



**SAVANI FINANCIALS LIMITED**

*37th Annual Report 2020-21*

## SAVANI FINANCIALS LIMITED

BOARD OF DIRECTORS	MS. DEEPA TRACY - MANAGING DIRECTOR MR. MANISH CHAUDHARI MR. SAMIR MEHTA MR. SURESH MHATRE
AUDITORS	NILESH LAKHANI & ASSOCIATES <i>Chartered Accountants</i>
BANKERS	BANK OF INDIA
REGISTERED OFFICE	91, MANTRA HOUSE, MAROL CO-OP INDUSTRIAL ESTATE, M. V. ROAD, ANDHERI (EAST), MUMBAI – 400 059. MAHARASHTRA, INDIA TEL: 67604100
REGISTRAR AND SHARE TRANSFER AGENT	BIGSHARE SERVICES PRIVATE LIMITED BHARAT TIN WORKS BUILDING, 1 <sup>ST</sup> FLOOR, MAKWANA ROAD, MAROL, ANDHERI (EAST), MUMBAI – 400 059 MAHARASHTRA, INDIA TEL: 6263 8200
CHIEF FINANCIAL OFFICER, COMPANY SECRETARY & COMPLIANCE OFFICER	MR. PRAFUL SHETH
CIN NO.	L67120MH1983PLC031614
E-MAIL	<a href="mailto:info@savanifinancials.co.in">info@savanifinancials.co.in</a>
WEBSITE	<a href="http://www.savanifinancials.co.in">www.savanifinancials.co.in</a>

## SAVANI FINANCIALS LIMITED

REGD. OFFICE: 91, MANTRA HOUSE, MAROL CO-OP INDL. ESTATE,  
M. V. ROAD, ANDHERI (EAST), MUMBAI: 400 059  
TEL NO. 67604100 \* FAX NO. 28561540 \* E-MAIL: [info@savanifinancials.co.in](mailto:info@savanifinancials.co.in)  
Website: [www.savanifinancials.co.in](http://www.savanifinancials.co.in) \* CIN No. L67120MH1983PLC031614

### NOTICE

Notice is hereby given that the Thirty-Seventh Annual General Meeting (AGM) of the members of Savani Financials Limited will be held on Tuesday, 28<sup>th</sup> September 2021 at 11.15 a.m., Indian Standard Time ("IST"), including Video Conferencing / Other Audio-Visual Means ("VC/OAVM") Facility to transact the following businesses. The venue of the AGM shall be deemed to be the Registered office of the company, 91, Mantra House, Marol Co-op Indl. Estate, M. V. Road, Andheri (East), Mumbai - 400 059.

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2021 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Manish Chaudhari (DIN:00516641), who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board

For SAVANI FINANCIALS LIMITED

DEEPA TRACY  
Managing Director  
DIN: 00516615

Place: Mumbai

Date: 11<sup>th</sup> August, 2021

#### Registered Office:

91, Mantra House, Marol Co-op. Industrial Estate,  
M. V. Road, Andheri (East), Mumbai – 400059.

#### IMPORTANT NOTES:

**General instructions for accessing and participating in the 37<sup>th</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting**

- a. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") continued allowing conducting Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) vide its Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 and Circular No. 17/2020 dated April 13, 2020 (collectively referred as "MCA Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEB I/ HO /CFD /CMD2 /CIR /P /2021 /11 dated January 15, 2021 read with Circular no. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred as "SEBI Circulars") permitted the holding of AGM, without physical presence of the Members at a common venue.
- b. Pursuant to the provisions of the Companies Act, 2013 ("Act") a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- c. In line with the MCA Circulars and SEBI Circular, the Notice of the 37th AGM will be available on the website of the Company at [www.savanifinancials.co.in](http://www.savanifinancials.co.in), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of NSDL at [www.evoting.nsd.com](http://www.evoting.nsd.com)
- d. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed to in this Notice.
- e. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting, for participation in the 37th AGM through VC/OAVM Facility and e-Voting at during the 37th AGM.
- f. Members may join the 37th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 9:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 37th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 37th AGM.

- g. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 37th AGM without any restriction on account of first-come- first-served principle.
- h. Attendance of the Members participating in the 37th AGM including through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 37th AGM and facility for those Members participating in the 37th AGM to cast vote through e-Voting system during the 37th AGM.

**OTHER NOTES:**

1. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 22nd September 2021 to Tuesday, 28<sup>th</sup> September 2021 (both days inclusive).
2. Members are requested to intimate the Registrar & Share Transfer Agent of the Company- Bigshare Services Private Limited, 1<sup>st</sup> Floor, Bharat Tin Works Building, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra, immediately of any change in their address in respect of Equity Shares held in physical mode and to their Depository Participants (DPs) in respect of Equity Shares held in Dematerialized Form.
3. Members holding share certificates under different folio numbers but in the same order of names are requested to apply for consolidation of such folios and send relevant share certificates to the Registrars and Share Transfer Agent of the Company.
4. The Notice of Annual General Meeting along with the Annual Report for the financial year 2020-21 is sent through electronic mode to all members whose email IDs are registered with the Company/ Depository Participant(s) for communication. The requirements of sending physical copy of Notice of the 37th AGM and Annual Report to the Members have been dispensed with by MCA and SEBI. Members may also note that this Notice and the Annual Report will also be available for download on the Company's website [www.savanifinancials.co.in](http://www.savanifinancials.co.in)
5. Members, desirous of getting any information about the accounts and operations of the Company, are requested to write to the Company at an early date to enable the management to keep the information ready at the time of meeting.
6. As per the provisions of the Companies Act, 2013, facility for making nomination is available to the members in respect of the shares held by them. Nomination Forms can be obtained from the Company's Registrars and Share Transfer Agents by the members holding shares in physical form. Members holding shares in electronic form may write to their Depository Participants (DPs) for the purpose.
7. Electronic copy of all the documents referred to in the Notice of the 37th AGM shall be available for inspection in the Investor Section of the website of the Company at [www.savanifinancials.co.in](http://www.savanifinancials.co.in).
- 8. The instructions and information for shareholders voting electronically are as under:**
  - (a) In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services arranged by National Securities Depository Limited ("NSDL"). The members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting"). Instructions for e-voting are given herein below.
  - (b) The facility for voting through electronic voting system or ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
  - (c) The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - (d) The remote e-voting period commences on from Saturday 25<sup>th</sup> September 2021 to Monday, 27<sup>th</sup> September 2021. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (e) The instructions for members for voting electronically are attached with this Notice.
  - (f) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - (g) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21<sup>st</sup> September, 2021.
  - (h) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 21<sup>st</sup> September, 2021 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

- (i) The remote e-Voting module shall be disabled by NSDL after the aforesaid date and time for voting and once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (j) The members who have cast their vote by remote e-voting prior to the 37th AGM, may participate in the 37th AGM through VC/OAVM facility but shall not be entitled to cast their vote again through the e-Voting system during the 37th AGM; c) the members participating in the 37th AGM and who had not cast their vote by remote e-Voting, shall be entitled to cast their vote through e-Voting system during the 37th AGM.
- (k) Person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-Voting, participating in the 37th AGM through VC/OAVM facility and e-Voting during the 37th AGM member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (l) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the e-vote cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (m) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.savanifinancials.co.in and on the website of NSDL immediately after the Result is declared by the Chairman or any person authorised by the Chairman and the same shall also be communicated to the Stock Exchanges, where the shares of the Company are listed.
- (n) The Resolutions proposed will be deemed to have been passed on the date of Annual General Meeting subject to the receipt of the requisite number of the votes in favour of the Resolutions.
- (o) Ms. Prabha Sharma, Practicing Company Secretary, (Membership Number – FCS 3695) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as e-voting at the Annual General Meeting in a fair and transparent manner.

**By Order of the Board  
For SAVANI FINANCIALS LIMITED**

**DEEPA TRACY  
Managing Director  
(DIN: 00516615)**

Place: Mumbai  
Date: 11<sup>th</sup> August, 2021.

