

INDEPENDENT AUDITOR'S REPORT

To the Members of Svasti Microfinance Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Svasti Microfinance Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 39 to the financial statements, which describes the economic and social disruption, continued to be caused by COVID-19 Pandemic, of the Company's business and financial metrics including the estimates for provision for advances to customers, and that such estimates may be affected by severity and duration of the pandemic. Our opinion is not modified in respect of the matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going



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

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

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

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

Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 29, 2020.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



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- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 34 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Bharath N S

Partner

Membership Number: 210934

UDIN: 21210934AAAAFP8160

Place of Signature: Chennai

Date: August 24, 2021



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SVASTI MICROFINANCE PRIVATE 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 with reference to financial statements of Svasti Microfinance Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable



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assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements 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 issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Bharath N S

Partner

Membership Number: 210934

UDIN: 21210934AAAAFP8160

Place of Signature: Chennai

Date: August 24, 2021



Annexure 1 referred to in our report of even date

Re: Svasti Microfinance Private Limited (the "Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors have been complied by the Company and there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues have generally been regularly deposited with appropriate authorities though there has been slight delay in few cases of income-tax. The provisions relating to wealth tax, and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



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- (c) According to the records of the Company, the dues outstanding of Income tax, Sales Tax, Value Added Tax and Service Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount in Rs*	Period to which the amounts relate (Assessment Year)	Forum where the dispute is pending
Income Tax Act, 1961	Tax and interest	16,80,500	2018-19	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Tax and interest	5,59,750	Tax deducted at source defaults for various years up to March 31, 2021	In the process of correcting on the NSDL website

*net of tax paid under protest/ refund adjusted

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer. Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management and audit procedures performed by us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.



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- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under Section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W / E300004



per Bharath N S

Partner

Membership Number: 210934

UDIN: 21210934AAAAFP8160

Place of signature: Chennai

Date: August 24, 2021

Svasti Microfinance Private Limited
Balance Sheet as at March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	4,55,76,080	3,87,08,050
Reserves and surplus	3	1,30,89,43,188	1,00,42,49,794
		<u>1,35,45,19,268</u>	<u>1,04,29,57,844</u>
Non-current liabilities			
Long-term borrowings	4	1,57,79,34,808	1,73,34,76,709
Long-term provisions	5	2,57,49,562	2,54,96,323
		<u>1,60,36,84,370</u>	<u>1,75,89,73,032</u>
Current Liabilities			
Short-term borrowings	6	2,50,00,000	-
Trade payables	7		
• Total outstanding dues for micro and small enterprises		91,266	-
• Total outstanding dues for creditors other than micro and small enterprises		1,00,61,380	1,66,28,556
Other current liabilities	8	1,78,64,96,047	98,39,74,387
Short term provisions	5	14,79,31,899	3,30,49,080
		<u>1,96,95,80,592</u>	<u>1,03,36,52,023</u>
TOTAL LIABILITIES		<u>4,92,77,84,230</u>	<u>3,83,55,82,899</u>
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	9	1,36,24,785	1,51,72,692
Intangible assets	10	2,89,26,102	3,23,79,256
Intangible assets under development		67,01,973	91,92,296
Deferred tax assets (net)		3,40,48,064	92,47,756
Loans and advances	11	5,01,12,994	2,34,56,609
Receivables under financing activities	12	95,81,43,940	1,23,13,44,536
Other non-current assets	13	19,43,57,172	4,85,04,058
		<u>1,28,59,15,030</u>	<u>1,36,92,97,203</u>
Current Assets			
Current investments	14	6,00,00,000	15,00,000
Receivable under financing activities	12	2,41,20,41,224	1,78,98,10,138
Cash and bank balances	15	92,41,85,366	47,28,18,156
Loans and advances	11	8,40,26,206	6,50,92,060
Other current assets	13	16,16,16,404	13,70,65,342
		<u>3,64,18,69,200</u>	<u>2,46,62,85,696</u>
TOTAL ASSETS		<u>4,92,77,84,230</u>	<u>3,83,55,82,899</u>

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W / E300004

per Bharath N S
Partner
Membership No: 210934

Place: Chennai
Date: August 24, 2021



For and on behalf of the Board of Directors of
Svasti Microfinance Private Limited

A Arunkumar
Whole-time Director
& CEO

DIN: 01890656
Place: Mumbai
Date: August 24, 2021

B Narayanan
Whole-time Director
& CFO

DIN: 01216715
Place: Chennai
Date: August 24, 2021

Varsha Waghda
Company Secretary

Membership No: A-48689
Place: Mumbai
Date: August 24, 2021



Svasti Microfinance Private Limited
Statement of Profit & Loss for the year ended March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
REVENUE			
Revenue from operations	16	80,54,67,056	71,16,64,564
Other income	17	2,98,82,422	2,67,35,550
Total revenue (I)		83,53,49,478	73,84,00,114
EXPENSES			
Employee benefits expenses	18	24,39,96,959	22,99,13,720
Depreciation/ Amortization	11	1,30,79,054	1,35,84,368
Finance cost	19	37,87,29,279	29,06,13,132
Other expenses	20	8,11,36,315	5,98,19,636
Provision on receivables under financing activities and managed portfolio exposures	21	9,55,04,764	2,31,28,103
Total Expenses (II)		81,24,46,371	61,70,58,959
Profit/(loss) before tax (I-II)		2,29,03,107	12,13,41,155
Tax expense:			
Current tax		3,01,91,883	3,87,48,921
Adjustment of tax relating to earlier year		(28,28,959)	-
Deferred tax	30	(2,48,00,306)	(51,35,154)
Total tax expense		25,62,618	3,36,13,767
Profit after tax		2,03,40,489	8,77,27,388

Earnings per equity share (Face value Rs.10)

Basic	29	2.85	31.68
Diluted	29	2.85	26.15

Summary of significant accounting policies

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The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W / E300004



per **Bharath N S**

Partner

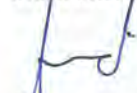
Membership No: 210934



Place: Chennai

Date : August 24, 2021

**For and on behalf of the Board of Directors of
Svasti Microfinance Private Limited**

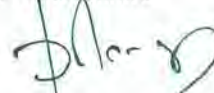


P Arunkumar
Whole-time Director
& CEO

DIN: 01890656

Place: Mumbai

Date : August 24, 2021



B Narayanan
Whole-time Director
& CFO

DIN: 01216715

Place: Chennai

Date : August 24, 2021

Varsha Waghela

Company Secretary



Membership No: A-48689

Place: Mumbai

Date : August 24, 2021



Svasti Microfinance Private Limited
Cash Flow statement for the year ended March 31, 2021
(All amounts are in Indian Rupees. unless otherwise stated)

Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
A Cash flow from operating activities		
Net Profit before Tax	2,29,03,107	12,13,41,155
Adjustments for:		
Depreciation and amortisation	1,30,79,054	1,35,84,368
Interest income on term deposits with Banks and others	(1,67,97,250)	(1,19,28,732)
Interest expenses on loan taken from banks and financial institutions	35,59,74,795	25,44,73,965
Profit on sale of mutual funds	(73,01,393)	(56,12,052)
Amortisation of processing fee on borrowings	1,42,52,020	1,25,82,129
Provision towards gratuity and leave encashment	49,93,595	96,13,018
Provision towards other loans and advances	26,36,340	14,79,409
Provision on receivables under financing activities and managed portfolio exposures	9,55,04,764	2,31,28,103
Operating profit before working capital changes	48,52,45,032	41,86,61,363
Movements in working capital		
Decrease / (increase) Receivables under financing activities	(47,99,92,212)	(1,18,39,00,994)
Decrease / (increase) Loans and advances	(4,39,79,487)	41,82,997
Decrease / (increase) Other assets	(2,58,07,614)	(8,35,603)
Increase / (decrease) Current liabilities	(4,31,60,070)	(2,53,41,483)
Cash generated/(used in) in operations	(10,76,94,351)	(78,72,33,720)
Direct taxes paid (net of refunds)	(1,58,44,708)	(4,52,25,677)
Net cash flow from / (used in) operating activities (A)	(12,35,39,059)	(83,24,59,397)
B Cash Flows from Investing Activities		
Purchase of property, plant and equipment, including CWIP and capital advances	(55,87,671)	(2,25,73,014)
Purchase of investments	(1,13,00,00,000)	(2,30,50,00,000)
Proceeds from sale / maturity of Investment	1,07,88,01,394	2,31,06,12,051
Investments in bank deposits (having original maturity of more than three months)	(16,53,11,569)	(7,74,86,360)
Interest Received on term deposits with banks	2,06,55,755	69,84,314
Net cash (used)/generated from in Investing activities (B)	(20,14,42,091)	(8,74,63,073)
C Cash Flow from Financing Activities		
Proceeds from issuance of preference share capital including securities premium and net of share issue expenses	30,97,47,421	39,99,99,600
Share Issue Expenses	(39,15,194)	-
Proceeds from long-term borrowings	1,90,50,00,000	1,81,97,00,000
Repayment of long-term borrowings	(1,22,48,07,954)	(1,13,71,64,633)
Proceeds from short-term borrowings	20,00,00,000	-
Repayment of short-term borrowings	(17,50,00,000)	-
Securitisation proceeds	13,09,61,723	15,87,94,126
Loan processing fees	(2,33,62,624)	(1,93,36,992)
Interest paid on borrowings	(36,17,81,825)	(24,12,15,370)
Net cash flow from/ (used in) in financing activities (C)	75,68,41,547	98,07,76,731
D Net increase/(decrease) in cash and cash equivalents (A + B + C)	43,18,60,396	6,08,54,261



