the balance sheet date and as non-current when they mature beyond a period of 12 months.

h) Lease Accounting

The Company gives assets on lease to third parties, which are classified as 'Operating Lease' or 'Finance Lease' in accordance with Accounting Standard 19 on Leases

Operating Lease:

Assets under Operating Lease are classified as fixed assets and depreciated over their useful lives (Refer Note 1.B(d)).

Revenue earned from assets under Operating Lease is recognized as 'Rental Income' on a straight-line basis over the lease period.

Finance Lease:

Assets under Finance Lease are included under Loans and Advances ('Assets on Finance').

The aggregate payments to be received from lessees are unbundled into (a) amounts towards payment of principal, and (b) amounts towards payment of interest. The interest implicit in the transaction [Internal Rate of Return (IRR)] is determined and recorded as 'Finance Income' on a time proportion basis.

The Company also, in certain cases, charges transaction processing fees, which is recorded as income when earned.

Sale value of asset is recognized at agreed price on sale of asset at the end of the Lease term or on foreclosure of the Lease contract. Any surplus / deficit between the agreed payable amount net of the sale value, if any, and the balance dues on a lease contract is recognized as Gain / Loss on Foreclosure of the Lease contract.

Purchase of Rent Receivables

The Company enters into transactions for purchase of future rent receivables in respect of assets rented out by other entities. The Company purchases the receivables at their present value and collects payments as they fall due. The interest implicit in the transaction [Internal Rate of Return (IRR)] is determined and recorded as 'Finance Income' on a time proportion basis.

i) Sale of Bonds

Realised gains/loss on bonds which is the difference between the sale consideration and the carrying value is the books of the Company, is recognized on the trade date. In determining the realized gain/loss cost of securities arrived at on "weighted average cost" basis.

j) Other Income

Interest is recognized using the time proportion method, based on rates implicit in the transactions.

k) Employee Benefits

Long-Term Employee Benefits

Defined Benefit Plan

Liability for Defined Benefit Plan is provided on the basis of valuation as at the Balance Sheet date carried out by an independent Actuary. The actuarial valuation method used by independent Actuary for measuring the liability is the Project Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumption are recognized immediately in the Statement of Profit and Loss as income or expenses. The employee gratuity scheme is unfunded

Liability for compensated leaves is provided on the basis of valuation as at the Balance Sheet date carried out by an independent Actuary. The actuarial valuation method used by independent Actuary for measuring the liability is the Project Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumption are recognized immediately in the Statement of Profit and Loss as income or expenses.

Capsave Finance Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

l) Operating Lease rentals

Operating lease payments are recognised as an expense in the Statement of Profit & Loss on a straight-line basis over the lease term

m) Acquisition Cost

Any costs incurred directly for acquiring financing contracts is amortized over the life of the contract on the time proportional basis. The related unamortized portion of the costs is carried forward as Prepaid Expenditure to be recognized in subsequent accounting periods.

n) Income Taxes

Current Tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ("MAT") credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future, by way of a credit to the statement profit and loss and shown as MAT credit entitlement.

Deferred Tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the period.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets other than unabsorbed depreciation and carry forward losses, are recognised only to the extent there is reasonable certainty that the assets can be realised in future. When there is unabsorbed depreciation or carried forward of losses under tax laws, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each Balance Sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

o) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding (including shares applied but allotment yet to be made) during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

p) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation.