**Registered Office:**  
91, Mantra House,  
Marol Co-op. Industrial Estate,  
M.V. Road, Andheri (East),  
Mumbai – 400059.

**Annexure to the AGM Notice**

**Details of the Director seeking re-appointment in the forthcoming Annual General Meeting:**

Name	Mr. Manish Chaudhari
Age	50 Years
Date of Appointment	11 <sup>th</sup> May, 2012
Educational Qualification	MBA
Experience and Expertise in specific functional areas	He has wide entrepreneurial experience of varied industries particularly in garment, infrastructure and rich experience in general management.
Remuneration last drawn	Nil
List of companies in which outside directorship is held	Mantra Exports Private Limited Adnyaa Foods and Beverages Private Limited Adnyaa Properties Private Limited
Membership / Chairmanship of Committee of other Boards	Nomination and Remuneration Committee
No. of shares held in the Company as on 31.03.2021	10,99,625 Equity Shares
No. of Board Meetings attended	5
Relationship with other Directors & KMP of the Company	Relative of Mrs. Deepa Tracy, Managing Director.

In terms of the provisions of Section 152 of the Act, Mr. Manish Chaudhari, Director, retires by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.

Mr. Manish Chaudhari and Mrs. Deepa Tracy being related are interested in the Ordinary Resolutions set out at Item No. 2 of the Notice with regard to his re-appointment. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 2 of the Notice.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on Saturday, 25<sup>th</sup> September, 2021 at 9:00 A.M. and ends on Monday, 27<sup>th</sup> September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 21<sup>st</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2021.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

	<p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 117694 then user ID is 117694001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote



### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [psa.evoting@gmail.com](mailto:psa.evoting@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@savanifinancials.co.in](mailto:info@savanifinancials.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [info@savanifinancials.co.in](mailto:info@savanifinancials.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## DIRECTORS' REPORT

The Members,  
**SAVANI FINANCIALS LIMITED**

Your Directors have pleasure in presenting their Thirty-Seventh Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended March 31, 2021.

### 1. Financial Results:

Particulars	(Rupees in Lacs)	
	2020-21	2019-20
Revenue from Operations & Other Income	12.76	13.76
Profit before Depreciation, Finance Cost & Taxation	4.55	2.16
Less: Finance Cost	-	-
Less: Depreciation	-	-
Less: Income Tax	-	-
Profit after Tax	4.55	2.16
Balance brought forward from previous year	(527.06)	(529.23)
Available for appropriation	(522.51)	(527.06)
<u>Appropriations:</u>		
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	(522.51)	(527.06)

### 2. Dividend:

In view of accumulated losses, your Directors do not propose any dividend for the year ended 31st March, 2021.

### 3. Transfer to Reserves:

During the current financial year, there were no transfers made to reserves.

### 4. Brief description of the company's working during the Year/ State of company's affair:

During the year, the Company has earned operating income aggregating to Rs. 12.76 lacs (Previous Year Rs. 13.76 lacs). The Company has registered net profit after tax of Rs. 4.55 lacs (Previous Year Rs. 2.16 lacs). The management is looking for opportunities to identify niche segments in which the Company can look for better business possibilities. The management is also exploring possibility of identifying new business opportunities to augment its resources.

The Company is engaged only in the business of providing financial services and accordingly there are no separate reportable segments as per Accounting Standard-17 dealing with Segment Reporting.

### 5. Change in the nature of business, if any:

There has been no change in nature of business of the Company.

### 6. Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of financial year of the company to which the financial statements relate and date of the report:

There is no material change and commitment affecting the financial position of the Company which has occurred between end of the financial year under review and the date of this Report.

### 7. Details of significant and material orders passed by the regulators or courts or tribunals impacting going concern status and company's operations in future:

There are no significant and material orders passed by the regulators or courts or tribunals that will impact the going concern status and the Company's operations in future.

### 8. Details in respect of adequacy of internal financial controls with reference to the financial statements:

Your Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations, which also ensures that all assets are safeguarded and transactions are authorized, recorded and reported correctly.

No frauds have been reported by the Auditor.

### 9. Details of Subsidiary, Joint Venture or Associate Companies:

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

**10. Deposits:**

The Company is a non-deposit accepting Non-Banking Financial Company. The Company has not accepted any deposits from public.

**11. Auditors:**

**Statutory Auditor:**

M/s. Nilesh Lakhani and Associates (ICAI Firm Registration No. 113817W) Chartered Accountants who were appointed at 33<sup>rd</sup> Annual General Meeting held on 27<sup>th</sup> September, 2017 as Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of the 33<sup>rd</sup> Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting continues to hold the office as Statutory Auditors.

**Secretarial Auditor:**

The Board of Directors appointed Ms. Prabha Sharma, Practicing Company Secretary, as Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report in prescribed Form No. MR-3 is annexed to the Directors' Report.

**Cost Auditor**

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is presently not applicable to the Company and accordingly such accounts and records have not been made and maintained. Hence no Cost auditor has been appointed.

**12. The explanations of the Board on every qualification / reservation / adverse remark / disclaimer made in the Audit Report and the Secretarial Audit Report.**

**Audit Report:**

There is no adverse remark, reservation or qualification in the Audit Report for the year under review.

**Secretarial Audit Report:**

- a) With regard to registering the Company with at least one Credit Information Company as required by Reserve Bank of India, the Company has been advised that since the Company is a non-deposit accepting Company and has neither lending portfolio nor does it intend to do so in the coming financial year, the provisions of circular DNBS.(PD).CC.No.200/03.10.001/2010-11 dated September 17, 2010 is currently not applicable to the Company and hence the Company has not registered itself with any Credit Information Company.
- b) Considering the current scale of operations of the Company it does not have an Internal Auditor as required under the Companies Act, 2013 as on 31st March, 2021.

**13. Share Capital**

The Paid-up Equity Share Capital as on March 31, 2021 was Rs. 4,00,00,000/-. The Company has not issued shares with differential voting rights, nor sweat equity shares, nor offered any shares under Employee Stock Option Scheme. The Company has not bought back any of its securities during the year under review.

**14. Listing Fees**

The Company has paid necessary Listing Fees to BSE Ltd.

**15. Extract of the Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on [www.savanifinancials.co.in](http://www.savanifinancials.co.in) and the weblink is <http://savanifinancials.co.in/wp-content/uploads/2021/08/Annual-Return-2020-21.pdf>

**16. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The provisions relating to the disclosure of particulars relating to conservation of energy and technology absorption do not apply to the Company since it is engaged in the business of financial services. The Company had no foreign exchange earnings and outgo during the year.

**17. Corporate Social Responsibility:**

The provisions of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility are presently not applicable to the Company.

**18. Directors**

**A) Directors and key managerial personnel**

Mrs. Deepa Tracy is the Managing Director of the Company, who was re-appointed for a period of five years with effect from 14<sup>th</sup> August, 2019.

Mr. Samir Ramakant Mehta is an Independent Director of the Company with effect from 28<sup>th</sup> August 1991 appointed under the provisions of erstwhile Companies Act, 1956 and under Clause 49 of the listing agreement. He was re-appointed as an Independent Director for a period of 5(five) years with effect from 1<sup>st</sup> April 2019.

Mr. Suresh Madhav Mhatre is an Independent Director of the Company with effect from 11th May 2012 appointed under the provisions of erstwhile Companies Act, 1956 and under Clause 49 of the listing agreement. He was re-appointed as an Independent Director for a period of 5(five) years with effect from 1<sup>st</sup> April 2019.

Mr. Manish Chaudhari, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

**B) Declaration of independence by Independent Directors**

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**C) Formal Annual Evaluation**

The Board of Directors of the Company has carried out annual performance evaluation of its own performance, its committees and individual directors. The results of the evaluation are satisfactory and adequate and meet the requirement of the Company.