Svasti Microfinance Private Limited
Cash Flow statement for the year ended March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

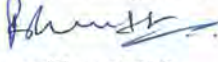
Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
Cash & Cash Equivalents at the beginning of the year	35,40,66,960	29,32,12,699
Cash & Cash Equivalents at the end of the year	78,59,27,356	35,40,66,960
Breakup of Cash and Cash Equivalents:		
Cash in hand	32,12,948	67,12,804
Bank Balances - In Current Accounts	78,27,14,408	34,73,54,156
	78,59,27,356	35,40,66,960

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

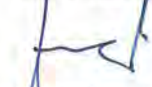
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W / E300004



per **Bharath N S**
Partner
Membership No: 210934



Place: Chennai
Date : August 24, 2021

**For and on behalf of the Board of Directors of
Svasti Microfinance Private Limited**



B Arunkumar
Whole-time Director
& CEO


B Narayanan
Whole-time Director
& CFO

DIN: 01890656
Place: Mumbai
Date : August 24, 2021

DIN: 01216715
Place: Chennai
Date : August 24, 2021

Varsha Waghela
Company Secretary


Membership No: A-48689
Place: Mumbai
Date : August 24, 2021



Note 1 Summary of Significant Accounting Policies

A. Background

Svasti Microfinance Private Limited ("the Company") is a non-deposit taking Non-Banking finance company having Certificate of Registration number B-07-00625 issued on 18-Aug-2010 by Reserve Bank of India (RBI). The company has been reclassified from NBFC to NBFC-MFI effective 19-Apr-2017 pursuant to the application made for the same with RBI. The Company is having its registered office at 6, First Floor, First Street, Tiger Varadachari Road, Kalakshetra Colony, Besant Nagar, Chennai – 600 090.

The Company's main object is to carry on the business of microfinance, provide finance to the weaker section of society, promote and facilitate financial inclusion in the society by making credit/other financial services easily accessible to people or entities in low-income sections of society.

B. Summary of Significant Accounting Policies

i. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India. The Company has prepared these financial statements to comply in material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standard) Amendment Rules, 2006 (as amended from time to time) to the extent applicable to non-banking finance companies read with circulars and guidelines issued by the Reserve Bank of India (RBI) (collectively referred to as Indian GAAP). The financial statements are prepared on accrual basis under the historical cost convention except for derivative financial instruments which have been measured at fair value.

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

The Company follows prudential norms for income recognition, asset classification and provisioning as prescribed by Reserve Bank of India vide Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

ii. Use of estimates

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

iii. Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/ liabilities expected to be realized/ settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current.

iv. Property, Plant and Equipment ("PPE")

PPE held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.



Note 1 Significant Accounting Policies (Contn.)

PPE is recognized when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation, and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

v. **Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

Asset Head	Useful Life
Leasehold Improvement	Over the initial period of the lease or 5 years whichever is appropriate
Computers	5
Furniture and fixtures	10
Office Equipment	5

All fixed assets costing individually up to Rs. 5,000/- is fully depreciated by the Company in the year of its capitalization. Depreciation on additions is charged proportionately from the date of acquisition / installation.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vi. **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years. the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the



Note 1 Significant Accounting Policies (Contn.)

amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Amortization of the intangible assets (comprising of computer software) carried out based on the estimation of useful life of the asset as follows:

- a) Software purchased from outside – Over 3 years
- b) In-house developed software – Over 8 years

vii. Impairment

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

viii. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost however for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



Note 1 Significant Accounting Policies (Contn.)

ix. Loans and provision for Standard Assets and non-performing Assets

Loans are classified into 'Performing and Non Performing' assets in terms of the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India as amended from time to time.

The Company makes provision for standard assets and non-performing assets as per Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets in excess of the prudential norms, as estimated by the management, is categorized under Contingency provision on loan receivables and managed portfolio exposure. Provisions are recorded on restructured portfolio and other stressed portfolios based on relevant RBI guidelines.

x. Classification of Loan Portfolio and provisioning norms

All Loans and Advances are classified as standard, sub-standard, doubtful and loss assets in accordance with the existent Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

A) Joint liability Group ('JLG') loans

Asset Classification	Arrear Period
Standard Assets	Overdue for less than 90 days
Non-Performing Assets	Overdue for 90 days are more

B) Individual Loans

Asset Classification	Arrear Period
Standard Assets	Overdue for less than 90 days
Non-Performing Assets	Overdue for 90 days are more
Substandard Assets	Asset which has been classified as non-performing asset for a period not exceeding 18 months
Doubtful Assets	Asset which has been classified as non-performing asset for a period exceeding 18 months

Loss Assets are

Assets which have been identified as loss asset by the non-banking financial company or its internal or external auditor or by the Reserve Bank of India during the inspection of the non-banking financial company, to the extent it is not written off by the non-banking financial company and assets which are adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

Loans are provided for as per the management estimates, subject to the minimum provision required as per the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

In case of JLG Loan portfolio, as per the current RBI provisioning norms, the aggregate loan provision is maintained higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.



Note 1 Significant Accounting Policies (Contn.)

For Individual Loans - Asset Classification		Provisioning
Standard Assets	Overdue for less than 90 days	0.40%
Non-Performing Assets	Overdue for 90 days are more	
Substandard Assets	Asset which has been classified as non-performing asset for a period not exceeding 18 months	10%
Doubtful Assets	Asset which has been classified as non-performing asset for a period exceeding 18 months	100%

xi. Revenue Recognition

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

Interest income on loans given are recognized under internal rate of return method with reference to the contractual rate of interest and outstanding principal. Income or any other charges on Non-performing assets is recognized only when realized. Any such income recognized before the asset became non-performing and remaining unrealized is reversed.

Revenues from loan documentation received in the nature of processing fees are recognized as income at the time of receipt.

Gains from securitization of portfolio under premium structure are accrued higher of the amortization of the principal value of the portfolio securitized during the year after provision of processing fees and servicing cost and on time proportion basis as per RBI directions.

Income from securitization of portfolio under PAR structure is the excess interest spread, computed as the difference between the interest portion of the cash flows from the underlying pool and the interest on the payout and recognized at the time of receipt.

Income from the commission from managed portfolio, facilitation fee and non-lending business fee is accounted on accrual basis, considering terms of the respective contract.

Interest income on Fixed Deposits with Banks and financial institutions ("FI") is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Profit/loss on sale of investments is recognized at the time of actual sale / redemption.

xii. Employee benefits

a) Short-term Employee Benefits:

Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits (such as medical care) for current employees are estimated and measured on an un-discounted basis. The Policy of the Company does not allow the employees to carry forward the leave for a period more than one year from the end of the financial year in which credited.



Note 1 Significant Accounting Policies (Contn.)

b) Long-term employee benefits

Defined Contribution Plan:

All eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated percentage of the covered employees' salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and Employees Deposit Linked Insurance Scheme at the prescribed rates and are charged to Statement of Profit & Loss at actuals. The Company has no liability for future provident fund benefits other than its annual contribution

Defined Benefit Plan:

The Company provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method. The Company makes annual contribution to separate schemes managed by Life Insurance Corporation of India. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard 15, "Employee Benefits". Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

xiii. **Lease (where Company is the lessee)**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as expense in the statement of profit and loss on a straight-line basis over the lease term.

xiv. **Finance Costs**

The Company borrows from Banks and Financial Institutions for the purpose of on-lending to its microfinance clients. The costs associated with these borrowings are classified as Finance Costs. Finance Costs comprise Interest, Processing Fees, stamp duty and other charges directly related to borrowings. Interest is provided on the loan balance as per the terms and conditions of the loan transaction. Processing Fees, stamp duty and other charges are amortized on straight-line basis over the tenure of the loan.

xv. **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.



Note 1 Significant Accounting Policies (Contn.)