Where no reliable estimates can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there a possible obligations or present obligation that may, or probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rupees)		
	As at 31.03.2020	As at 31.03.2019	
Note 2			
Share Capital			
a Authorised :			
11,500,000 (Previous year 8,000,000) Equity Shares of the par value of Rs.10 each	115,000,000	80,000,000	
b Issued and Subscribed:			
9,365,118 (Previous year 7,832,436) Equity Shares fully paid up	93,651,180	78,324,360	
	93,651,180	78,324,360	
c Reconciliation of number of shares outstanding at the beginning and end of the year :			
Equity:			
Outstanding at the beginning of the year	7,832,436	6,484,383	
Shares issued during the year	1,532,682	1,348,053	
Outstanding at the end of the year	9,365,118	7,832,436	
d Rights, preferences and restrictions attached to Equity shares			
The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.			
e Shareholder's holding more than 5% shares in the Company:			
Rent Alpha Private Limited	No of Shares %	9,365,118 100.00%	7,832,436 100.00%
Note 3			
Reserves and Surplus			
(a) Securities Premium Account			
As per last Balance Sheet		1,059,233,309	862,417,571
Add : Addition during the year		333,618,892	196,815,738
		1,392,852,201	1,059,233,309
(b) Statutory Reserve Fund (S.45IC of RBI Act, 1934)			
As per last Balance Sheet		56,153,643	16,783,672
Add : Transferred from Statement of Profit and Loss		49,158,997	39,369,971
		105,312,640	56,153,643
(c) Surplus/ (Deficit) in Statement of Profit and Loss			
As per last Balance Sheet		214,660,341	57,180,455
Add: Profit / (Loss) for the year		245,794,986	196,849,857
Less: Transferred to Statutory Reserve Fund (S. 45IC of RBI Act, 1934)		(49,158,997)	(39,369,971)
		411,296,330	214,660,341
		1,909,461,171	1,330,047,293



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

Particulars	As at 31.03.2020	As at 31.03.2019
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Note 4

Long Term Borrowings

(a) Secured Loans

Term loans from Non-Banking Financial Companies	546,666,666	550,000,000
Less - Current maturities	(216,666,668)	(150,000,000)
	329,999,998	400,000,000

Maturity pattern of Secured Loans -

Repayable within 1 year	216,666,668	150,000,000
Repayable between 1-3 years	324,999,998	300,000,000
Repayable between 3-5 years	5,000,000	100,000,000

These loans are primarily secured by way of charge on specific receivables of the Company, corporate guarantee of the parent company - Rent Alpha Private Limited and pledge of shares of parent company held by 3 Indian promoters.

The interest cost for the above loans are in the range of 11.50% pa to 12.50% pa.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

Particulars	As at	As at	As at	As at
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Non -Current		Current	
Note 5				(Refer Note 9)
Other long-term liabilities				
Refundable deposits received from renters	414,482,424	261,860,319	21,502,987	24,396,384
Outstanding Rebate to Renters	163,128,523	99,485,404	113,085,350	63,583,800
Less - Classified as current liabilities	-	-	(134,588,337)	(87,980,184)
	577,610,947	361,345,723	-	-

Note 6

Long-Term Provisions

Provision for employee benefits:

Compensated absences	1,029,828	553,997	80,597	47,725
Gratuity	1,940,006	1,330,164	6,783	44,012
Provision for Income tax (Net of Advance Tax Rs. 119,346,143 (PY Rs. Nil))	-	-	5,911,277	-
Provisions against Standard Assets	12,523,375	4,212,724	4,420,491	2,087,641

	15,493,209	6,096,885	10,419,148	2,179,378
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rupees)	
	As at 31.03.2020	As at 31.03.2019
Note 7		
Deferred Tax		
(Deferred Tax Assets) /Liabilities comprises of timing differences on account of:		
Depreciation/ Amortisation	15,707,039	18,366,872
On Finance Lease Receivable	90,230,332	76,820,970
Business Loss	-	-
Disallowance on account of Sec 43B	(890,261)	(549,695)
Provisions against Standard Assets	(4,934,054)	(1,752,762)
Disallowance on account of Sec 35D	(158,750)	-
	99,954,306	92,885,385

Note 8

Short-term borrowings

(a) Other loans and advances

Inter corporate loan repayable on demand -

from Holding Company - Rent Alpha Private Limited

500,000,000	450,000,000
500,000,000	450,000,000

Note 9

Other Current Liabilities

Current maturities of other long term liabilities (Refer Note 5)	134,588,337	87,980,184
Current maturities of long term borrowings (Refer Note 4)	216,666,668	150,000,000
Advance from renters	60,565,615	51,206,311
Statutory liabilities	2,997,982	2,612,625
Payables on purchase of fixed assets	85,812,290	76,449,124
Other payables	6,771,134	5,991,639
	507,402,026	374,239,883