**19. Number of meetings of the Board of Directors and Committee meetings:**

**Board Meetings**

Five Meetings of the Board of Directors of the Company were held during the year under consideration. The dates of the said Meetings are 29/06/2020, 06/08/2020, 28/08/2020, 11/11/2020 and 12/02/2021. The details of composition of the Board and attendance of Directors at the Board Meetings are given below:

Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2020-21
Mrs. Deepa Tracy	5/5
Mr. Manish Chaudhari	5/5
Mr. Suresh Mhatre	5/5
Mr. Samir Mehta	5/5

Independent Directors met once during the year on 12/02/2021.

**Audit Committee Meetings**

Four Audit Committee Meetings were held during the year under consideration. The dates of the said Meetings are 29/06/2020, 06/08/2020, 11/11/2020 and 12/02/2021. The details of composition of the Audit Committee and attendance of the Directors at the Audit Committee Meetings are given below:

Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2020-21
Mr. Samir Mehta	4/4
Mrs. Deepa Tracy	4/4
Mr. Suresh Mhatre	4/4

**Nomination & Remuneration Committee Meetings**

One Nomination & Remuneration Committee Meeting was held during the year under consideration on 28/08/2020. The details of composition of the Nomination & Remuneration Committee and attendance of the Directors at the Nomination & Remuneration Committee Meetings are given below:

Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2020-21
Mr. Manish Chaudhari	1/1

Mr. Samir Mehta	1/1
Mr. Suresh Mhatre	1/1

#### Stakeholder Relation & Share Transfer Committee Meetings

Four Stakeholder Relation & Share Transfer Committee Meetings were held during the year under consideration. The dates of the said Meetings are 29/06/2020, 06/08/2020, 11/11/2020 and 12/02/2021- The details of composition of the Stakeholder Relation & Share Transfer Committee and attendance of the Directors at the Stakeholder Relation & Share Transfer Committee Meetings are given below:

Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2020-21
Mr. Suresh Mhatre	4/4
Mrs. Deepa Tracy	4/4
Mr. Samir Mehta	4/4

#### 20. Details of establishment of vigil mechanism for Directors and employees

The Company has a vigil mechanism in place to report genuine concerns.

#### 21. Nomination & Remuneration Policy

The Board has adopted, on the recommendation of the Nomination & Remuneration Committee, a policy for selection and appointment of Directors, Senior Management and their remuneration.

#### 22. Particulars of loans, guarantees or investments under Section 186

During the year, there was no loan given, investment made, guarantee given or security provided by the Company covered under Section 186 of the Companies Act, 2013.

#### 23. Particulars of contracts or arrangements with related parties:

There is no contract or arrangements made during the year with related parties which requires disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

#### 24. Managerial Remuneration

No remuneration has been paid to the Directors during the year under review and accordingly no information is being provided for the same.

#### 25. Particulars of Employees

None of employees, during the year under review or part of it, has drawn salary above the limits specified under the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### 26. Management Discussion & Analysis

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

#### 27. Corporate Governance Report

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance Report are presently not applicable to the Company as Paid up Equity Share Capital of the Company does not exceed Rs. 10 Crores (Rs. 4.00 Crores as at 31/03/2021) and Net Worth of the Company does not exceed Rs. 25 Crores (Rs. 2.16 Crores as at 31/03/2021) as on the last day of the previous financial year i.e., 31st March, 2021.

#### 28. Annual secretarial compliance – regulation 24A

Vide circular LIST/COMP/10/2019-20 dated 9<sup>th</sup> May 2019 the provisions of Regulation 24A – Annual Secretarial Compliance does not apply to the company for the financial year ending 31<sup>st</sup> March, 2021 since the paid-up Equity Share Capital of the Company does not exceed Rs. 10 Crores (Rs. 4.00 Crores as at 31/03/2021) and Net Worth of the Company does not exceed Rs. 25 Crores (Rs. 2.16 Crores as at 31/03/2021) as on the last day of the previous financial year i.e., 31st March, 2021.

## 29. Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. In the Board's view, there are no material risks, which may threaten the existence of the Company.

## 30. Director's responsibility statement

Pursuant to the requirement under section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Directors confirm that:

- (i) In preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year.
- (iii) The Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on going concern basis.
- (v) The Directors have laid down internal financial controls, which were adequate and operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## 31. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complainants Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year.

No of complaints received: Nil

No of complaints disposed off: Nil

No cases were reported of any sexual harassment of women at workplace

## 32. Compliance with Secretarial Standards

The company has complied with Secretarial Standards for Board meetings and General Meetings as issued by The Institute of Company Secretaries of India

## 33. Impact due to COVID-19

The Company has taken into account all the possible impacts of COVID-19. In preparation of financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition.

The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

## 33. Acknowledgement

Acknowledgement to all, with whose help, cooperation and hard work the Company is able to achieve its results.

**For and on behalf of the Board of Directors  
SAVANI FINANCIALS LIMITED**

\_\_\_\_\_  
**Deepa Tracy**  
DIN: 00516615

\_\_\_\_\_  
**Manish Chaudhari**  
DIN: 00516641

Place: - Mumbai

Date: 11<sup>th</sup> August, 2021

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### 1. INDIAN ECONOMY AND OUR BUSINESS OPERATIONS:

India has an extended financial sector undergoing rapid expansion comprising of entities such as commercial banks, co-operatives, mutual funds, non-banking finance companies etc.

Our Company is a medium size Non-Banking Financial Services Company engaged in the sole business segment of financials services. Many in the financial services industry will agree that the regulatory compliances have become more stringent today and relentlessly moved up in the list of priorities.

The regulatory changes for NBFCs by the Reserve Bank of India and the decline in interest rates will be an important trigger for the markets.

With apt strategies and their operative execution during the year, the Company has earned interest and other income on its investments aggregating to Rs.13.76 lacs. The Company is looking for various opportunities and avenues to consolidate its business plan and making its best efforts to explore new opportunities and avenues.

### 2. BUSINESS SEGMENTS:

The Company is engaged only in business of financial services and accordingly there are no separate reportable segments.

### 3. THREATS, RISKS AND CONCERNS:

In financial services business, effective risk management has become very crucial. As an NBFC, your Company is exposed to various risks. Globalization, increased competition, market volatility and an increasingly stringent regulatory framework have exposed the companies to newer threats and risks. The Company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analysed and reviewed by the management through an effective information system.

### 4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES:

The Company has in place adequate internal control systems and procedures commensurate with its size and nature of business. The systems are designed to ensure that the financial and other records are reliable for preparing financial statements. The internal control systems are supplemented by periodical reviews. The review includes adherence to the management policies, safeguarding the assets of the Company and ensuring preparation of timely and accurate financial information.

### 5. COMPANY FINANCIAL PERFORMANCE AND ANALYSIS:

Particulars	(Rupees in Lacs)	
	2020-21	2019-20
Revenue from Operations & Other Income	12.76	13.76
Profit before Depreciation, Finance Cost & Taxation	4.55	2.16
Less: Finance Cost	-	-
Less: Depreciation	-	-
Less: Income Tax	-	-
Profit after Tax	4.55	2.16
Balance brought forward from previous year	(527.06)	(529.23)
Available for appropriation	(522.51)	(527.06)
<u>Appropriations:</u>		
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	(522.51)	(527.06)

### 6. CAUTIONARY STATEMENTS:

In this report on management discussion and analysis describing the Company positions and expectations may be "forward looking statements" within the meaning of applicable laws or regulation. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent development, information or events.

For and on behalf of the Board of Directors  
SAVANI FINANCIALS LIMITED

Deepa Tracy  
DIN: 00516615

Manish Chaudhari  
DIN: 00516641

Place: Mumbai,  
Date: 11<sup>th</sup> August, 2021.