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xvi. Income Taxes & Deferred Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured based using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

xvii. Goods and Services Input Tax Credit

Goods and Services tax input credit is recognized for in the books in the period in which the supply of goods or service received is recognized and when there is no uncertainty in availing/utilizing the credits.

xviii. Foreign Currency transactions

- a) All foreign currency transactions are recorded at the exchange rate prevailing at the date of transaction.
- b) Foreign currency monetary items are reported using the exchange rate prevailing at the close of financial year.
- c) change differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or



Note 1 Significant Accounting Policies (Contn.)

reported in the previous financial statements, are recognized as income or expenses in the year in which they arise

xix. Provisions and Contingent Liabilities

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

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

xx. Cash and Cash Equivalents

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

xxi. Share issue Expense

Expense incurred in relation to issue of shares are being adjusted against securities premium.

xxii. Derivative Instructions and Hedge Accounting - Cash Flow Hedges

The Company uses derivative financial instruments, such as, Cross currency interest rate swaps (CCRS) to hedge foreign currency risk and interest rate risk arising from variable foreign currency loans. The Company designates these CCRS in hedge relationship by applying the hedge accounting principles as set out in *Guidance note on Accounting for Derivative Contracts* issued by ICAI.

These swaps are stated at fair value at each reporting date. Changes in the fair value of these CCRS that are designated and effective as hedges of future cash flows are recognized directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognized immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognized in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.



2 Share Capital

	As at March 31, 2021	As at March 31, 2020
Authorized Share Capital		
48,10,934 (Previous year: 44,89,585) Equity Shares of Rs.10/- each	4,81,09,340	4,48,95,850
732,263 (Previous year: 7,40,415) 0.01% Preference Shares of Rs.10/- each	73,22,630	74,04,150
686,803 (Previous year: NIL) 12% Preference Shares of Rs.10/- each	68,68,030	-
Total	6,23,00,000	5,23,00,000

On 18th October, 2020, the Company has increased its Authorised Share Capital of Rs.5,23,00,000/- (Rupees Five Crore Twenty Three Lakhs Only) divided into 44,89,585 (Forty Four Lakhs Eighty Nine Thousand Five Hundred and Eighty Five Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 7,40,415 (Seven Lakhs Forty Thousand Four Hundred and Fifteen Only) Preference Shares of Rs. 10/- (Rupees Ten Only) each to Authorised Share Capital of Rs.6,23,00,000/- (Rupees Six Crore Twenty Three Lakhs Only) divided into 48,10,934 (Forty Eight Lakhs Ten Thousand Nine Hundred and Thirty Four Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 14,19,066 (Fourteen Lakhs Nineteen Thousand and Sixty Six Only) Preference Shares of Rs. 10/- (Rupees Ten Only) each pursuant to a resolution passed by members.

Issued, Subscribed and Fully Paid up Shares

Equity Shares	3,13,85,420	3,13,85,420
31,38,542 (Previous year: 31,38,542) Equity Shares of Rs.10/- each with voting rights		
Preference Shares		
732,263 (Previous year: 732,263) 0.01% Compulsorily Convertible Preference Shares of Rs.10/- each	73,22,630	73,22,630
686,803 (Previous year: NIL) 12% Compulsorily Convertible Preference Shares of Rs.10/- each	68,68,030	-
	4,55,76,080	3,87,08,050

2.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount (in INR)	No of shares	Amount (in INR)
Equity Shares				
No. of shares at the beginning of the year	31,38,542	3,13,85,420	24,94,455	2,49,44,550
Shares allotted during the year	-	-	6,44,087	64,40,870
No. of shares at the end of the year	31,38,542	3,13,85,420	31,38,542	3,13,85,420
0.01% Compulsorily Convertible Cumulative preference shares				
No. of shares at the beginning of the year	7,32,263	73,22,630	4,87,462	48,74,620
Shares allotted during the year	-	-	2,44,801	24,48,010
No. of shares at the end of the year	7,32,263	73,22,630	7,32,263	73,22,630
12% Compulsorily Convertible Cumulative preference shares				
No. of shares at the beginning of the year	-	-	-	-
Shares allotted during the year	6,86,803	68,68,030	-	-
No. of shares at the end of the year	6,86,803	68,68,030	-	-

2.2 Terms / rights attached to equity shares

Equity shares have a face value of Rs. 10 per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.3 Terms / rights attached to compulsorily convertible preference shares

0.01% Compulsorily Convertible Preference Shares

The Company had in the earlier years issued 7,32,263 compulsorily convertible cumulative preference shares of face value Rs.10/- each allotted on a private placement basis. Key terms/rights of the instrument: (a) Prior and in preference to any dividend or distribution payable upon shares of any other class or series in the same fiscal year (b) the payment of dividend on cumulative basis (c) Voting rights as are exercisable by persons holding Equity Shares in the Company and shall be treated pari passu with the Equity Shares on all voting matters (d) Preference Shares are Compulsorily Convertible Shares in the ratio of 1:1 (e) Shareholders have right to convert the Preference Shares in to equity shares either (i) prior to listing of the Equity Shares of the Company at the option of Shareholder; or (ii) upon expiry of 19 years and 11 months from the date of issuance of the CCPS or at any time as mandated by applicable law, or (iii) at the option of Shareholder at any time prior to the expiry of the aforesaid period of 19 years and 11 months.

12% Compulsorily Convertible Preference Shares

During the financial year 2020-21, the Company had issued 6,86,803 12% compulsorily convertible cumulative preference shares of face value Rs 10/- each allotted on a private placement basis. Key terms/rights of the instrument: (a) Prior and in preference to any dividend or distribution payable upon shares of any other class or series in the same fiscal year (b) the payment of dividend on cumulative basis (c) Preference Shares are Compulsorily Convertible Shares in the ratio of 1:1 (d) Voting rights as are exercisable by persons holding Equity Shares in the Company and shall be treated pari passu with the Equity Shares on all voting matters (e) Shareholders have right to convert the Preference Shares in to equity shares either (i) prior to listing of the Equity Shares of the Company at the option of Shareholder; or (ii) upon expiry of 19 years and 11 months from the date of issuance of the CCPS or at any time as mandated by applicable law; or (iii) at the option of Shareholder at any time prior to the expiry of the aforesaid period of 19 years and 11 months.



2.4 Details of equity shares held by each shareholder holding more than 5% shares

Equity Shares of face value Rs. 10/- each

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Rising Sun Holdings Private Limited	5,94,005	18.93%	5,94,005	18.93%
Ahmedali Husain Nalwala	3,90,425	12.44%	3,90,425	12.44%
Andaman Finance and Investment Private Limited	3,72,143	11.86%	3,72,143	11.86%
Nordic Microfinance Initiative Fund III KS	3,61,083	11.50%	3,61,083	11.50%
Svasti MSOP Trust	2,00,000	6.37%	2,00,000	6.37%
P Arunkumar	1,69,040	5.39%	1,69,040	5.39%
B Narayanan	1,69,040	5.39%	1,69,040	5.39%

Preference Shares

0.01% Compulsory Convertible Cumulative preference shares

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Nordic Microfinance Initiative Fund III KS	7,32,263	100.00%	7,32,263	100.00%

12% Compulsory Convertible Cumulative preference shares

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Nordic Microfinance Initiative Fund III KS	3,32,594	48.43%	-	-
Rising Sun Holdings Private Limited	1,66,991	24.31%	-	-
Ahmedali Husain Nalwala	69,298	10.09%	-	-

3 Reserves and Surplus

	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balance as per the last financial statements	86,54,05,519	47,42,94,799
Add: Premium on issue of shares	30,28,80,125	39,11,10,720
Less: Preference share issue expenses	39,15,194	-
Closing Balance (A)	1,16,43,70,448	86,54,05,519
Statutory Reserve*		
Balance as per the last financial statements	2,86,44,495	1,10,99,017
Add: amount transferred from surplus balance in the statement of profit and loss	40,68,098	1,75,45,478
Closing Balance (B)	3,27,12,593	2,86,44,495
Cash Flow Hedge Reserve		
Opening Balance	64,338	-
Changes during the year	(1,46,11,292)	64,338
Closing Balance (C)	(1,45,46,954)	64,338
Surplus/ (deficit) in the statement of profit and loss		
Balance as per the last financial statements	11,01,35,442	3,99,53,532
Profit for the year	2,03,40,489	8,77,27,388
Less: Transferred to Statutory Reserve	(40,68,098)	(1,75,45,478)
Less: 0.01% CCPS dividend	(732)	-
Closing Balance (D)	12,64,07,101	11,01,35,442
Total	1,30,89,43,188	1,00,42,49,794

(*Statutory Reserve represents the Reserve Fund created under Section 45IC of the Reserve Bank of India Act, 1934)