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 10

Fixed Assets

Particulars of Assets	Gross Block (at cost)				Depreciation / Amortisation			Net Block	
	As at 01 April 2019	Additions during the year	Deductions during the year	As at 31 Mar 2020	Upto 01 April 2019	For the year	Deletions	Upto 31 Mar 2020	As at 31 Mar 2020
Tangible Assets									
Assets given on Lease									
Plant & Machinery	398,491,206 (283,263,829)	112,443,525 (115,227,377)	111,396,277 -	399,538,454 (398,491,206)	63,857,696 (24,646,512)	44,219,899 (39,211,184)	32,748,014 -	75,329,581 (63,857,696)	324,208,873 (334,633,510)
Furniture & Fixtures	465,409,950 (221,596,391)	182,259,843 (243,813,559)	38,641,391 -	609,028,402 (465,409,950)	58,637,075 (20,566,459)	60,449,794 (38,070,616)	13,875,001 -	105,211,868 (58,637,075)	503,816,534 (406,772,875)
IT-Hardware	198,916,486 (3,310,000)	72,215,803 (195,606,486)	465,000 -	270,667,289 (198,916,486)	24,567,049 (257,981)	78,442,053 (24,309,068)	- -	103,009,102 (24,567,049)	167,658,187 (174,349,437)
Grand Total	1,062,817,642 (508,170,220)	366,919,171 (554,647,422)	150,502,668 -	1,279,234,145 (1,062,817,642)	147,061,820 (45,470,952)	183,111,746 (101,590,868)	46,623,015 -	283,550,551 (147,061,820)	995,683,594 (915,755,822)

Intangible assets under development:

3,225,000

Note - Numbers in () are related to previous period



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

Particulars	As at		As at	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Non -Current		Current	
Note 11				
Loans and Advances				
(Unsecured, considered good, unless otherwise stated)				
Assets under finance (secured)*	1,199,498,722	756,710,808	567,818,823	294,161,603
Receivable Discounting Facility (secured)**	330,171,679	296,470,205	215,977,137	166,189,920
Security deposits	275,000	275,000	-	-
Prepaid expenses	3,594,495	6,334,763	3,717,496	4,127,307
Deferred rebate to renters	147,007,973	101,323,207	79,735,457	51,439,526
Advance tax (Net of Provision for Tax - Rs.Nil (PY - Rs. 83,801,463))	-	2,457,835	-	-
MAT credit entitlement	31,748,773	71,920,440	-	-
GST input credit receivable	34,682,507	60,787,486	227,593,082	154,961,151
	1,746,979,149	1,296,279,744	1,094,841,995	670,879,507

* Secured by underlying assets financed

** Receivable Discounting Facility includes consideration paid to Holding Company Rs. 312,025,672/- (P.Y. Rs. 256,922,845)

Note 12

Other Non Current Assets

Cash and Bank Balances (Refer note 14)	350,000	350,000	-	-
Interest accrued on bank deposits	65,993	43,242	-	-
	415,993	393,242	-	-

Note 13

Trade Receivables

(Unsecured, considered good, unless otherwise stated)

Outstanding for more than 6 months	-	-	-	-
Other Debts	-	-	11,259,837	8,199,054
	-	-	11,259,837	8,199,054



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rupees)			
	As at		As at	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Non -Current	Non -Current	Current	Current
Note 14				
Cash and bank balances				
Cash and cash equivalents	-	-	1,227	15,127
Balances with Banks				
In Current Accounts	-	-	77,932,300	86,353,565
Total - Cash and Bank Balance (as per AS-3 Cash Flow Statements)	-	-	77,933,527	86,368,692
Other bank balances				
In Margin deposits - earmarked accounts	350,000	350,000	8,025,616	59,164,414
	350,000	350,000	8,025,616	59,164,414
Less - Classified to other long term current assets	(350,000)	(350,000)	-	-
	-	-	85,959,143	145,533,106

Particulars	(Rupees)	
	As at	As at
	31.03.2020	31.03.2019
Note 15		
Other Current Assets		
Unbilled Receivables	15,801,654	-
Advance to Vendors	804,467	-
Interest accrued		
- Assets under finance	58,288,399	43,703,957
- Receivable Discounting Facility	10,075,008	9,655,819
- Bank Deposits	23,139	207,474
	84,992,667	53,567,250



