



## DIRECTORS' REPORT

To  
The Members,

Your directors have pleasure in presenting Annual Report of Capsave Finance Private Limited ["the Company"] on its business and operations along with the audited financial statements for the financial year ended on 31<sup>st</sup> March 2021.

### 1. Financial performance of the company:

The Company's financial performance as on 31<sup>st</sup> March 2021 is summarized as follows:

The results of the year's working are:	For the Year Ended 31 <sup>st</sup> March, 2021 (in Lakhs)	For the Year Ended 31 <sup>st</sup> March, 2020 (in Lakhs)
Total income for the year	12,080.03	8,724.97
Total Expenses	6,977.70	5,096.60
Profit / (Loss) before exceptional items and tax	5,102.33	3,628.37
Exceptional Items	-	-
Profit / (Loss) before tax	5,102.33	3,628.37
Tax Expenses	1,442.33	1,132.08
Profit / (Loss) for the year	3,660.00	2,496.29

### 2. Transfer to Reserves:

During the year, the Company transferred 20% of its profits for the year amounting to INR 732.00 to reserves created as per the norms laid down under Section 45-IC of the Reserve Bank of India Act, 1934. The Company has not transferred any amount to General Reserve for the year under consideration.

### 3. Dividend:

The Directors, in their prudence and considering the growth capital required in the Company, have not recommended any dividend for the year ended 31<sup>st</sup> March, 2021.

### 4. Brief description of the Company's working during the year/State of Company's affair:

The Company has reported total revenue of Rs. 12,080.03/- lakhs net profit after tax was Rs. 3,660.00/- lakhs, the Company has made good progress on all the financial parameters including the profitability due to all efforts put-in by the Directors and management of the Company.

## CAPSAVE FINANCE PRIVATE LIMITED



5. **Change in nature of business, if any:**

During the financial year under review, the Company continued in the same business activities as were in previous year. There was no change in the nature of the business of the Company.

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

No material changes have occurred subsequent to the close of the financial year of the Company to which the financial statements relate and the date of the report.

7. **Share Capital:**

a) **Authorized Share Capital:**

During the financial year ended on 31<sup>st</sup> March 2021, the authorized share capital of the Company was not increased.

b) **Issue of equity shares with differential rights:**

During the financial year ended on 31<sup>st</sup> March 2021, no equity shares with differential voting rights were issued.

c) **Issue of sweat equity shares:**

During the financial year ended on 31<sup>st</sup> March 2021, no sweat equity shares were issued.

d) **Issue of employee stock options:**

During the financial year ended on 31<sup>st</sup> March 2021, no Employee Stock Options were issued.

e) **Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees:**

The Company does not hold any shares in any trust for the benefit of employees.

f) **Issue of Equity Shares:**

During the financial year ended on 31<sup>st</sup> March 2021, paid up Share Capital of the Company was increased from Rs. 9,36,51,180/- divided into 93,65,118 equity shares of Rs 10/- each to Rs. 10,43,80,790/- divided into 1,04,38,079 equity shares of Rs 10/- each by issuing 10,72,61 Equity Shares and the company has issued 10,72,961 equity shares of Rs. 10/- each at a premium of Rs. 233/- on 10<sup>th</sup> March, 2021.

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**CAPSAVE FINANCE PRIVATE LIMITED**

**8. Directors:****a) Changes in Directors and Key Managerial Personnel:**

The Company has following Directors on its Board as at 31<sup>st</sup> March 2021 –

Mr. Jinesh Jain  
Mr. Praveen Chauhan  
Mr. Krishan Verma – Independent Director  
Ms. Sharon Farhaad Dastoor

During the under review, there is no change in directors and key managerial personnel.

**b) Declaration by an Independent Director(s) and re- appointment, if any:**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013.

**c) Formal Annual Evaluation:**

Not applicable on your Company.

**9. Particulars of Employees and Related Information:**

Since the Company is a private limited company, the provisions of Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

**10. Number of meetings of the Board of Directors:**

For the financial year under review, the Board of Directors had Twenty-Three meetings and the gap between two Board Meetings was not more than one hundred and twenty days which were in compliance with the relevant provisions of all the applicable laws and rules.