4 Long Term Borrowings

	Non-current portion		Current maturities	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
A Redeemable Non-Convertible Debentures				
Rated, Taxable, Senior, Secured, Non-Convertible Debentures of Rs.10,00,000/- each repayable in monthly instalments (Refer Note A1)	40,99,99,999	39,50,00,000	21,00,00,000	29,00,00,000
Subordinated debt - Unsecured (Refer Note A2)	10,00,00,000	10,00,00,000	-	-
	50,99,99,999	49,50,00,000	21,00,00,000	29,00,00,000
B Term Loans				
Indian rupee loan from Financial Institutions (Refer Note B1)	53,29,19,114	68,77,93,179	1,11,48,57,602	39,70,64,764
Indian rupee loan from Banks (Refer Note B2)	27,79,12,695	30,17,31,530	38,83,86,652	18,22,94,590
External Commercial Borrowings from Financial Institutions (Refer Note B3)	25,71,03,000	24,89,52,000	-	-
	1,06,79,34,809	1,23,84,76,709	1,50,32,44,254	57,93,59,354
Total	1,57,79,34,808	1,73,34,76,709	1,71,32,44,254	86,93,59,354



The above amount includes:

Secured borrowings	1,47,79,34,808	1,63,34,76,709	-	-
Unsecured borrowings	10,00,00,000	10,00,00,000	-	-
Amount disclosed under the head "other current liabilities"	-	-	(1,71,32,44,254)	(86,93,59,354)
Net Amount	1,57,79,34,808	1,73,34,76,709	-	-

Note A1: Terms of Secured Debentures

Interest Rate / Repayment date	No. of Debentures	As at 31 March 2021	
		Face Value	Outstanding
12.29% / 17-Dec-23	225	10,00,000	22,50,00,000
12.50% / 15-Sept-22	65	10,00,000	6,50,00,000
14.60% / 30-Jun-22	120	10,00,000	12,00,00,000
12.92% / 20-Mar-22	210	10,00,000	21,00,00,000

Repayment terms: Bullet repayment on maturity

Interest Rate / Repayment date	No. of Debentures	As at 31 March 2020	
		Face Value	Outstanding
12.50% / 15-Sept-22	65	10,00,000	6,50,00,000
14.60% / 30-Jun-22	120	10,00,000	12,00,00,000
12.92% / 20-Mar-22	210	10,00,000	21,00,00,000
13.40% / 14-Dec-20	290	10,00,000	29,00,00,000

Repayment terms: Bullet repayment on maturity

Note. During the year company has issued 325 debentures (Previous Year: 120 Debentures) of Rs. 10,00,000 each at par under private placement. All the debentures are secured by way of hypothecation of the identified receivables originated out of the borrowed funds on a first & exclusive charge basis. In addition, promoters directors have provided personal guarantees for borrowings having outstanding amount of Rs. 2,00,00,000 as on March 31, 2021

Note A2: Terms of Subordinated debt (unsecured)

Rate of Interest	Instalments	Amount in Rs.	
		Amount due beyond 3 years as at 31st March 2021	Date of Repayment
14% - 15%	1	5,00,00,000	01-Sep-25
14% - 15%	1	5,00,00,000	30-Mar-24
Total		10,00,00,000	

Rate of Interest	Instalments	Amount in Rs.	
		Amount due beyond 3 years as at 31st March 2020	Date of Repayment
14% - 15%	1	5,00,00,000	01-Sep-25
14% - 15%	1	5,00,00,000	30-Mar-24
Total		10,00,00,000	

The Company has not raised any new unsecured term loan in FY 2020-21 and FY 2019-20.

Note B1: Terms of Secured Loans from Financial Institutions

Rate of Interest	Instalments range	Amount due within 1 year	Amount due within 1 to 3 years	Amount in Rs.
				Balance Outstanding as at 31st March 2021
4% to 6%	29	1,81,81,920	2,57,57,440	4,39,39,360
6% to 8%	1	30,50,00,000	-	30,50,00,000
10% to 12%	2 to 11	7,74,40,719	12,00,00,000	19,74,40,719
12% to 14%	1 to 35	24,79,03,964	14,64,85,083	39,43,89,047
14% to 16%	7 to 25	49,13,30,998	24,06,76,591	73,20,07,589
Total		1,13,98,57,602	53,29,19,114	1,67,27,76,716

* Nil instalments due beyond 3 years

Rate of Interest	Instalments range	Amount due within 1 yrs	Amount due within 1 to 3 yrs	Balance
				Outstanding as at 31st March 2020
10% to 12%	8 to 23	6,49,00,100	12,26,32,325	18,75,32,425
12% to 14%	2 to 24	19,10,26,412	29,22,78,632	48,33,05,045
14% to 16%	1 to 24	14,11,38,251	27,28,87,824	41,40,26,076
Total		39,70,64,764	68,77,98,782	1,08,48,63,545

* Nil instalments due beyond 3 years

All the loans are secured by way of hypothecation of the identified receivables originated out of the borrowed funds on a first & exclusive charge basis. In addition, Corporate Guarantee, Personal Guarantee and both has been provided on borrowings with outstanding of Rs. 27,34,56,997, Rs. 81,32,80,369, Rs. 1,08,67,37,366 as at March 31, 2021 respectively.



Note B2: Terms of Secured Loans from Banks				Amount in Rs.	
Rate of Interest	Instalments range	Amount due within 1 year	Amount due within 1 to 3 year	Balance Outstanding as at 31st March 2021	
8% to 10%	36	5,00,00,000	10,00,00,000	15,00,00,000	
10% to 12%	26 to 30	4,91,29,837	7,48,98,971	12,40,28,808	
12% to 14%	4 to 24	27,25,01,280	9,88,24,840	37,13,26,120	
14% to 16%	1 to 15	1,67,55,535	41,88,884	2,09,44,419	
Total		38,83,86,652	27,79,12,695	66,62,99,348	

Rate of Interest	Installment range	Amount due within 1 yrs	Amount due within 1 to 3 yrs	Amount due beyond 3 yrs	Balance Outstanding as at 31st March 2020
10% to 12%	36	1,09,93,665	6,71,06,348	1,58,99,987	10,00,00,000
12% to 14%	6 to 23	16,53,00,925	21,87,25,195	-	38,40,26,120
Total		18,22,94,590	28,58,31,543	1,58,99,987	48,40,26,120

Note: All the loans are secured by way of hypothecation of the identified receivables originated out of the borrowed funds on a first & exclusive charge basis. In addition, Corporate Guarantee, Personal Guarantee and both has been provided on borrowings with outstanding of Rs. Nil, Rs. 20,95,14,428 and Rs. 1,59,69,293 as at March 31, 2021 respectively.

Note B3: External Commercial Borrowings from Financial Institutions				Amount in Rs.	
Rate of Finance Cost		Date of Repayment	As at 31st March 2021	As at 31st March 2020	
12% - 13% (Original contracted rate: 6 months LIBOR + 4.2% spread)		30-Dec-22	25,71,03,000	24,89,52,000	
Total			25,71,03,000	24,89,52,000	

The outstanding amount of ECB is 30,00,000 EURO. The liability is fully hedged by cross currency swap and is marked to market as at the balance sheet date. The closing balance of derivative asset as at 31st March 2021 is Rs. 28,56,046.

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

5 Provisions

	Long-term		Short-term	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax (Net of income tax paid Rs. 2,02,52,547/-, PY NIL)	-	-	1,57,65,600	-
Provision for Gravity (Refer Note 26)	1,56,10,846	1,27,81,819	-	-
Provision against Standard Assets				
(i) Additional provision on loan receivables and managed portfolio exposures	-	1,25,45,088	4,09,76,957	1,80,26,872
(ii) Provision on standard asset - other than JLG	1,98,464	1,69,416	4,99,616	4,54,184
(iii) Provision for restructured assets	-	-	6,20,19,999	-
Provision for Non-Performing Assets	99,40,252	-	2,50,23,691	1,19,58,654
Provision for compensated absences	-	-	36,46,036	26,09,370
Total	2,57,49,562	2,54,96,323	14,79,31,899	3,30,49,080

6 Short Term Borrowings

	As at March 31, 2021	As at March 31, 2020
Term Loan from Financial Institutions (Refer Note B1)	2,50,00,000	-
Total	2,50,00,000	-

7 Trade Payables

	As at March 31, 2021	As at March 31, 2020
- Micro and Small Enterprises (Refer Note 33)	91,266	-
- Other than Micro Enterprises and Small Enterprises	1,00,61,380	1,66,28,556
Total	1,01,52,646	1,66,28,556