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rupees)	
	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Note 16		
Income from operations		
Rental Income	376,264,979	238,083,845
Interest / Finance Income		
- On assets on Finance	285,113,121	187,662,241
- On Receivable Discounting Facility	57,106,558	51,864,244
- On Overdue Interest	70,027	353,948
Gain / Loss on Foreclosure of Contracts		
- On assets on Finance	16,501,590	-
- On Receivable Discounting Facility	1,919,382	-
Profit / Loss on Sale of Assets	392,687	-
Sale of Bonds	92,133,014	109,764,904
Processing Fees	1,936,518	1,793,434
	831,437,876	589,522,616
Note 17		
Other Income		
Interest Income on Bank Deposits	6,978,199	4,632,204
Profit on Sale of Mutual Fund Investments	9,099,692	2,974,273
Interest on Refund of Income Tax	131,063	-
Other	697,996	37,066
	16,906,950	7,643,543
Note 18		
Employee Benefit Expenses		
Salaries and Wages	35,728,565	27,969,075
Gratuity Expenses	572,613	530,558
	36,301,178	28,499,633
Note 19		
Finance costs		
Interest On Loans	93,517,717	58,034,734
Interest on delayed payment of Income Tax	2,379,000	1,324,662
Interest Others	17,186	39,235
Bank Charges	1,084,272	822,447
	96,998,175	60,221,078

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(Rupees)	
	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Note 20		
Other expenses		
Rent	463,548	469,875
Rates and Taxes	807,835	301,993
Legal and Professional Fees	9,751,070	5,413,454
Loss on Sale of Assets	-	-
Travelling Expenses	208,405	7,281
Payments to Auditors		
-Audit fees	825,000	750,000
Rebate to renters	56,030,565	31,672,546
Insurance expense	694,484	136,733
Intangible assets under development written off	-	-
CSR expenditure	2,528,420	689,713
Exchange rate difference - loss	-	3,300
Miscellaneous Expenses	226,587	69,920
	71,535,914	39,514,815

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Note 21 Additional information to the Financial Statements and disclosures under Accounting Standards

1 Capital Commitments:

- Estimated value of contracts remaining to be executed on capital account:
(i) backed by letter of credit (net of advances) Rs 7,612,859/- (P.Y. Rs. Nil)
(ii) not backed by letter of credit (net of advances) Rs 183,744,505 (P.Y. Rs 111,213,282)

2 Employee Benefits:

Defined benefits Plan

Particulars	Gratuity		Compensated Leave absence (unfunded)	
	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
a) Amount recognized in the Statement of Profit and Loss				
Current service cost	505,695	464,776	490,729	420,975
Interest on obligation	109,853	75,107	43,917	47,923
Expected return on plan assets	-	-	-	-
Net actuarial loss/(gain)	(136,202)	(55,958)	26,705	(493,621)
Recognised past service cost	93,267	46,633	-	-
Total expense recognised in the Statement of Profit and Loss	572,613	530,558	561,351	(24,723)
b) Changes in Defined Benefit Obligation (DBO) during the year				
Present Value of DBO at the beginning of period	1,374,176	843,618	601,722	626,445
Current service cost	505,695	464,776	490,729	420,975
Interest cost	109,853	75,107	43,917	47,923
Actuarial loss/(gain)	(136,202)	(55,958)	26,705	(493,621)
Benefits paid	-	-	(52,648)	-
Past Service cost	93,267	46,633	-	-
Present Value of DBO at the end of period	1,946,789	1,374,176	1,110,425	601,722
Note 1 : The past Service cost of Rs.Nil (PY - Rs.93,267) is on account of change in Benefit ceiling from Rs. 10,00,000 to Rs. 20,00,000. There is Rs. Nil (PY - Rs. 93,267) as carry forward balance of Unrecognized Past service cost of Rs. Nil (PY - Rs. 93,267).				
c) Net Liability recognised in Balance Sheet				
Present value of unfunded DBO	1,946,789	1,374,176	1,110,425	601,722
Fair value of plan assets	-	-	-	-
Net Liability	1,946,789	1,374,176	1,110,425	601,722
d) Actuarial Assumptions				
Discount Rate	6.85%	7.60%	6.85%	7.60%
Expected Return on Plan Assets	NA	NA	NA	NA
Salary Growth Rate	8%	8%	8%	8%
Withdrawal Rate	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages

In assessing the Company's Post Retirement Liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables. The base being the Indian Assured Lives Mortality 2012-14 ultimate tables.