**Form No. MR -3**

**SECRETARIAL AUDIT REPORT**

For the Company's financial year from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

[Pursuant to Section 204(1) of the Companies Act 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
Savani Financials Limited  
CIN: L67120MH1983PLC031614  
91, Mantra House,  
Marol Co-Op. Industrial Estate, M.V Road,  
Andheri (East), Mumbai – 400059.

I have conducted the secretarial audit of the compliance with the applicable statutory provisions and the adherence to good corporate practices by Savani Financials Limited (here in after called as the Company) for the financial year ended 31<sup>st</sup> March 2021. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts /statutory compliance and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit , I hereby report that in my opinion, the Company has during the audit period covering the financial year ended 31 March 2021 complied with the applicable statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made here in after.

I have examined the books, papers, minute book, forms and returns filed and other records maintained by the Company for the financial year ended 31 March 2021, according to the provisions of:

- (i) The Companies Act 2013 (the act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye – laws framed there under;
- (iv) Foreign Exchange Management Act 1999 and the rules and Regulations made there under to the extent applicable for Foreign Direct Investment; Not applicable as there was no reportable event during the financial year under review;
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act 1992 (SEBI Act) to the extent applicable:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover ) Regulations, 2011: – Not applicable as there was no reportable event during the financial year under review;
  - (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018: - Not applicable as there was no reportable event during the financial year under review;
  - (e) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; – Not applicable as there was no reportable event during the financial year under review;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable as there was no reportable event during the financial year under review;
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as there was no reportable event during the financial year under review;
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable as there was no reportable event during the financial year under review;
- (vi) Rules, Regulations, Guidelines and directions issued by the Reserve Bank of India as are applicable to Non deposit taking Non-Banking Financial Company, which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (1) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (2) I have also examined compliance with the applicable clauses of the listing agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable except:



- a. The company is yet to register with at least one Credit Information Company as mandated in circular DNBS(PD).CC. No 200 /03.10.001/2010-11 dated September 17, 2010 read with circulars DNBS (PD).CC. No 407/03.10.01/2014-15 dated August 20, 2014 and DNBR(PD).CC.No 019/03.10.01/2014-15 dated February 06, 2015.
- b. The Company does not have an Internal Auditor as mandated under Section 138 of the Companies Act 2013.

I further report that the Board of directors of the Company is duly constituted with the proper balance of Executive Director, Non-Executive Director and Independent directors. The composition of the Board of Directors is in compliance with the provisions of the act.

Adequate notice is given to all directors to schedule the Board meetings, including committees thereof, along with the agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.

I further report that during the audit period there was no other events/actions having major bearing on the Company's affairs.

Thane, 11<sup>th</sup> August 2021  
UDIN, F003695C000766358

Prabha Sharma  
Practicing Company Secretary  
606. 'Eureka'  
Hiranandani Estate  
Thane (West) 400 607.  
FCS No. 3695  
COP No. 2603

Note:

This report is to be read with Annexure – A and forms an integral part of this report.

#### **ANNEXURE - A**

To  
The Members  
Savani Financials Limited  
CIN: L67120MH1983PLC031614  
91, Mantra House,  
Marol Co-Op. Industrial Estate, M.V Road,  
Andheri (East), Mumbai – 400059.

Our report is to be read along with this Annexure:

#### **MANAGEMENT'S RESPONSIBILITY**

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

#### **AUDITOR'S RESPONSIBILITY**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

#### **DISCLAIMER**

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Thane, 11<sup>th</sup> August 2021  
UDIN, F003695C000766358

Prabha Sharma  
Practicing Company Secretary  
606. 'Eureka', Hiranandani Estate  
Thane (West) 400 607.  
FCS No. 3695  
COP No. 2603

## **INDEPENDENT AUDITOR'S REPORT**

### **Report on the Standalone Financial Statements**

**To the Members of Savani Financials Limited**

#### **Opinion**

We have audited the accompanying standalone financial statements of **SAVANI FINANCIALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, Statement of Changes in Equity, the Cash Flow Statement for the year then ended and notes to the financial statements including summary of the 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit, changes in equity 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 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 Standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 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.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures thereto, Management Discussion and Analysis, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report and Secretarial audit report, which is expected to be made available to us after that date.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

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 A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company 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 Auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended.

Company has not paid any remuneration to its directors. Accordingly, provisions of section 197 regarding remuneration are not applicable to the Company.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending litigations as at 31<sup>st</sup> March, 2021;
  - 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 Nilesh Lakhani & Associates**  
Chartered Accountants  
(Firm Regn. No. 113817W)

(Nilesh T. Lakhani)  
Proprietor  
Mem. No.047459

UDIN : 21047459AAAABU6850  
Place: Mumbai  
Date: 11<sup>th</sup> May, 2021

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SAVANI FINANCIALS LIMITED**

- i) The company has no Fixed Assets during the year hence the requirements of clause 3(i)(a) to (c) are not applicable to the company.
- ii) In respect of its inventories:  
The company has not carried any inventory during the year. Accordingly, clauses 3(ii) of the Order are not applicable.
- iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the clauses 3(iii) (a) to (c) of the Order are not applicable;
- iv) The Company has not granted any loans, made any investments and provided any guarantee or security to the parties covered by the provisions of section 185 and 186 of the Companies Act 2013. Accordingly, the clause 3(iv) is not applicable to the company.
- v) The Company has not accepted any deposit from public. We are informed by the management and as examined by us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi) As per the information and explanation given to us and as verified by us, the Central Government has not prescribed the maintenance of Cost records pursuant to the rules made under section 148 (1) of the Act, 2013.
- vii)
  - a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and any other statutory dues with appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.
  - b) According to the records of the company, there are no dues outstanding in respect of income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and goods and service tax on account of any dispute.

- viii) The company does not have any borrowings from Financial Institutions, bank or government nor has it raised money by way of debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- ix) The Company has neither raised money by way of initial public offer nor has the Company obtained any term loans. Accordingly, the clauses 3(ix) of the Order are not applicable.
- x) On the basis of our examination and according to the information and explanations given to us, and based on our examination of the records no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) The company has not paid managerial remuneration, accordingly the provisions of section 197 read with Schedule V of the Companies Act, 2013 are not applicable.
- 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.
- xiii) According to the information and explanations given to us and based on our examination of the records, the Company has not dealt in any transactions with the related parties, therefore provisions of Section 188 and 177 of the Companies Act 2013 are not applicable to the Company.
- xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us, and based on our examination of the records the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, provisions of clause (xv) of Para 3 of the Order are not applicable to the Company.
- xvi) The Company being a Non-Banking Financial Company (NBFC), is registered with Reserve Bank of India (RBI), as per the requirements of Section 45-IA of the Reserve Bank of India Act, 1934.

For **Nilesh Lakhani & Associates**

Chartered Accountants  
(Firm Regn. No. 113817W)

(Nilesh T. Lakhani)  
Proprietor  
Mem. No.047459

UDIN : 21047459AAAABU6850

Place: Mumbai  
Date: 11<sup>th</sup> May, 2021

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SAVANI FINANCIALS LIMITED**

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

We have audited the internal financial controls over financial reporting of **SAVANI FINANCIALS LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by Institute of Chartered accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and,

both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting with reference to standalone financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Nilesh Lakhani & Associates**  
Chartered Accountants  
(Firm Regn. No. 113817W)