8 Other Current Liabilities

	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (Refer Note 4)	1,71,32,44,254	86,93,59,354
Statutory Liabilities	1,10,21,308	1,43,66,231
Employee benefit payable	57,05,068	38,49,894
Managed portfolio collection payable	-	1,99,37,593
Securitisation payable	1,83,26,379	2,91,39,077
Interest accrued but not due on borrowings	2,63,93,223	3,22,00,253
Others	1,18,05,815	1,51,21,985
Total	1,78,64,96,047	98,39,74,387



Svasti Microfinance Private Limited
Cash Flow statement for the year ended March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

Note 9: Property, Plant and Equipment

	Furniture and fixtures	Office equipment	Computer	Vehicles	Leasehold improvements	Total
Cost or valuation						
At 1 April 2019	42,35,517	44,45,978	59,07,435	8,160	61,24,877	2,37,21,967
Additions	35,58,143	21,42,536	28,01,155	-	6,02,710	91,04,544
Disposals	-	-	-	-	-	-
At 31 March 2020	77,93,660	65,88,514	1,17,08,590	8,160	67,27,587	3,28,26,511
Additions	3,20,046	15,70,865	7,83,336	-	1,99,338	28,73,585
Disposals	(1,02,300)	-	-	-	(2,91,648)	(3,93,948)
At 31 March 2021	80,11,406	81,59,379	1,24,91,926	8,160	66,35,277	3,53,06,148
Depreciation						
At 1 April 2019	13,25,666	31,50,588	35,50,010	8,160	39,52,743	1,19,87,167
Charge for the year	14,77,411	20,62,352	11,19,725	-	10,07,164	56,66,652
Disposals	-	-	-	-	-	-
At 31 March 2020	28,03,077	52,12,940	46,69,735	8,160	49,59,907	1,76,53,819
Charge for the year	6,59,067	9,77,426	17,87,105	-	8,31,514	42,55,112
Disposals	(97,185)	-	-	-	(1,30,383)	(2,27,568)
At 31 March 2021	33,64,959	61,90,366	64,56,840	8,160	56,61,038	2,16,81,363
Net Block						
At 31 March 2020	49,90,583	13,75,574	70,38,855	-	17,67,680	1,51,72,692
At 31 March 2021	46,46,447	19,69,013	60,35,086	-	9,74,239	1,36,24,785

Note 10: Intangible Assets

	Computer software	Total
Gross block		
At 1 April 2019	5,92,03,427	5,92,03,427
Additions	42,76,238	42,76,238
At 31 March 2020	6,34,79,665	6,34,79,665
Additions	53,70,788	53,70,788
At 31 March 2021	6,88,50,453	6,88,50,453
Amortization		
At 1 April 2019	2,31,82,692	2,31,82,692
Charge for the year	79,17,717	79,17,717
At 31 March 2020	3,11,00,409	3,11,00,409
Charge for the year	88,23,942	88,23,942
At 31 March 2021	3,99,24,351	3,99,24,351
Net block		
At 31 March 2020	3,23,79,256	3,23,79,256
At 31 March 2021	2,89,26,102	2,89,26,102



11 Loans and Advances

	Long-term		Short-term	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Security Deposits (Unsecured, considered good)	35,29,322	51,81,904	37,53,000	14,51,000
Loans & Advances to Related Parties (Unsecured)				
Considered Good	2,00,00,000	-	-	2,00,00,000
Considered Doubtful	32,81,860	32,81,860	-	-
Less: Provision for Doubtful Advance	(32,81,860)	(32,81,860)	-	-
	2,00,00,000	-	-	2,00,00,000
Other loans and advances				
Advance to Employees				
Considered Good	-	-	31,78,805	33,51,082
Considered Doubtful	-	-	-	4,53,933
Less: Provision for Doubtful Advance	-	-	-	(4,53,933)
	-	-	31,78,805	33,51,082
Others				
Considered Good	-	-	28,11,242	50,34,688
Considered Doubtful	-	-	23,59,703	6,94,269
Less: Provision for Doubtful Advance	-	-	(23,59,703)	(6,94,269)
	-	-	28,11,242	50,34,688
Income Tax paid and TDS (Net of Provision of Rs. 6,28,69,143/-, PY 6,49,24,540)	94,18,722	51,71,338	-	-
Cash Collateral with Financial Institutions	81,55,432	75,00,000	1,77,31,761	2,72,30,107
Advances towards Managed Portfolio collections	-	-	4,73,53,090	-
Advance to Svasti MSOP Trust	60,000	60,000	-	-
Prepaid Expenses	89,49,518	55,43,367	91,98,308	80,25,183
Total	5,01,12,994	2,34,56,609	8,40,26,206	6,50,92,060

12 Receivables Under Financing Activities

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Unsecured and Considered Good	94,08,91,179	1,23,15,44,536	2,36,86,08,951	1,76,67,83,420
Unsecured and Considered Doubtful (Refer Note 31)	1,72,52,751	-	4,34,32,273	2,30,26,718
Total	95,81,43,940	1,23,13,44,536	2,41,20,41,224	1,78,98,10,138

13 Other Assets

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Non-current portion of term deposits with banks*	18,01,26,484	3,43,21,729	-	-
Unamortized processing fee on borrowings	1,25,40,090	1,15,44,944	1,62,29,307	81,13,849
Interest accrued on term deposits	16,90,598	26,37,385	60,43,339	89,55,057
Securitized Receivables - Collateral	-	-	3,93,37,138	4,10,50,313
Insurance Claim receivable				
Considered Good	-	-	3,68,03,746	2,73,72,840
Considered Doubtful	-	-	61,72,055	40,78,004
Less: Provision for claim receivable	-	-	(61,72,055)	(40,78,004)
	-	-	3,68,03,746	2,73,72,840
Commission on Managed Portfolio receivable				
Considered Good	-	-	4,21,07,783	1,22,61,488
Considered Doubtful	-	-	16,87,189	5,25,359
Less: Provision for doubtful receivable	-	-	(16,87,189)	(5,25,359)
	-	-	4,21,07,783	1,22,61,488
GST Input Tax Credit	-	-	21,07,276	63,57,345
Derivative Asset	-	-	28,56,046	93,16,338
Others	-	-	1,61,31,769	2,36,38,112
Total	19,43,57,172	4,85,04,058	16,16,16,404	13,70,65,342

*All term deposits are lien marked



14 **Current Investment (Non-Trade, Unquoted)**

	As at March 31, 2021	As at March 31, 2020
Investment in alternative investment fund (AIF)	6,00,00,000	-
Investment in mutual fund units (MF)	-	15,00,000
Total	6,00,00,000	15,00,000

Market Value Rs. 6,00,07,989.45 (As at 31st Mar 2020: 19,18,650)

AIF/MF	Units	FV
As at 31st March, 2021		
Northern Arc Money Market Alpha Fund	5,99,970	100
As at 31st March, 2020		
iCICI Prudential Mutual Fund	1,50,000	10

15 **Cash and Bank Balances**

	As at March 31, 2021	As at March 31, 2020
Cash and Cash Equivalents		
Cash in Hand	32,12,948	67,12,804
Balances with Banks		
- in Current Accounts	31,49,79,433	34,73,54,156
- in Short Term Deposit Accounts (original maturity of less than 3 months)	46,77,34,975	-
	78,59,27,356	35,40,66,960
Other Balances with Banks		
Term Deposits*	31,83,84,494	15,30,72,925
Less: Term Deposit maturing after one year	(18,01,26,484)	(3,43,21,729)
	13,82,58,010	11,87,51,196
Total	92,41,85,366	47,28,18,156

*All Term Deposits are lien marked



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

16 Revenue from Operations

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on receivables under financing activities	71,25,70,521	51,65,24,025
Commission From Managed Portfolio	7,56,14,031	12,28,89,990
Processing Fees on receivables under financing activities	1,66,12,367	3,17,41,733
Facilitation Fees	3,70,296	73,19,720
Income from securitisation and asset assignment	2,99,841	3,31,89,096
Total	80,54,67,056	71,16,64,564

17 Other Income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit on sale of MF/AIF	73,01,393	56,12,052
Interest on Cash Collateral Deposits for borrowings from FIs and Banks	1,67,97,250	1,19,28,732
Income from Non Lending Services	52,77,343	89,43,741
Others	5,06,436	2,51,025
Total	2,98,82,422	2,67,35,550

18 Employee Benefits Expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	21,67,21,437	19,63,50,439
Employer's Contribution to Provident & Other Funds	1,21,90,196	1,24,45,490
Gratuity (Refer Note 26)	39,56,929	82,75,784
Staff Welfare Expenses	1,11,28,397	1,28,42,007
Total	24,39,96,959	22,99,13,720