Net Asset/(Liability) recognised in Balance Sheet for Gratuity (including experience adjustment impact)

Experience adjustments	31 March 2020 (Rs.)	31 March 2019 (Rs.)	31 March 2018 (Rs.)	31 March 2017 (Rs.)	31 March 2016 (Rs.)
Present value of the DBO	1,946,789	1,467,443	983,518	541,761	-
Fair value of the Plan Assets	-	-	-	-	-
Deficit in the plan	(1,946,789)	(1,467,443)	(983,518)	(541,761)	-
Experience adjustments arising on plan liabilities	(306,090)	(64,991)	(77,746)	-	-
Actuarial loss/(gain) due to change in financial assumptions	174,367	9,033	(30,424)	-	-
Actuarial loss/(gain) due to change in demographic assumption	(4,479)	-	-	-	-
Net actuarial loss/ (gain) for the year	(136,202)	(55,958)	(108,170)	-	-

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



3 Segment Reporting

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organisational structure as well as differential risk and returns of these segments.

Information about primary business segments.

The Company has considered business segment as the primary segment for disclosure.

(Rupees)

Particulars	31-Mar-20				
	Operating Lease	Finance Lease	Receivable Discounting Facility	Trading in Securities	Total
Segment Revenue					
External	370,455,222	309,812,494	59,037,146	92,133,014	831,437,876
Total revenue	370,455,222	309,812,494	59,037,146	92,133,014	831,437,876
Segment Results	162,773,425	268,600,334	58,145,291	86,606	489,605,656
Net Unallocated Income / (Expenditure)					(42,962,048)
Add : Interest Income					6,978,199
Less : Interest Expense					(95,913,903)
Net (loss) / Profit for the year					357,707,904
Other Information					
Segment Assets	1,001,971,138	1,842,183,896	556,223,824	-	3,400,378,858
Unallocated					642,265,872
Total Assets					4,042,644,730
Segment Liabilities	169,404,032	280,845,230	2,781,119	-	453,030,381
Unallocated					1,589,726,998
Total Liabilities					2,042,757,379
Segment Depreciation	183,111,746	-	-	-	183,111,746
Total Depreciation					183,111,746
Total Capital Expenditure	417,994,231	-	-	-	417,994,231

(Rupees)

Particulars	31-Mar-19				
	Operating Lease	Finance Lease	Receivable Discounting Facility	Trading in Securities	Total
Segment Revenue					
External	239,643,050	188,279,984	51,864,244	109,764,904	589,552,182
Total revenue	239,643,050	188,279,984	51,864,244	109,764,904	589,552,182
Segment Results	106,355,006	185,101,026	50,818,625	112,553	342,387,210
Net Unallocated Income / (Expenditure)					(11,782,577)
Add : Interest Income					4,632,204
Less : Interest Expense					(59,398,631)
Net (loss) / Profit for the year					275,838,206
Other Information					
Segment Assets	931,018,298	1,094,576,369	472,315,944	-	2,497,910,611
Unallocated					597,657,898
Total Assets					3,095,568,509
Segment Liabilities	177,244,563	218,694,466	12,327,957	-	408,266,986
Unallocated					1,278,929,873
Total Liabilities					1,687,196,859
Segment Depreciation	101,590,868	-	-	-	101,590,868
Total Depreciation					101,590,868
Total Capital Expenditure	670,820,626	-	-	-	670,820,626

Information about secondary geographical segments.

The Company provides services within India, no separate geographical segment disclosure is considered necessary.