(Nilesh T. Lakhani)  
Proprietor  
Mem. No.047459  
UDIN : 21047459AAAABU6850

Place: Mumbai  
Date: 11<sup>th</sup> May, 2021

**SAVANI FINANCIALS LIMITED**  
(CIN : L67120MH1983PLC031614)  
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Rupees)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I) ASSETS</b>			
<b>(1) Financial Assets</b>			
(i) Cash and Cash Equivalents	3	8,07,312	8,49,119
(ii) Bank balances other than (i) above	4	35,00,000	1,69,51,379
(iii) Investments	5	1,65,00,000	25,00,000
(iv) Others financial assets	6	7,23,939	8,39,913
	Sub-Total	<u>2,15,31,250</u>	<u>2,11,40,411</u>
<b>(2) Non-Financial Assets</b>			
(i) Current-tax assets	7	2,39,229	1,35,465
(ii) Other non-financial assets	8	14,044	14,951
	Sub-Total	<u>2,53,273</u>	<u>1,50,416</u>
	<b>TOTAL ASSETS</b>	<b><u>2,17,84,523</u></b>	<b><u>2,12,90,827</u></b>
<b>II) LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
Other Financial Liabilities	9	1,67,879	1,30,216
<b>(2) Non-Financial Liabilities</b>			
Other Non-Financial Liabilities	10	9,433	8,760
<b>(3) Equity</b>			
(a) Equity Share Capital	11	4,00,00,000	4,00,00,000
(b) Other Equity	12	(1,83,92,789)	(1,88,48,149)
	Total Equity	<u>2,16,07,211</u>	<u>2,11,51,851</u>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>2,17,84,523</u></b>	<b><u>2,12,90,827</u></b>

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Nilesh Lakhani and Associates**

Chartered Accountants

(Firm Regn. No. 113817W)

**For and on behalf of the Board of Directors**

**(NILESH LAKHANI)**

**Proprietor**

Mem No. 047459

Mumbai, Dated 11th May, 2021

**Praful Sheth**

**CFO & Co. Secretary**

M. No. 6521

Mumbai, Dated 11th May, 2021

**Deepa Tracy**

**Managing Director**

DIN 00516615

**Manish Chaudhari**

**Director**

DIN 00516641

**SAVANI FINANCIALS LIMITED**  
(CIN : L67120MH1983PLC031614)  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

(Rupees)

Particulars	Note No.	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>I INCOME</b>			
Revenue from Operations	13	12,68,589	13,54,651
Other Income	14	8,125	21,555
		<u>TOTAL INCOME</u>	<u>13,76,206</u>
<b>II EXPENSES</b>			
Other Expenses	15	8,21,354	11,59,765
		<u>TOTAL EXPENSES</u>	<u>11,59,765</u>
		<u>PROFIT BEFORE TAX</u>	<u>2,16,441</u>
<b>III TAX EXPENSE</b>			
Current Tax		-	-
		<u>TOTAL TAX EXPENSE</u>	<u>-</u>
		<u>PROFIT FOR THE YEAR</u>	<u>2,16,441</u>
<b>IV OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will not be reclassified to Profit or Loss		-	-
(ii) Items that be reclassified to Profit or Loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>4,55,360</u>	<u>2,16,441</u>
<b>EARNINGS PER EQUITY SHARE OF FV RS.10/- EACH</b>			
Basic and Diluted		0.11	0.05

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Nilesh Lakhani and Associates**

**For and on behalf of the Board of Directors**

Chartered Accountants  
(Firm Regn. No. 113817W)

**(NILESH LAKHANI)**

**Proprietor**

Mem No. 047459

Mumbai, Dated 11th May, 2021

**Praful Sheth**

**CFO & Co. Secretary**

M. No. 6521

Mumbai, Dated 11th May, 2021

**Deepa Tracy**

**Managing Director**

DIN 00516615

**Manish Chaudhari**

**Director**

DIN 00516641



<b>SAVANI FINANCIALS LIMITED</b>				
(CIN : L67120MH1983PLC031614)				
<b>STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021</b>				
<b>A. SHARE CAPITAL</b>				
<b>1. EQUITY SHARE CAPITAL</b>	<b>As at 31st March, 2021</b>		<b>As at 31st March, 2020</b>	
	<b>No.</b>	<b>Amount (Rs.)</b>	<b>No.</b>	<b>Amount (Rs.)</b>
Authorised Share Capital	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Issued Share Capital	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Subscribed Share Capital	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Fully Paid-up Share Capital	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Subscribed but not fully paid-up	-	-	-	-
<b>Balance at the beginning of the year</b>	<b>40,00,000</b>	<b>4,00,00,000</b>	<b>40,00,000</b>	<b>4,00,00,000</b>
Changes in equity share capital during the year:				
Issued during the year	-	-	-	-
<b>Balance at the end of the reporting Year</b>	<b>40,00,000</b>	<b>4,00,00,000</b>	<b>40,00,000</b>	<b>4,00,00,000</b>
<b>Terms/ Rights attached to the Equity Share Capital-</b>				
The company has one class of equity shares having a par value of Rs.10 per share. 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.				
<b>2. PREFERENCE SHARE CAPITAL</b>				
	<b>As at 31st March, 2021</b>		<b>As at 31st March, 2020</b>	
	<b>No.</b>	<b>Amount (Rs.)</b>	<b>No.</b>	<b>Amount (Rs.)</b>
<b>Authorised Share Capital</b>				
0% Redeemable Preference Shares	25,00,000	2,50,00,000	25,00,000	2,50,00,000
<b>Issued Subscribes and Fully paid-up Share Capital</b>				
0% Redeemable Preference Shares	-	-	-	-
<b>Details of Shareholders holding more than five per cent shares</b>				
	<b>As at 31st March, 2021</b>		<b>As at 31st March, 2020</b>	
<b>Name of the Shareholder</b>	<b>No.</b>	<b>Amount (Rs.)</b>	<b>No.</b>	<b>Amount (Rs.)</b>
<b>Mrs. Deepa Tracy</b>	11,17,740	1,11,77,400	11,10,968	1,11,09,680
<b>Mr. Manish Chaudhari</b>	10,99,625	1,09,96,250	10,99,625	1,09,96,250
<b>B. OTHER EQUITY</b>				
	<b>Reserves and Surplus</b>			<b>Amount (Rs.)</b>
<b>Particulars</b>	<b>Securities Premium Reserve</b>	<b>Special Reserve (Under 45-IC of the Reserve Bank of India Act, 1934)</b>	<b>Retained Earnings</b>	<b>TOTAL</b>
<b>Balance as at 1st April, 2019</b>	3,32,08,100	6,50,000	(5,29,22,690)	(1,90,64,590)
Profit for the Comparative Year			2,16,441	2,16,441
Other Comprehensive Income for the Comparative Year	-	-	-	-
<b>Total Comprehensive Income for the Comparative Year</b>	<b>-</b>	<b>-</b>	<b>2,16,441</b>	<b>2,16,441</b>
<b>Balance as at 31st March, 2020</b>	<b>3,32,08,100</b>	<b>6,50,000</b>	<b>(5,27,06,249)</b>	<b>(1,88,48,149)</b>
Additions during the Year	-	-	-	-
Profit for the Current Reporting Year	-	-	4,55,360	4,55,360
Other Comprehensive Income for the Current Reporting Year	-	-	-	-
Total Comprehensive Income for the Year	-	-	4,55,360	4,55,360
<b>Balance as at 31st March, 2021</b>	<b>3,32,08,100</b>	<b>6,50,000</b>	<b>(5,22,50,889)</b>	<b>(1,83,92,789)</b>
Significant accounting policies	Note No. 2			
The accompanying notes form an integral part of the Financial Statements				
As per our report of even date attached				
<b>For Nilesh Lakhani and Associates</b>		<b>For and on behalf of the Board of Directors</b>		
Chartered Accountants (Firm Regn. No. 113817W)				
<b>(NILESH LAKHANI)</b> Proprietor Mem No. 047459 Mumbai, Dated 11th May, 2021		Pratul Sheth    Deepa Tracy    Manish Chaudhari CFO & Co. Secretary    Managing Director    Director M. No. 6521    DIN 00516615    DIN 00516641 Mumbai, Dated 11th May, 2021		

**SAVANI FINANCIALS LIMITED**  
(CIN : L67120MH1983PLC031614)  
**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021**