19 Finance Cost

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Paid on loan taken from Banks & Financial Institutions	35,59,74,795	25,44,73,965
Amortisation of processing fee on borrowings	1,35,45,941	3,06,08,205
Finance cost on securitisation	74,62,093	34,61,193
Guarantee Fee	17,46,450	20,69,769
Total	37,87,29,279	29,06,13,132

20 Other Expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	1,77,54,233	1,49,73,590
Rates and taxes	91,26,295	36,14,544
Repairs and Maintenance		
Building	-	-
Others	43,59,908	7,31,569
Electricity Charges	16,48,509	23,73,671
Travel and Conveyance	30,68,267	41,07,977
Printing & Stationery	19,92,026	36,09,311
Professional and consultancy charges	1,80,47,483	1,52,08,304
Director Sitting Fees	2,18,000	27,000
Audit Remuneration		
Audit fees	16,50,000	15,60,375
Corporate Social Responsibility Expenses	16,41,500	-
Information technology expenses	73,86,821	27,59,324
Other administrative expenses	63,38,555	27,04,976
Provision for other assets	26,36,340	14,79,409
Write off of other assets	25,80,241	41,29,746
Communication expenses	26,88,137	25,39,840
Total	8,11,36,315	5,98,19,636
Audit fees		
Statutory Audit	13,00,000	10,24,250
Tax audit	75,000	1,03,125
Certification services	2,75,000	4,33,000
Total	16,50,000	15,60,375

21 Provision and write offs on receivables under financing activities and managed portfolio exposures

	For the year ended March 31, 2021	For the year ended March 31, 2020
Provision on standard asset for receivable under financing activity and managed portfolio	1,04,79,476	2,20,23,440
Provision for non-performing assets	2,30,05,289	11,04,663
Provision for restructuring assets	6,20,19,999	-
Total	9,55,04,764	2,51,28,103



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

22 Contingent liabilities

Particulars	Amount in Rs.	
	As on March 31, 2021	As on March 31, 2020
First loss credit enhancement on securitization and direct origination transactions	11,88,12,155	12,26,21,283
First loss guarantee of portfolio originated on behalf of NBFCs / Banks	8,92,87,225	26,47,90,763
In respect of matters relating to income tax	22,40,140	31,71,834
Total	21,03,39,520	39,05,83,880

Based on the assessment made by the management, no provision is required to be made for the above contingent liabilities.

23 Capital commitment (net of advances)

As at 31st March, 2021 Rs. Nil. (31-Mar-2020: Rs. Nil).

24 Segment Reporting

In the opinion of the management, there is only one reportable segment, i.e. microfinance services. Accordingly, no separate disclosure is required to be made under Accounting Standard 17, Segment Reporting.

25 Related Party Disclosures

A. List of Related Parties

Nature of Relationship	Party
Key Management Personnel	P Arunkumar, Whole-time Director and CEO
Key Management Personnel	B Narayanan, Whole-time Director and CFO & CTO
Entities having Significant Influence	Nordic Microfinance Initiative Fund III KS
Entities in which key management personnel are interested	Svasti Foundation
Entities in which key management personnel are interested	Svasti Financial Services Private Limited

B. Directors' Remuneration

Particulars	Amount in Rs.	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Executive Directors		
Arunkumar P	67,50,000	67,50,000
B Narayanan	67,50,000	67,50,000
Non-Executive Directors		
Sitting Fees	2,18,000	27,000

Note: The above remuneration is inclusive of provisions of Bonus of Rs. 16,87,500/- (PY:- Rs.16,87,500/-). However, the above does not include the accrued Gratuity.

C. Transactions

Nature of Transaction	Related Party	Amount in Rs.	
		As At 31-Mar-21	As At 31-Mar-20
Subscription of 12% Compulsory Convertible Cumulative preference shares	Nordic Microfinance Initiative Fund III KS	14,99,99,894	-

C. Balances as at year end

Nature of Balance	Related Party	Amount in Rs.	
		31-Mar-21	31-Mar-20
Receivable	Svasti Foundation*	31,61,759	31,61,759
Receivable	Svasti Financial Services Private Limited*	1,20,101	1,20,101
Receivable/(Payable)	B Narayanan	1,00,00,000	1,00,00,000
Receivable/(Payable)	P Arunkumar	1,00,00,000	1,00,00,000

* The Company is carrying a provision of Rs. 3,281,860 against such balances.



26 Retirement Benefit

Contribution to employees' provident fund and employee's state insurance; Rs.1,14,13,647/- (Previous year: Rs.1,17,63,737/-)

(b) Defined benefit plan - Gratuity:

(1) Description of the Gratuity Plan:

The Company provides for gratuity a defined benefit retirement plan covering eligible employees. Gratuity plan provides for a lump sum payment to employees on retirement, death, incapacitation, termination of employment, of amounts that are based on salaries and tenure of the employees. Gratuity liability is funded with Life Insurance Corporation of India (LIC).

(2) Amount recognized in the Balance Sheet and movements in net liability:

Particulars	Amount in Rs.	
	As At 31-Mar-21	As At 31-Mar-20
Present Value of Funded Obligations	2,45,47,739	2,06,90,567
Fair Value of Plan Assets	89,36,892	79,08,747
Net Liability / (Asset) recognized in the Balance Sheet	1,56,10,847	1,27,81,820

The fair value of the plan assets does not include the Company's own financial instruments

(3) Expenses recognized in the Statement of Profit & Loss

Particulars	Amount in Rs.	
	Year ended 31-Mar-21	Year ended 31-Mar-20
Current Service Cost	42,04,092	24,67,974
Interest on Defined Benefit Obligation	13,19,696	8,89,425
Expected Return on Plan Assets	(5,31,644)	(4,82,796)
Net Actuarial Losses/ (Gains) Recognized in the year	(10,35,215)	54,01,182
Past Service Cost	-	-
Other Charges	-	-
Total	39,56,929	82,75,785

(4) Reconciliation of Benefit Obligation & Plan assets for the Period

Particulars	Amount in Rs.	
	As At 31-Mar-21	As At 31-Mar-20
Opening Defined Benefit Obligation	2,06,90,567	1,20,46,022
Current Service Cost	42,04,092	24,67,974
Interest Cost	13,19,696	8,89,425
Actuarial Losses / (Gain)	(12,06,290)	53,40,668
Benefits Paid	(4,60,326)	(53,522)
Closing Defined Benefit Obligation	2,45,47,739	2,06,90,567

Particulars	Amount in Rs.	
	As At 31-Mar-21	As At 31-Mar-20
Opening Fair Value of Plan Assets	79,08,747	55,62,072
Expected Return on Plan Assets	5,31,644	4,82,796
Actuarial Gain / (Losses)	(1,71,075)	(60,514)
Assets Distributed on Settlements	-	-
Contributions by Employer	11,27,902	19,77,915
Assets Acquired on Acquisition / (Distributed on Divestiture)	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(4,60,326)	(53,522)
Closing Fair Value of Plan Assets	89,36,892	79,08,747



(5) Actuarial Assumptions at the Valuation date

Particulars	31-Mar-21	31-Mar-20
Discount Rate	6.65%	6.45%
Expected Rate of Return on Plan Assets*	6.65%	6.45%
Salary Escalation Rate	10.00%	10.00%

*This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

(6) Descriptions of the Plan Assets

Category of Assets	Amount in Rs.	
	2020-2021	2019-2020
Government of India Securities	0%	0%
Corporate Bonds	0%	0%
Special Deposit Scheme	0%	0%
Insurer Managed Funds	100%	100%
Others	0%	0%
Total	100%	100%

(7) Experience Adjustments

Particulars	Amount in Rs.		
	2020-21	2019-2020	2018-2019
Experience (gain)/loss on obligation	(4,85,624)	27,96,583	10,74,612
Actuarial (gain)/loss on plan assets	(1,71,075)	(60,514)	(57,068)

Particulars	Amount in Rs.	
	2017-2018	2016-2017
Experience (gain)/loss on obligation	8,75,698	6,64,167
Actuarial (gain)/loss on plan assets	(11,025)	(11,627)

The company expects to contribute Rs. 7,37,015/- (Previous year 5,35,379/-) towards the gratuity fund in the next year.