4 Related party disclosure as per Accounting Standard (AS) – 18:

Related parties where control exists	
Description of Relationship	Name of Related Parties
Promoter having control / significant influence over the company (w.e.f 31/03/2017)	Bharat Bhise
Ultimate Holding Company (w.e.f 31/03/2017)	BB Invescor I, LLC
Holding Company (w.e.f 15/06/2016)	Rent Alpha Private Limited
Key Management Personnel	
Managing Director & CEO	Jinesh Jain
Director	Praveen Chauhan
Entities in which KMP / Relatives of KMP can exercise significant influence	
	Capstone Advisors LLP

Transactions with related parties: (Rupees)

Transactions during the year	Holding Company	Subsidiary	Key Management Personnel	Entities in which KMP / Relatives of KMP can exercise significant influence	Total
Issue of Equity Shares (including premium)					
Rent Alpha Private Limited	348,945,712 (210,296,268)				348,945,712 (210,296,268)
Short term borrowing					
Loan taken from Rent Alpha Private Limited	647,500,000 (550,000,000)				647,500,000 (550,000,000)
Loan repaid to Rent Alpha Private Limited	597,500,000 (337,500,000)				597,500,000 (337,500,000)
Interest on Short term borrowing					
Rent Alpha Private Limited	21,410,959 (7,552,911)				21,410,959 (7,552,911)
Remuneration					
Jinesh Jain			4,312,500 (3,750,000)		4,312,500 (3,750,000)
Praveen Chauhan			1,925,470 (1,490,323)		1,925,470 (1,490,323)
Receivable Discounting Facility					
Rent Alpha Private Limited	312,025,672 (256,922,845)				312,025,672 (256,922,845)
Sale of Assets					
Rent Alpha Private Limited	888,729 (-)				888,729 (-)
Purchase of Assets					
Rent Alpha Private Limited	- (26,829,070)				- (26,829,070)
Closing Balances					
Advances taken from					
Rent Alpha Private Limited	- (-)				- (-)
Short term borrowing					
Rent Alpha Private Limited	500,000,000 (450,000,000)				500,000,000 (450,000,000)
Interest payable on Short term borrowing					
Rent Alpha Private Limited	1,559,182 (-)				1,559,182 (-)
Receivables					
Rent Alpha Private Limited	- (136,443)				- (136,443)

5 Finance Lease:

In accordance with Accounting Standard 19 on 'Leases' as notified under Rule 7 of the Companies (Accounts) Rules, 2014, the following disclosures in respect of Finance Leases are made:

Assets given on lease:

The Company has given assets on finance lease to its customers with respective underlying assets as security. The details of gross investments, unearned finance income and present value of rentals as at March 31, 2020 in respect of these assets are as under:

Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
Gross Investments:		
Not later than one year	879,745,136	529,043,005
Later than one year and not later than five years	1,623,239,385	1,019,631,651
More than five years	-	-
Total	2,502,984,521	1,548,674,656
Unearned Finance Income:		
Not later than one year	340,309,324	234,881,402
Later than one year and not later than five years	395,357,652	262,920,842
More than five years	-	-
Total	735,666,976	497,802,244
Present Value of Rentals:		
Not later than one year	539,435,812	294,161,603
Later than one year and not later than five years	1,227,881,733	756,710,809
More than five years	-	-
Total	1,767,317,545	1,050,872,412

* Finance Lease include an Unguaranteed Residual Value (UGRV) of Rs. 487,284,860 (PY - Rs. 243,098,131)

6 Value of Imports on CIF Basis:

Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
On purchase of assets	50,969,047	48,813,270

7 Operating Lease:

The Company has entered into operating lease arrangements for office premises. The Lease agreements are executed for a period ranging from 11 to 60 months with a renewal clause and non-cancellable period ranging from 11 to 36 months.

The lease payments are recognized in the statement of profit and loss in Note 20.

Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
Rent expense recognized in statement of Profit and Loss	463,548	469,875

Assets given on lease:

The total of future minimum lease payments under non-cancellable operating lease is given below:

Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
Not later than one year	418,840,701	336,507,853
Later than one year and not later than five years	733,714,587	735,001,121
More than five years	-	-

8 Earnings per Share:

Sr No	Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
A	Profit / (Loss) for the year attributable to Equity Shareholders (Rs.)	245,794,986	196,849,857
B	Weighted Average Number of Equity Shares Outstanding (Nos.)	8,709,589	7,347,396
C	Nominal Value Per Share (Rs.)	10.00	10.00
D	Basic Earnings Per Share (Rs.)	28.22	26.79