	Rupees Year ended 31st March, 2021	Rupees Year ended 31st March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	4,55,360	2,16,441
Adjustments for :		
Other financial and non-financial assets	1,16,881	1,92,811
Other financial and non-financial liabilities	38,336	(2,569)
	1,55,217	1,90,242
Less : Direct Taxes paid	6,10,577	4,06,683
<b>Cash generated from operations</b>	(1,03,764)	1,31,450
	5,06,813	5,38,133
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in Fixed deposits with NBFCs and Banks	(1,40,00,000)	(27,23,597)
Proceeds from fixed deposits held with banks	1,34,51,379	25,00,000
	(5,48,621)	(2,23,597)
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	(41,808)	3,14,536
<b>Cash and cash equivalents at the close of the year</b>	8,07,312	8,49,119
<b>Cash and cash equivalents at the beginning of the year</b>	8,49,119	5,34,583
	(41,808)	3,14,536

Significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Nilesh Lakhani and Associates**

Chartered Accountants

(Firm Regn. No. 113817W)

**For and on behalf of the Board of Directors**

**(NILESH LAKHANI)**

**Proprietor**

Mem No. 047459

Mumbai, Dated 11th May, 2021

**Praful Sheth Deepa Tracy Manish Chaudhari**

**CFO & Co. Secretary Managing Director Director**

M. No. 6521

DIN 00516615

DIN 00516641

Mumbai, Dated 11th May, 2021

**SAVANI FINANCIALS LIMITED**  
**(CIN : L67120MH1983PLC031614)**

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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**1. Corporate information:**

Savani Financials Limited (hereinafter referred to as 'Company') was incorporated under the Companies Act, 1956 on 21/12/1983 by the name of 'Savani Investment and Leasing Limited' in the state of Maharashtra. Subsequently on 18/05/1987 the name was changed to 'Savani Freight and Finance Limited' and on 14/10/1993 to 'Savani Financials Limited'.

The Company is registered with the Reserve Bank of India as a Non-Deposit Accepting-Non-Banking Financial Company (NBFC) vide registration no.13.01071 dated 27<sup>th</sup> October, 1998.

It is a Non-Banking Financial Services Company engaged in the sole business segment of investment and financial services. RBI, vide the circular – 'Harmonisation of different categories of NBFCs' issued on 22 February 2019, with a view to provide NBFCs with greater operational flexibility and harmonisation of different categories of NBFCs into fewer categories based on the principle of regulation by activity, merged the three categories of NBFCs viz. Asset Finance Companies (AFC), Loan Companies (LCs) and Investment Companies (ICs) into a new category called NBFC – Investment and Credit Company (NBFC-ICC). Accordingly, the Company has been reclassified as NBFC Investment and Credit Company (NBFC-ICC).

It is listed on the Bombay Stock Exchange.

The registered office is located at 91, Mantra House, Marol Co-Op. Industrial Estate, M. V. Road, Andheri (East), Mumbai – 400059.

**2 Significant Accounting Policies**

**2.1 Presentation of financial statements:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

a) Basis of Preparation:

Ministry of Corporate Affairs (MCA) vide its notification dated 30 March 2016, mandated, listed Non-Banking Financial Companies (NBFCs) having net worth less than rupees five hundred crore to comply with the Indian Accounting Standards (Ind AS) in preparation of their financial statements and quarterly financial results for the accounting periods beginning on or after 1 April 2019 with effective transition date of 1 April 2018.

The Company presents its financial statements to comply with Division III of Schedule III to the Companies Act, 2013 (which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS) and the requirements of Ind AS. Further, MCA has amended Schedule III to the Companies Act, 2013 (the 'Act'). Vide the amendment, a new division viz., 'Division III' financial statement format has been introduced for NBFCs effective 11 October 2018.

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note no. 22.

These financial statements have been prepared and presented on a going concern basis, under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The financial statements do not provide disclosures where the information resulting from that disclosure is not material. However, the financial statements provide disclosures of all items required by law even if the information resulting from that disclosure is considered to be not material.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 29<sup>th</sup> June, 2021.

b) Current versus non-current classification

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

c) Use of Estimates and judgment

The preparation of financial statements, in conformity, with the Ind AS requires the management to make judgement, estimates and assumptions about the carrying amount of assets and liabilities, revenue and expenses, contingent

liabilities and the accompanying disclosures, as of the date of the financial statements, that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The few critical estimations and judgments made in applying accounting policies are:

i. Income Taxes:

Significant judgement is required in determining the amount for income tax expenses. There are many transactions and positions for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amount that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii. Impairment of Non-financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is higher of assets or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. Where carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flow is discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

iii. Impairment of Financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

v. Deferred Tax

Recognition of deferred tax assets Availability of future taxable profit against which the tax losses carried forward can be used.

vi. **Recognition and Measurement of Provisions and Contingencies**

Key assumptions about the likelihood and magnitude of an outflow of resources.

## 2.2 **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

### **Financial assets:**

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

### **Initial recognition and measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs.

### **Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial asset measured at amortised cost
- Financial asset at fair value through OCI
- Financial assets at fair value through profit or loss

### **Financial assets measured at amortised cost**

Financial assets are measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortised using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss in finance costs.

### **Financial assets at fair value through OCI (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to income statements.

### **Financial assets at fair value through profit or loss (FVTPL)**

Any financial asset that does not meet the criteria for classification as at amortised cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognised in the Statement of profit and loss.

### **De-recognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds receivables.

### **Impairment of financial assets**

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortised cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from all possible default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in the statement of profit and loss.

### **Financial liabilities and equity:**

#### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **Financial liabilities**

The Company's financial liabilities include loans and borrowings including trade payables, accrued expenses and other payables.

#### **Initial Recognition and measurement**

All financial liabilities at initial recognition are classified as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

#### **Subsequent measurement**

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR.

Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged/cancelled/expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and net amount is reported if there is currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise assets and settle the liabilities simultaneously.

#### **Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

### **2.3 Share Capital and share premium:**

#### **Ordinary shares**

Proceeds from issuance of ordinary shares are classified as share capital in equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

### **2.4 Cash Flows and Cash and Cash Equivalents:**

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Ind AS. For the purpose of presentation in the statement of cash flows, Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

### **2.5 Income tax**

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to the items recognised directly in equity or in other comprehensive income.

### **Current Income Tax:**

Current tax includes provision for Income Tax computed under special provision (i.e. Minimum Alternate Tax) or normal provision of Income Tax Act provisions. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the basis of estimated taxable Income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

### **Deferred Tax:**

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered. The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to the income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## **2.6 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before the revenue is recognised.

### **Interest Income:**

Interest income on financial assets measured at amortised cost is recognised on time proportion basis, using effective interest method. Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

## **2.7 Earnings per Share:**

Basic Earnings per share is computed by dividing the profit from continuing operations and total profits, both attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive.

## **2.8 Provisions, contingent liabilities, contingent assets:**

Provisions are recognised when the Company has a present or constructive obligation as a result of past events, when it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each financial reporting period and adjusted to reflect the current best estimate. When the Company expects some or all of the provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

Where effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial information. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company. The Company does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable, but not virtually certain.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.