(8) Current/Non current classification

Particulars	Amount in Rs.	
	31-Mar-21	31-Mar-20
Current	-	-
Non current	1,56,10,846	1,27,81,819
Total	1,56,10,846	1,27,81,819

27 Movement in compensated absences

Particulars	Amount in Rs.	
	31-Mar-21	31-Mar-20
Opening Liability	26,09,370	12,72,136
Add: Change / Charge for the period	10,36,666	13,37,234
Less: Payment Made	-	-
Closing Liability	36,46,036	26,09,370
Current/Non current breakup		
Current	36,46,036	26,09,370
Non current	-	-
Total	36,46,036	26,09,370

28 Operating Leases

The Company has taken on operating lease premises for a period ranging from 11 months to 36 months which are non-cancellable for the period as reflected in the agreement. The total lease payments for the current year, in respect of operating leases, included under rent, aggregates to Rs. 1,77,54,733/- (Nil Capitalised) (P.Y. Rs. 1,49,73,590/- Nil capitalised)

The future lease payments in respect of the non cancellable period referred above are as follows:

Particulars	Amount in Rs.	
	As on March 31, 2021	As on March 31, 2020
Not later than one year	35,36,411	45,49,107
Later than one year but not later than five years	18,63,431	42,85,409
Later than 5 years	Nil	Nil



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

29 Earnings per share

	Amount in Rs.	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Net Profit After Tax	2,03,40,489	8,77,27,388
Less: dividend on convertible preference shares	-1,14,05,521	-
Net profit/(less) for calculation of basic EPS	89,34,967	8,77,27,388
Net profit as above	89,34,967	8,77,27,388
Add: dividend on convertible preference shares	1,14,05,521	-
Net profit/(loss) for calculation of diluted EPS	2,03,40,488	8,77,27,388
Weighted average number of equity shares in calculating basic EPS	31,38,542	27,69,559
Effect of dilution:		
Convertible preference shares	9,39,245	5,85,784
Weighted average number of equity shares in calculating diluted EPS	40,77,787	33,55,343
Earnings per share (Face value of Rs. 10 per share)		
- Basic	2.85	31.68
- Diluted	2.85	26.15

30 Deferred Tax

Particulars	Amount in Rs.		
	Deferred Tax Asset / Liability as on 1st April, 2020	Current year credit/ (charge)	Deferred Tax Asset / Liability as on 31st March, 2021
A. Deferred Tax Liability			
Difference between book and tax depreciation	29,05,732	(5,68,855)	23,36,877
Unamortized business expenses	49,47,725	22,92,957	72,40,682
Total (A)	78,53,457	17,24,102	95,77,559
B. Deferred Tax Asset			
Provision for employees benefit-leave encashment	6,56,726	2,60,908	9,17,634
Provision for employees benefit - gratuity, receivables	27,19,127	12,09,811	39,28,938
Provision for receivables	1,08,61,053	2,28,44,856	3,37,05,909
Provision for other loans and advances	28,64,307	22,08,832	50,73,139
Total(B)	1,71,01,213	2,65,24,407	4,36,25,620
Net Deferred Tax (Asset) /Liability (A-B)	(92,47,756)	(2,48,00,305)	(3,40,48,061)
Previous Year	41,12,602	51,35,154	92,47,756

31 Asset Classification & Provisioning:

The Company follows Prudential Norms of the Reserve Bank of India (RBI) with regard to classification in respect of all loans extended to its customers. The loans inclusive of unpaid interest, when the instalment is overdue for a period of three months or more or on which interest amount remained overdue for a period of 90 days or more is treated as Non-performing assets. However, as per RBI instructions, the moratorium granted amidst the lockdown since month of March'20 to August'20 was not considered in computation of NPA.

Classification of Loans and provision made for Standard & doubtful assets as at March 31, 2021:

	Gross Asset As at Mar 31, 2021	Provisions As at Mar 31, 2021	Net loan Outstanding As at Mar 31, 2021
JLG (unsecured)			
Standard asset	3,13,49,80,115	9,97,58,138	3,03,52,21,977
Non-Performing asset	5,26,72,451	3,18,76,526	2,07,95,925
Total	3,18,76,52,566	13,16,34,664	3,05,60,17,902
Individual Loan			
Standard asset	17,45,20,015	39,36,897	17,05,83,118
Non-Performing asset	54,72,406	5,47,241	49,25,165
Doubtful asset	25,40,177	25,40,177	-
Total	18,25,32,598	70,24,315	17,55,08,283



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Classification of Loans and provision made for Standard / doubtful assets as at March 31, 2020:

	Gross Asset As at Mar 31, 2020	Provisions As at Mar 31, 2020	Net loan Outstanding As at Mar 31, 2020
JLG (unsecured)			
Standard asset	2,80,77,38,899	3,05,71,960	2,77,71,66,939
Non-Performing asset	2,00,40,151	1,18,17,750	82,22,401
Total	2,82,77,79,050	4,23,89,710	2,78,53,89,340
Individual Loan			
Standard asset	19,03,89,057	6,23,600	18,97,65,457
Non-Performing asset	10,18,768	1,40,904	8,77,864
Doubtful asset	19,67,799	-	19,67,799
Total	19,33,75,624	7,64,504	19,26,11,120

32 Securitization of Portfolio Receivables

The Company has participated in 1 (Previous Year : 1) transaction during the year involving securitization of portfolio receivables from loans seasoned for at least 3 months. The portfolio was sold to a Special Purpose Vehicle (SPV) created for handling the securitization transaction.

Each transaction entered into by the Company involves a "True Sale", i.e., assigning the pool of receivables to the issuer trust, thereby transferring all rights, title and interest of the Company (as Originator) in the receivables to the trust. The assignment shall be for the whole of future receivables relating to the pool and the trust shall be deemed to be the full and absolute legal and beneficial owner of the total pool.

The exposure of the Company to the assigned receivables subsequent to the True Sale is restricted to the Credit Enhancement provided by the Company to the Trust. Such credit enhancement has been provided by way of cash collateral.

The Company is to act as a servicing agent responsible for collection of all cash flows from the underlying receivables and remittance to the SPV until the underlying is repaid or the clean up call is exercised. The clean up call can be exercised by the company when not more than 10% of the pool principal from the pool remains unpaid.

The difference between the purchase consideration and the pool value after providing for processing fees and servicing cost has been considered as Gain from Securitization maximum of amounts arrived based on principle cash flow collected to total Principal cash flows on time proportion basis. The portion of the gains pertaining to principal cash flow to be recognised in the future has been disclosed in "Gain from Securitization not accrued" under "Other Current Liabilities". Gains from securitization of portfolio under premium structure are accrued higher of the amortization of the principal value of the portfolio securitized during the year after provision of processing fees and servicing cost and on time proportion basis as per RBI directions. In case of PAR type of securitisation transactions (transactions where the purchase consideration received is less than the value of assets securitised. The excess over-collateralised is recorded as an asset the difference between the Pool value and the purchase consideration is accounted as Over collateralisation and is disclosed under "other current assets" or "other non current assets" as per the maturity period.

Disclosure as per RBI Guidelines

Particulars	As at 31st March, 2021	As at 31st March, 2020
No of SPVs sponsored by the NBFC for securitisation transactions	2	2
Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	15,68,97,777	9,85,34,364
Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
-First Loss		
-Others		
b) On-balance sheet exposures		
-First Loss	2,51,30,888	3,27,14,619
-Others		

The summary of all securitization transactions done are as under:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Purchase Consideration during the year	13,09,61,723	15,87,94,126
Principal value of pool securitized during the year	14,55,13,025	17,64,37,918
Gain from securitization recognized during the year	2,99,841	3,31,89,096
Gains from securitization to be recognized in future		
-Current	-	13,17,235
-Non-Current	-	-
Service fee received	-	11,00,000
Processing Fees	-	29,74,192
Finance cost on securitisation	74,62,093	34,61,193
Cash Collateral provided as credit enhancement for the deal entered during the year	1,16,41,042	4,33,21,489



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

C. Direct Origination: The Company continues to originate portfolio on behalf of 3 Financial Institutions (FI) (Previous year 2 Financial Institution).

The Company is responsible for originating and servicing the loans originated on behalf of the FI against which the Company receives consideration.

A summary of the direct origination transactions for the year are as under:

Particulars	Amount in Rs.	
	Year ended March 31, 2021	Year ended March 31, 2020
Portfolio originated during the year	2,36,00,000	1,10,92,00,000
Income from portfolio originated during the year	1,08,257	55,46,000
Income from servicing of managed portfolio for the year	7,55,05,774	11,73,43,990

33 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier		
Principal amount due to micro and small enterprise*	91,267	-
Interest due on above	-	-
Total	91,267	-

*Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, there are no amounts due to MSME as at March 31, 2021 other than those disclosed above.

34 Disclosure on Margin Cap

Disclosure as required under DNBS (PD) CC. No. 300 / 03.10.038/2012-13 dated August 3, 2012. Margin of the Company as on March 31, 2021 is 9.26% (Previous Year: 9.07%).