9 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, during the year, Company is required to comply with the CSR requirements which is formation of the CSR committee, identification of the CSR projects and funding such projects for at least two percent of the average net profits of the Company made during the three immediately preceding financial years. During the year, the Company has initiated the process for meeting these compliance requirements and made a donation towards Shri Sadguru Seva Trust and Goonj. The purpose of the trust is to provide free Eyecare treatment in rural area and also the Trust has contributed towards an overall development of the society into Health Care, Education, Women Empowerment, Farming, Energy conservation, Dairy Development & Cattle Care or Employment to rural youth. The details for the CSR expenses for the year are as under:

Particulars	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Amount required to be spent during the year	2,379,087	689,712
Amount spent during the year*	1,473,000	100,000

*The amount has been spent for the purpose other than towards construction/acquisition of any asset.

The Company is in the process of identifying CSR projects for the purpose of spending the required amount and will spend it in the due course as and when they are identified.



10 Micro, Small and Medium Enterprises

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, there are amounts due to MSME as at 31 March 2020

The relevant particulars as at the year-end as required under the MSMED Act are furnished here below

Sr No	Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
a	Principal amount due and remaining unpaid to suppliers as at the year end	83,918	182,978
b	Interest accrued and due to suppliers on the above amount as at the year end	17,186	-
c	Interest paid to suppliers in terms of Section 16 of the MSMED Act	-	-
d	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-1
e	Interest paid to suppliers (other than Section 16 of the MSMED Act)	-	-
f	Interest due and payable to suppliers for payments already made (for the period of delay, if any)	-	-
g	Interest accrued and remaining unpaid at the year end	17,186	-
h	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-

11 Provisions:

The Company has made provision for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	For the year ended 31 March 2020 (Rs.)	For the year ended 31 March 2019 (Rs.)
Provision for Rebate to customers		
Opening balance	163,069,205	-
Add: Accrued provision for the period up to 31st March 2020	146,173,072	183,333,524
Less: Adjustment during the year	(33,028,404)	(20,264,319)
Closing balance	276,213,873	163,069,205

- 12 The Board of Directors of the company has on 8th June 2020 approved a borrowing program to raise up to Rs. 100 Crores through issues of Non Convertible Debentures. The Company after the balance sheet date has raised Rs. 15 crores through issues of Non Convertible Debentures and is in the process of listing it on a stock exchange.

- 13 The COVID-19 has been declared a pandemic by the World Health Organization on March 11, 2020. The pandemic has led to a significant impact on the Indian Financial markets and an overall decline in the economic activities all across the world. On March 24, 2020, the Union Government of India has announced a 21-day lockdown, which was further extended from time to time with or without modification in the conditions of the lockdown, across the country for containment of the pandemic.

In light of the CoVid-19 outbreak and information available upto the date of approval of the financial statements, the Company has used the principal of prudence in applying judgement, estimates and assumption to assess and provide for the impact of the pandemic on the financial statement.

The Company has also assessed its financials position as at the balance sheet date. The impact of global health pandemic may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes in the future economic conditions. Further the impact assessment does not indicate any adverse impact on the ability of the Company to continue as a going concern



14 Other Notes

(i) Comparative Financial Information:

Figures of the previous year are regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

- (ii) As of 31 March, 2020 there were no foreign currency exposures hedged by a derivative instrument or otherwise.
- (iii) The Company does not have any long-term contracts where there are material foreseeable losses as on March 31, 2020. The Company does not have any derivative contracts as on March 31, 2020.
- (iv) There are no pending litigations which affects its financial position as on March 31, 2020. (Previous year : Rs. Nil).
- (v) The Company is not required to transfer any amount into the Investor Education & Protection Fund for the year. (Previous year : Rs. Nil)

As per our report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.003990S/S200018



R Suriyanarayanan
Partner
Membership No.201402
UDIN: 20201402AAAABA2772
Place: Mumbai
Dated: 26th June 2020



For and on behalf of the Board of Directors



Jinesh Jain
CEO & Director
DIN: 06807613

Place: Mumbai
Dated: 26th June 2020



Praveen Chauhan
Director
DIN: 06802734

Place: Mumbai
Dated: 26th June 2020



Ashok Biyani
Chief Financial Officer
-

Place: Mumbai
Dated: 26th June 2020



Schedule to the Balance Sheet (as required in terms of Paragraph 18 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016)