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**Note 3**

**Cash and Cash Equivalents**

Particulars	As at 31.03.2021	As at 31.03.2020
Balances with Banks (of the nature of cash and cash equivalents);	7,55,418	7,99,876
Cash on hand	51,893	49,243
<b>Total</b>	<u><u>8,07,312</u></u>	<u><u>8,49,119</u></u>

**Note 4**

**Bank Balances other than Cash and Cash Equivalents**

Particulars	As at 31.03.2021	As at 31.03.2020
Fixed Deposit Accounts (with original maturity of more than 3 months but less than 12 months)	35,00,000	1,69,51,379
<b>Total</b>	<u><u>35,00,000</u></u>	<u><u>1,69,51,379</u></u>

**Note 5**

**Investments**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>(a) Investments in Fixed Deposits with Companies</b>		
(i) HDFC Finance Limited	1,40,00,000	-
(ii) Mahindra & Mahindra Financial Services Limited	25,00,000	25,00,000
<b>Total</b>	<u><u>1,65,00,000</u></u>	<u><u>25,00,000</u></u>

**Note 6**

**Other Financial Assets**

Particulars	As at 31.03.2021	As at 31.03.2020
Interest accrued on Fixed Deposits with Banks and Others	7,23,939	8,39,913
<b>Total</b>	<u><u>7,23,939</u></u>	<u><u>8,39,913</u></u>

**Note-7**

**Current-tax assets**

Particulars	As at 31.03.2021	As at 31.03.2020
Advance Income -tax	2,39,229	1,35,465
<b>Total</b>	<u><u>2,39,229</u></u>	<u><u>1,35,465</u></u>

**Note-8**

**Other Non-financial Assets**

Particulars	As at 31.03.2021	As at 31.03.2020
Prepaid Expenses	14,044	14,951
<b>Total</b>	<u><u>14,044</u></u>	<u><u>14,951</u></u>

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**Note 9**  
**Other Financial Liabilities** **(Rupees)**

Particulars	As at 31.03.2021	As at 31.03.2020
Liabilities for Expenses	1,67,879	1,30,216
<b>Total</b>	<b>1,67,879</b>	<b>1,30,216</b>

**Note 10**  
**Other Non-Financial Liabilities** **(Rupees)**

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Dues-Withholding Taxes	9,433	8,760
<b>Total</b>	<b>9,433</b>	<b>8,760</b>

**Note 11**  
**Share Capital** **(Rupees)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Authorised</b>		
1,00,00,000 Equity Shares of Rs.10 each	10,00,00,000	10,00,00,000
25,00,000 Redeemable Preference Shares of Rs.10 each	2,50,00,000	2,50,00,000
	<b>12,50,00,000</b>	<b>12,50,00,000</b>
<b>Issued, Subscribed and Fully Paid-up</b>		
40,00,000 Equity Shares of Rs.10 each, fully paid up	4,00,00,000	4,00,00,000
	<b>4,00,00,000</b>	<b>4,00,00,000</b>
<b>Reconciliation of Equity shares outstanding as at the end of the year;</b>		
As at the beginning of the year	40,00,000	40,00,000
Add/(Less) : Issued / (Bought back) during the year	-	-
As at the end of the year	<b>40,00,000</b>	<b>40,00,000</b>

**Terms/ Rights attached to the Share Capital;**

The company has one class of equity shares having a par value of Rs.10 per share. 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.

**Details of Shareholders holding more than 5 percent of the shares;  
In respect of Equity Shares;**

Name of the Shareholder	As at 31.03.2021		As at 31.03.2020	
	No. of shares held	% of Total paid up equity capital	No. of shares held	% of Total paid up equity capital
Mrs. Deepa Tracy	11,17,740	27.94	11,10,968	27.77
Mr. Manish Chaudhari	10,99,625	27.49	10,99,625	27.49
<b>Total</b>	<b>22,17,365</b>	<b>55.43</b>	<b>22,10,593</b>	<b>55.26</b>

**Note 12**  
**Other Equity** **(Rupees)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Securities Premium Reserve</b>		
Opening balance	3,32,08,100	3,32,08,100
Additions	-	-
	<b>3,32,08,100</b>	<b>3,32,08,100</b>
<b>Special Reserve (under Section 45 - IC of the Reserve Bank of India Act, 1934).</b>		
Opening balance	6,50,000	6,50,000
Additions	-	-
	<b>6,50,000</b>	<b>6,50,000</b>
<b>Deficit in the Statement of Profit and Loss</b>		
Opening balance	(5,27,06,249)	(5,29,22,690)
Profit for the year	4,55,360	2,16,441
Other Comprehensive income/(loss) for the reporting period / year	-	-
<b>Net deficit in the Statement of Profit and Loss</b>	<b>(5,22,50,889)</b>	<b>(5,27,06,249)</b>
<b>Total Other Equity</b>	<b>(1,83,92,789)</b>	<b>(1,88,48,149)</b>

**Notes: Nature and Purpose of Other Equity**

**1) Securities Premium Reserve -**

Securities Premium Reserve is used to record the premium (amount received in excess of par value) on issue of shares. It can be utilised for limited purposes in accordance with the provisions of Companies Act, 2013

**2) Special Reserve (Under 45-IC of the Reserve Bank of India Act, 1934) -**

Special reserve fund is the fund created as per the terms of Section 45-IC of the Reserve Bank of India, 1934 as a Statutory Reserve. A Non-Banking Finance Reserve Fund is permitted only for the purposes specified by RBI. Company is required to transfer an amount of not less than twenty percent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

**3) Retained Earnings-**

Retained earnings represents accumulated profits / losses.

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**Note 13**

**Revenue from Operations**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on Bank Deposits and Others	12,68,589	13,54,651
<b>Total</b>	<b><u>12,68,589</u></b>	<b><u>13,54,651</u></b>

**Note 14**

**Other Income**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on Income-tax refund	8,125	15,555
Sundry income	-	6,000
<b>Total</b>	<b><u>8,125</u></b>	<b><u>21,555</u></b>

**Note 15**

**Other Expenses**

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Rates and Taxes	2,500	2,500
Printing and stationery	6,415	1,23,531
Travelling and conveyance	7,966	12,095
Advertisement	44,906	65,349
Communication expenses	5,390	1,18,365
Listing and Registration Fees	4,63,287	4,26,998
Membership and Subscription	21,240	21,240
Legal & Professional Charges	2,06,646	2,99,571
Auditors' Remuneration:		
Audit fee	29,500	29,500
Other Services (certification fees)	8,850	8,850
	<u>38,350</u>	<u>38,350</u>
Miscellaneous Expenses	24,654	51,766
<b>Total</b>	<b><u>8,21,354</u></b>	<b><u>11,59,765</u></b>

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16. Disclosure as required by IND AS -33 -Earnings Per Share-

Particulars	31-03-2021	31-03-2020
Profit after taxation, refund of income tax and before Exceptional Item	4,55,360	2,16,441
Profit after taxation, refund of income tax and Exceptional Item	4,55,360	2,16,441
Number of Equity Shares (Face Value Rs.10/-)	40,00,000	40,00,000
Earning Per Equity Share - in Rupees - Basic and diluted	0.11	0.05

17. Deferred tax assets/ liabilities –

The Company has unabsorbed depreciation and carried forward losses under tax laws. The Company has not recognized deferred tax assets on brought forward business losses and unabsorbed depreciation since there is no certainty that future taxable profits against which such losses can be utilized would be available.

18. Related Party Disclosures-

Names of the related parties -

Key Management Personnel -

Mrs. Deepa Tracy - Managing Director

Mr. Manish Chaudhari - Director

Mr. Praful Seth – CFO & Company secretary

The Company does not have any transactions with related parties as per IND AS -24 'Related Party Disclosures'.

19. Fair Values-

The management assessed that Fair Values of Financial Assets and Liabilities are approximately their carrying values.

20. Financial Instruments - Accounting Classifications and Fair Value Measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Principles for Estimating Fair Value

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Fair Value Hierarchy-

Financial instruments carried at fair value, by valuation method at 31st March, 2021 at the different levels have been defined as follows:

Level 1:

Category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2:

Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable. The majority of Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3:

Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

The carrying amount of debt securities, other financial liabilities, loans, other financial assets, cash and cash equivalents as at 31st March, 2021, 31st March, 2020 and 1st April, 2019 are considered to the same as fair values, due to their short- term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counter party credit risk.

## 21. Risk management objectives and policies

### A. Financial risk management

The Company's activities are exposed to a variety of market risk (including interest risk), credit risk and liquidity risk. The Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

#### i. Market Risk

Market rate is the risk that arises from changes in market prices, such as prices, interest rates etc. and will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising returns.

#### ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise and manage the Company's interest rate risk,

#### iii. Liquidity Risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Company arise in respect of the trade and other payables. Trade and other payables are all payable within 12 months. The Company manages liquidity risk by maintaining adequate surplus, by continuously monitoring forecasts and actual cash flows.