**11. Particulars of Employees and Remuneration:**

The Company is a Private Limited Company and therefore provisions of Section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company, hence, no information is required to be appended with this report.



## **12. Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they had prepared the annual accounts on a going concern basis; and
- e) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **13. Details of Subsidiary/Joint Ventures/Associate Companies:**

The Company has no subsidiaries and no associate companies within the meaning of Section 2(87) and 2(6) respectively of the Companies Act, 2013 ("Act") as on 31st March, 2021. The Company has not entered into any joint venture during the year.

## **14. Details of Deposits:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## **15. Particulars of loans, guarantees or investments under section 186:**

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013 and Rules thereunder, as applicable. Details on loans, guarantee or investments made during the financial year are mentioned in the notes to the financial statements.

## **16. Particulars of contracts or arrangements with related parties:**

The Company has entered into transactions with related parties in accordance with the provisions of the Companies Act, 2013 and the particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 is appended as



ANNEXURE III of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is duly entered in the register.

**17. Corporate Social Responsibility (CSR):**

The Company has constituted Corporate Social Responsibility (CSR) committee in accordance with the provisions of the Companies Act 2013. The CSR committee was constituted comprising of member of Board of Directors of the Company. The committee presently consist of two Directors and initiative taken by the Company on CSR during the year are in accordance with the Companies (Corporate Social Responsibility) Rules,2014 as given in Annexure - II to the report.

**18. Conservation of energy and technology absorption:**

Information on the subject as required under Section 134 (3) (m) of the Act read with Companies (Accounts) Rules 2014 pertaining to conversation of energy and technology absorption is not applicable to the Company.

**19. Foreign exchange earnings and outgo:**

Foreign exchange earned in terms of actual inflows during the year under review was Nil and the Foreign exchange outgo during the year under review in terms of actual outflows was Nil

**20. Risk management policy:**

The Company is an NBFC registered with the Reserve Bank of India ('RBI'), and has a Risk Management Policy in compliance with the RBI guidelines.

**21. Details of establishment of vigil mechanism for directors and employees:**

As per the Section 177 of the Companies Act, 2013, the Company has borrowed money from bank and public financial institution in excess of fifty crore rupees therefore Company is required to establish vigil mechanism for directors and employees, and the Company has formulated a policy in this regard.

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

No such orders have been passed in relation with your Company impacting the it's going concern status during the year.

**23. Statutory Auditors:**

There were no changes in the statutory auditors during the year. The existing auditors, viz. M/s. PKF Sridhar & Santhanam LLP. Chartered Accountants (Firm Registration No. 003990S/S200018) were appointed as statutory auditors of the Company from the conclusion of the



Annual General Meeting held on 9<sup>th</sup> July, 2018 till the conclusion of Annual General Meeting to be held for financial year 2023-24. They have given their consent and necessary certificate for their eligibility to be appointed as Statutory Auditors' of the Company.

**24. Secretarial Audit Report:**

The Board had appointed M/s. D N Vora & Associates, Practicing Company Secretary firm as Secretarial Auditor of the Company for the Financial Year 2020-2021 in compliance with the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under. Secretarial Audit report in form MR-3, submitted by the Secretarial Auditor for the FY 2020-2021 is enclosed as "Annexure IV" to the Director's Report.

**25. Explanations in Response to Auditors' Qualifications:**

**(i) Statutory Auditor's report**

The Directors confirm that there are no disqualifications, reservations, adverse remarks or disclaimers in the Independent Auditor's report issued by Statutory Auditors for the FY 2020-2021.

**(ii) Secretarial Auditor's Report**

The Directors confirm that there are no disqualifications, reservations, adverse remarks or disclaimers in the Secretarial Audit Report issued by Secretarial Auditors for the FY 2020-2021.

**26. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:**

The Company has adequate internal financial controls in place with reference to the Financial Statements of the Company, commensurate with the size, scale and nature of its operations. The Company is not required to appoint any Internal Auditor under the provisions of the Companies Act, 2013, however, there was an internal audit conducted during the year on the operational activities of the Company and no material adverse comments were made.