	31 March 2020		31 March 2019	
	Amount Outstanding (Rs.)	Amount Overdue (Rs.)	Amount Outstanding (Rs.)	Amount Overdue (Rs.)
LIABILITIES SIDE:				
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
a) Debentures				
Secured	-	-	-	-
Unsecured	-	-	-	-
<i>(other than falling within the meaning of public deposits*)</i>				
b) Deferred Credits	-	-	-	-
c) Term Loans	546,666,666	-	550,000,000	-
d) Inter-corporate loans and borrowing	500,000,000	-	450,000,000	-
e) Commercial Paper	-	-	-	-
f) Public Deposits*	-	-	-	-
g) Other Loans (Specify Nature)	-	-	-	-
* Please see Note 1 below				
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
a) In the form of Unsecured debentures	-	-	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c) Other public deposits	-	-	-	-
ASSET SIDE:				
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :				
a) Secured		2,313,466,361		1,513,532,536
b) Unsecured		-		-
4 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities				
i) Lease assets including lease rentals under sundry debtors :				
a) Financial lease		-		-
b) Operating lease		-		-
ii) Stock on hire including hire charges under sundry debtors :				
a) Assets on hire		-		-
b) Repossessed Assets		-		-
iii) Other loans counting towards AFC activities				
a) Loans where assets have been repossessed		-		-
b) Loans other than (a) above		-		-
5 Break-up of Investments :				
Current investments :				
1) Quoted :				
i) Shares :				
(a) Equity		-		-
(b) Preference		-		-
ii) Debentures and Bonds		-		-
iii) Units of mutual funds		-		-
iv) Government Securities		-		-
v) Others (please specify)		-		-
2) Unquoted :				
i) Shares :				
(a) Equity		-		-
(b) Preference		-		-
ii) Debentures and Bonds		-		-
iii) Units of mutual funds		-		-
iv) Government Securities		-		-
v) Others (please specify)		-		-



Capsave Finance Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	31 March 2020		31 March 2019	
	Amount Outstanding (Rs.)		Amount Outstanding (Rs.)	
Long Term Investments :				
1) Quoted :				
i) Shares :				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
ii) Debentures and Bonds	-	-	-	-
iii) Units of mutual funds	-	-	-	-
iv) Government Securities	-	-	-	-
v) Others (please specify)	-	-	-	-
2) Unquoted :				
i) Shares :				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
ii) Debentures and Bonds	-	-	-	-
iii) Units of mutual funds	-	-	-	-
iv) Government Securities	-	-	-	-
v) Investment in Property	-	-	-	-
Total Investments	-	-	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	31 March 2020			31 March 2019		
	Amount Net of Provisions			Amount Net of Provisions		
	Secured (Rs.)	Unsecured (Rs.)	Total (Rs.)	Secured (Rs.)	Unsecured (Rs.)	Total (Rs.)
1). Related Parties* Related Parties **						
a). Subsidiaries	-	-	-	-	-	-
b). Companies in the same group	546,148,816	-	546,148,816	462,660,125	-	462,660,125
c). Other related parties	-	-	-	-	-	-
2). Other than related parties	1,767,317,545	-	1,767,317,545	1,050,872,411	-	1,050,872,411
Total	2,313,466,361	-	2,313,466,361	1,513,532,536	-	1,513,532,536

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

Category	31 March 2020		31 March 2019	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1) Related Parties **			
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2) Other than related parties	-	-	-	-
Total	-	-	-	-

** As per Accounting Standard of ICAI (Please see Note 3)

8 Other information

Particulars	31 March 2020		31 March 2019	
	Amount (Rs.)		Amount (Rs.)	
i) Gross Non-Performing Assets				
a) Related parties	-	-	-	-
b) Other than related parties	-	-	-	-
ii) Net Non-Performing Assets				
a) Related parties	-	-	-	-
b) Other than related parties	-	-	-	-
iii) Assets acquired in satisfaction of debt	-	-	-	-

Notes :

- As defined in point (ix) of paragraph 3 of Chapter 2 of the Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms applicable are as prescribed in the Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including fair valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up value/fair value/NAV in respect of Unquoted investments are disclosed irrespective of whether they are classified as long term or current in (5) above.