The Company has a system of regularly forecasting cash inflows and outflows and all liquidity requirements are planned. Forecast for trade and other payables is regularly monitored to ensure timely funding. All payments are made within due dates.

The Board receives cash flow projections on a regular basis as well as information on cash balances.

#### iv. Capital Risk Management

The Company manages its capital to ensure that the Company will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder value.

#### v. The Company does not have any foreign currency exposures.

## 22. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

(Rupees)						
Particulars	As at 31-03-2021			As at 31-03-2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>I) ASSETS</b>						
(1) Financial Assets						
(i) Cash and Cash Equivalents	8,07,312	-	8,07,312	8,49,119	-	8,49,119
(ii) Bank balances other than (i) above	35,00,000	-	35,00,000	1,69,51,379	-	1,69,51,379
(iii) Investments	-	1,65,00,000	1,65,00,000	-	25,00,000	25,00,000
(iv) Others financial assets	10,112	7,13,827	7,23,939	7,68,252	71,661	8,39,913
	43,17,424	1,72,13,827	2,15,31,250	1,85,68,750	25,71,661	2,11,40,411

(2) Non-Financial Assets						
(i) Current-tax assets	1,43,590	95,639	2,39,229	-	1,35,465	1,35,465
(ii) Other non-financial assets	13,977	67	14,044	14,821	130	14,951
	1,57,567	95,706	2,53,273	14,821	1,35,595	1,50,416
<b>TOTAL ASSETS</b>	<b>44,74,991</b>	<b>1,73,09,532</b>	<b>2,17,84,523</b>	<b>1,85,83,571</b>	<b>27,07,256</b>	<b>2,12,90,827</b>
<b>II) LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
Other Financial Liabilities	1,67,879	-	1,67,879	1,30,216	-	1,30,216
<b>(2) Non-Financial Liabilities</b>						
Other Non-Financial Liabilities	9,433	-	9,433	8,760	-	8,760
<b>(3) Equity</b>						
(a) Equity Share Capital	-	4,00,00,000	4,00,00,000	-	4,00,00,000	4,00,00,000
(b) Other Equity	-	(1,83,92,789)	(1,83,92,789)	-	(1,88,48,149)	(1,88,48,149)
Total Equity	-	2,16,07,211	2,16,07,211	-	2,11,51,851	2,11,51,851
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,77,312</b>	<b>2,16,07,211</b>	<b>2,17,84,523</b>	<b>1,38,976</b>	<b>2,11,51,851</b>	<b>2,12,90,827</b>

23. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force from 2nd October, 2006, certain disclosures are required to be made relating to such enterprises. The Company has no suppliers covered under the MSMED Act. The same has been determined to the extent such parties have been identified on the basis of information available with the company. Other information/disclosures relating to payments made beyond the appointed date, interest accrued and paid and cumulative interest are not applicable being Nil.

24. First time adoption of Ind As -Transition to IND AS:

As stated in Note 2.1 (a) above, the Company's financial statements for the year ended 31<sup>st</sup> March, 2020 are the first financial statements prepared in compliance with IND AS.

All applicable IND AS have been applied consistently. The resulting difference between the carrying amounts of assets and liabilities under Ind AS and Indian GAAP as of transition date, if any, have been recognised directly in equity at the transition date.

Reconciliation:

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods.

There were no differences between equity presented under Ind AS and Previous GAAP.

The following table represent the net profit reconciliations from previous GAAP to Ind AS.

<b>Reconciliation of net profit as per IND AS and Indian GAAP</b>			
(Rupees)			
Sr. No	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
1	Net Profit after tax as reported under previous GAAP	4,55,360	2,16,441
2	Add : / (Less) : INDAS adjustments	-	-
3	Net Profit after tax as per Ind AS	4,55,360	2,16,441

25. Reconciliation of Statement of Cash Flows

There were no differences between statement of cash flows presented under Ind AS and Previous GAAP.

26. Segment reporting-

The company is engaged only in the business of providing financial services and accordingly there are no separate reportable segments as per IND AS- 108 on 'Operating Segment'.

Signatures to the Notes to the Financial Statements form an integral part of these Financial Statements.

**As per our report of even date attached  
For Nilesh Lakhani and Associates**

Chartered Accountants

(Firm Regn. No. 113817W)

**For and on behalf of the Board of Directors**

**(Praful Sheth) (Deepa Tracy) (Manish Chaudhari)**

**(NILESH LAKHANI)**

**CFO & Co. Secretary Managing Director Director**

**Proprietor**

M. No. 6521

DIN 00516615

DIN 00516641

Mem No. 047459

Mumbai, Dated 11th May, 2021

Mumbai, Dated 11th May, 2021

<b>SAVANI FINANCIALS LIMITED</b> <b>(CIN : L67120MH1983PLC031614)</b> <b>Schedule to the Balance Sheet of a Non-Banking Financial Company</b> [ as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms ( Reserve Bank) Directions, 1998 ]			
		(Rs. in lacs)	
Particulars		Amount Outstanding	Amount Overdue
<b>Liabilities Side :</b>			
(1)	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b> (a) Debentures : Secured : Unsecured (Other than falling within the meaning of public deposits*) (b) Deferred Credits (c) Term Loans <i>from Banks</i> # (d) Inter-corporate loans and borrowing (e) Commercial Paper (f) Public Deposits* (g) Other Loans (specify nature) Security Deposits Against Lease/Hire Purchase Agreements * please see Note 1 below	-	-
(2)	<b>Break-up of (1)(f) above ( Outstanding public deposits inclusive of interest accrued thereon but not paid):</b> (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 * please see Note 1 below	-	-
<b>Assets Side :</b>		<b>Amount Outstanding</b>	
(3)	<b>Break-up of Loans and Advances including bill receivables (other than those included in (4) below):</b> (a) Secured (b) Unsecured	-	-
(4)	<b>Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL / HP activities</b> (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) Hypothecation loans counting towards EL /HP activities : (a) Loans where assets have been repossessed (b) Loans other than (a) above	-	-
		<b>Amount Outstanding</b>	
(5)	<b>Break-up of Investments :</b> Current Investments : (i) Quoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) - (ii) Unquoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) Long Term Investments : (i) Quoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) (ii) Unquoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) -Fixed deposit with NBFC	-	-
		<b>Amount Outstanding</b>	
		165.00	



(6)	<b>Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :</b>		
	Please see Note 2 below		
	<b>Category</b>	<b>Amount net of provisions</b>	
		<b>Secured</b>	<b>Unsecured</b>
		<b>Total</b>	
	<b>1. Related Parties **</b>		
(a) Subsidiaries	-	-	
(b) Companies in the same group	-	-	
(c) other related parties	-	-	
<b>2. Other than Related Parties</b>	-	-	
<b>Total</b>	-	-	

(7)	<b>Investor group-wise classification of all investments(current and long-term) in shares and securities (both quoted and unquoted):</b>	
	Please see Note 3 below	
	<b>Category</b>	<b>Market value /Break-up or fair value or NAV</b>
		<b>Book Value (Net of Provisions)</b>
	<b>1. Related Parties **</b>	
	(a) Subsidiaries	-
(b) Companies in the same group	-	
(c) other related parties	-	
<b>2. Other than Related Parties</b>	-	
<b>Total</b>	-	

(8)	<b>Other information</b>	
	Particulars	
	<b>(i) Gross Non-Performing Assets</b>	
	(a) Related Parties	-
	(b) Other than related Parties	-
	<b>(ii) Net Non-Performing Assets</b>	
	(a) Related Parties	-
	(b) Other than related Parties	-
	<b>(iii) Asset acquired in satisfaction of debt</b>	
		-

**Notes:**

- 1 As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for 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/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 11th May, 2021

Praful Sheth                  Deepa Tracy                  Manish Chaudhari  
CFO & Co. Secretary      Managing Director      Director