**27. Disclosures Pertaining to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to promote a healthy work environment and to provide protection to employees at the workplace and redress complaints of sexual harassment and related matters thereto. The Company has also constituted an Internal Complaints Committee to enquire into complaints of sexual harassment and recommend appropriate action.



The company received one compliant and the same has been disposed off during the year 2020-2021.

**28. Acknowledgements:**

Your Directors take this opportunity to offer their sincere thanks to Bankers & Investors for their unstinted support and assistance received from them during the year. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board of Directors,  
Capsave Finance Private Limited

**Jinesh Jain**  
(DIN: 06807613)  
Director

**Sharon Farhaad Dastoor**  
(DIN: 07072060)  
Director

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**CAPSAVE FINANCE PRIVATE LIMITED**

Registered office: Unit No.501 Wing-D, Lotus Corporate Park, Western Express Highway, Goregaon (East), Mumbai - 400 063  
Ph: +91 22 6173 7600, CIN No: U67120MH1992PTC068062

**ANNEXURE - II****COMPANY CSR POLICY AS PER SUB SECTION 4 OF SECTION 135 OF THE COMPANIES ACT, 2013:****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES****1. Brief Outline of the Company's CSR Policy:**

The Corporate Social responsibility ('CSR') policy of Capsave Finance Private Limited (hereby referred to as Company) has been developed in accordance with Section 135 of the Companies Act 2013 and the Companies Corporate Social Responsibility Rule, 2014 (hereby collectively referred to as the 'Act') notified by the Ministry of Corporate Affairs.

During the year, the Company has chosen Shri Sadguru Seva Sangh Trust as its CSR activity.

**2. The Composition of CSR Committee:**

The Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors (Board) of the Company comprise the Directors of the Board of the Company as indicated below:

Name of the Director	Designation	Position in the Committee
Jinesh Jain	Director	Chairman
Sharon Farhaad Dastoor	Director	Member

**3. Average Net Profit of the Company for the Last Three Years:**

The average net profit for the Company calculated as per Section 198 of the Act and read with the Companies (Corporate Social Responsibility) Rules there of (Average net profit) accrued during the three immediately preceding Financial Year amounts to INR 24,65,46,906 (Indian Rupees Twenty-Four Crore Sixty-Five Lakhs Forty-Six Thousand Nine Hundred and Six Only)

**4. Prescribed CSR Expenditure:**

The prescribed CSR expenditure rate of two percent on the average net profit of INR 24,65,46,906 amounts to INR 49,30,938 (Indian Rupees Forty-Nine Lakhs Thirty Thousand Nine Hundred and Thirty-Eight Only).

**5. Details of CSR Spend for the Financial Year:**

- i. Total amount spent for the financial year 2020-21: INR 65,76,071 (Indian Rupees Sixty-Five Lakhs Seventy-Six Thousand and Seventy-One Only)
- ii. Amount unspent: Nil
- iii. Manner in which the amount spend during the financial year is detailed below:

CSR Project or Activity Identified	Sector in Which the Project is covered	Amount outlay (budget) project or wise (In INR)	Amount spends on the projects programs (In INR)	Cumulative expenditure up to the reporting period (In INR)	Amount spent: Direct or through implementing agency
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**CAPSAVE FINANCE PRIVATE LIMITED**





Procurement of C.T Scan Equipment	Public Health	65,00,000	65,00,000	65,00,000	Direct
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**6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

The Company has successfully met its prescribed CSR expenditure for the financial year 2020-21.

**7. The Implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:**

The implementation and monitoring of the CSR policy is in compliance with the CSR objectives and policy laid down by the Board.

**ANNEXURE III****Form No. AOC-2****As on the financial year ended on 31<sup>st</sup> March, 2021**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

**1. Details of material contracts or arrangement or transactions not at arm's length basis:**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date (s) of approval by the Board	Amount paid as advances	Date on which special resolution was passed in General meeting
-	-	-	-	-	-	-	-	-

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any
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**CAPSAVE FINANCE PRIVATE LIMITED**



For and on behalf of the Board of Directors,  
Capsave Finance Private Limited

**Jinesh Jain**  
(DIN: 06807613)  
Director

**Sharon Dastoor**  
(DIN: 07072060)  
Director