Particulars	Amount in Rs.	
	March 31, 2021	March 31, 2020
Average interest charged on Loans (a)	22.71%	24.41%
Average interest expense on borrowings (b)	13.70%	15.34%
Net Interest Margin (a-b)	9.01%	9.07%

35 Disclosure on derivative instruments and unhedged foreign currency exposure

Particulars	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
(i) Outstanding Derivatives : (Notional principal amount in EURO: EUR30,00,000)	23,97,00,000	23,97,00,000
For Hedging (Currency & Interest Rate Derivatives):		
(ii) Mark to Market positions- Asset/(Liability)	28,56,046	93,16,338
(iii) Foreign currency exposure not hedged by derivative instrument or otherwise	-	-

36 Earnings in foreign currency for the year ended 31st March, 2021: Nil (Previous year: Nil)

37 Expenditure in foreign currency for the year ended 31st March, 2021: Rs. 1,11,91,760/- (Previous year: Rs.42,03,251/-)

Particulars	March 31, 2021	March 31, 2020
Professional Fees	91,86,593	42,03,251
Software License Fees	20,05,167	-
Total	1,11,91,760	42,03,251

38 For the year ended 31 March 2021 the Company is not required to transfer any amount into the Investor Education & Protection Fund. (Previous year: NIL).

39 There are no pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities other than those disclosed in Note 22.



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

40 The Covid-19 pandemic continues to affect several countries across the world, including India. Consequent lockdowns and varying restrictions imposed by the government across several jurisdictions in which the Company operates, has led to significant disruptions and dislocations for individuals and businesses, impacting the Company's business operations, including lending and collection activities during the years ended March 31, 2021 and March 31, 2020. In accordance with the Reserve Bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company had offered moratorium to its customers based on the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. The impact of COVID-19 pandemic including "second wave", on the Company's operations and financial metrics, including the Company's estimates of impairment of loans will depend on the future developments, which are highly uncertain. Management continues to monitor the evolving situation on an ongoing basis and management has considered events up to the date of these financial statements, to determine the financial implications including in respect of provisioning of assets under financing activities.

As at March 31, 2021, the Company carries provision more than the minimum required as per Income Recognition and asset classification norms and other circulars issued by RBI considering managements best estimate of possible potential losses. Given the dynamic and evolving nature of pandemic, these estimates are subject to uncertainty caused by the ongoing Covid-19 pandemic and related events.

41 The economic fallout on account of COVID-19 pandemic has led to significant financial stress for many borrowers. Considering the above, with the intent to facilitate revival and to mitigate the impact on ultimate borrowers, Reserve Bank of India (RBI) introduced measures under the Resolution Framework for COVID-19. As per the RBI Framework, the Company has established a policy to provide resolution for eligible borrowers having stress on account of COVID-19 in line with the RBI Guidelines.

As advised under the said circular and Company's policy, the eligibility of customers was assessed, so as to understand the extent of financial stress caused due to COVID-19. In addition to assessing the impact of stress, the Resolution framework was discussed with the eligible borrower prior to invocation of Resolution plan. The Resolution Framework offered to ensure that the servicing of the restructured loan is not likely to be impacted.

Type of borrower	No. of accounts where resolution plan has been implemented	Exposure to accounts mentioned at before implementation of the plan	Aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan*
MSME	26,763	62,91,68,781	-	-	6,29,16,878

* During the year on account of collections, provision to the extent of Rs. 8,96,879 has been reversed in accordance with the requirements of the RBI circular.



Svasti Microfinance Private Limited

Notes forming part of Financial Statements for the year ended March 31, 2021

(All amounts are in Indian Rupees, unless otherwise stated)

42 Capital to Risk Assets Ratio (CRAR)

Particulars	As on 31 Mar 2021	As on 31 Mar 2020
CRAR %	33.83%	27.40%
CRAR- Tier I Capital %	32.57%	25.68%
CRAR- Tier II Capital %	1.26%	1.72%
Amount of subordinate debt raised as Tier II Capital	10,00,00,000	10,00,00,000
Amount raised by issue of Perpetual Debt Instruments	-	-

43 Exposure to Real Estate Sector (direct and indirect) are as follows:-

Exposure to Real Estate Sector (direct and indirect) is Rs. Nil. (Previous year:- Rs. Nil/-)

44 Corporate Social Responsibility (CSR)

Pursuant to Section 135 of Companies Act, 2013, the company has incurred expenditure in respect of corporate social responsibility as follows:-

Particulars	Amount in Rs.	
	Year ended March 31, 2021	Year ended March 31, 2020
Gross Amount required to be spent towards CSR u/s 135 (5) of Companies Act, 2013 (A)	12,41,916	4,47,501
Amount spent during the year (B)	-	-
(a) Construction/ acquisition of asset	-	-
(b) Others	4,41,500	-
Excess/(shortfall) (A-B)	(8,00,416)	(4,47,501)

Note:

None of the CSR projects undertaken by the Company has been fall under definition of "On-going Projects".
There is no amount required to be contributed to specified fund u/s 135(6).

45 Disclosure of Customer Complaints

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Number of Complaints pending at the beginning of the year	49	4
Number of Complaints received during the year	392	430
Number of Complaints redressed during the year	237	385
Number of Complaints pending at the end of the year	204	49

46 Details of penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and other regulators on the Company during the financial year ended March 31, 2021 and March 31, 2020.

47 Qualifying Assets

The Company has maintained the qualifying asset percentage of 85.29% (PY: 87.03%) as at March 31, 2021, as specified in the RBI Master Direction - Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Master Direction DNBR.PD.007/03 10.119/2016-17 dated September 1, 2016 and as amended from time to time.	Amount in Rs.	
	As at March 31, 2021	As at March 31, 2020
Total Assets	4,92,77,84,228	3,83,55,32,899
Less : cash and bank balances and money market instruments	-	-
Cash and bank balances	1,10,43,11,350	50,71,39,885
Current investments in AIF/MF	6,00,00,000	15,00,000
Cash Collateral with Financial Institutions	2,58,87,193	3,47,30,107
Net assets* (A)	3,73,75,85,185	3,29,21,62,907
Receivables under financing activities	-	-
Gross portfolio	3,37,01,85,164	3,02,11,54,674
Less : Non-qualifying assets - individual loans (LAP)	18,25,32,598	15,58,99,989
Qualifying assets (B)	3,18,76,52,566	2,86,52,54,685
Qualifying assets / Net assets : (B) / (A)	85.29%	87.03%

*The Company has derived the Net assets by reducing cash in hand, balances with banks, current investments and cash collateral with financial institutions from the total assets for this computation.



Svasti Microfinance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

48 Maturity pattern of assets and liabilities
Maturity pattern of assets and liabilities as on March 31, 2021

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities									
Borrowings	12,57,96,239	12,83,73,731	10,32,88,815	31,84,44,582	1,06,23,40,887	1,52,79,34,808	5,00,00,000	-	3,31,61,79,062
Assets									
Cash and bank balances	31,81,92,381	47,87,10,250	49,87,317	6,25,000	12,16,70,418	-	-	-	92,41,85,366
Investments	6,00,00,000	-	-	-	-	-	-	-	6,00,00,000
Receivables under financing activities	27,48,40,765	22,47,03,323	22,07,47,620	62,35,18,900	1,06,82,30,615	95,22,71,419	58,72,521	-	3,37,01,85,164

Maturity pattern of assets and liabilities as on March 31, 2020

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Liabilities									
Borrowings	8,29,71,737	9,34,69,991	8,24,46,441	24,92,34,672	36,12,36,513	1,63,34,76,709	10,00,00,000	-	2,60,28,36,063
Assets									
Cash and bank balances	35,40,66,960	1,18,90,078	1,09,52,864	1,87,02,500	7,72,05,754	-	-	-	47,28,18,156
Investments	-	-	-	-	15,00,000	-	-	-	15,00,000
Receivables under financing activities	21,39,22,540	21,64,15,638	20,52,73,430	55,17,10,942	60,24,87,588	1,23,13,44,536	-	-	3,02,11,54,674



Svasti Microfinance Private Limited
Notes forming part of Financial Statements for the year ended March 31, 2021
(All amounts are in Indian Rupees, unless otherwise stated)

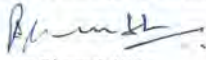
49 Comparatives

Previous year figures have been regrouped / reclassified wherever required to confirm with current year grouping / classification. Prior year comparatives have been audited by predecessor auditor.

These notes are an integral part of the financial statements

As per our report of even date



For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W / E300004


per **Bharath N S**
Partner
Membership No: 210934




Place: Chennai
Date: August 24, 2021

For and on behalf of the Board of Directors of
Svasti Microfinance Private Limited

 
P Arunkumar **B Narayanan**
Whole-time Director Whole-time Director
& CEO & CFO

DIN: 01890656 DIN: 01216715
Place: Mumbai Place: Chennai
Date: August 24, 2021 Date: August 24, 2021

Varsha Waghela
Company Secretary


Membership No A-48689
Place: Mumbai
Date: August 24, 2021

