July 15, 2024

To,
The Manager,
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

Symbol: SATIN

The Manager
BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: 539404

Sub: Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Integrated Annual Report for the Financial Year 2023-24 including Notice of the 34th Annual General Meeting of the Company

Dear Sir/Madam,

With reference to earlier intimation dated June 24, 2024, wherein the Company had informed that the 34th Annual General Meeting ("**AGM**") of the Members of the Company will be held on Friday, August 9, 2024 through Video Conference ("**VC**") / Other Audio-Visual Means ("**OAVM**"), in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

The instruction details of (i) registering / updating email addresses, (ii) casting vote through remote e-voting and (iii) attending the AGM through VC / OAVM have been set forth in the Notice of the AGM.

The Integrated Annual Report for the Financial Year 2023-24, including the Notice convening 34th Annual General Meeting, being sent to the Members through electronic mode, is enclosed herewith for your record.

The Company has fixed Friday, August 2, 2024 as the "**Cut-off Date**" for the purpose of determining the Members eligible to vote through remote e-voting on the Resolutions set forth in the Notice of the AGM or to attend the AGM and cast their vote thereat.

The Integrated Annual Report including Notice is also available on the Company's website and can be accessed at https://satincreditcare.com/wp-content/uploads/2024/07/Satin-Creditcare-Network-Limited_Annual-Report-2023-24.pdf

This is for your information and records.

Thanking you.

Yours faithfully,
For Satin Creditcare Network Limited
VIKAS GUPTA
Digitally signed by VIKAS GUPTA
Date: 2024.07.15 11:51:57 +05'30'
(Vikas Gupta)
Company Secretary & Chief Compliance Officer
Encl.: as above

Copy to:

National Securities Depository Ltd.
Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai – 13

Central Depository Services (India) Ltd.
Marathon Futurex, A Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai – 13

Link Intime India Pvt. Ltd.,
Noble Heights, 1st Floor, Plot NH 2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110 058

SATIN CREDITCARE NETWORK LIMITED

Growing with GRIT.

Conquering with CAPABILITY.



Annual Integrated Report

2023-24

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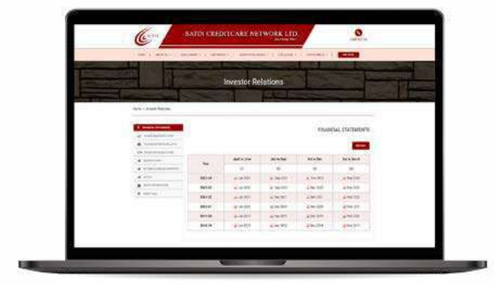
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For more investor-related information, please visit



https://satincreditcare.com/investor-relations-satin-creditcare/

Or Simply Scan

Investor Information

Market Cap	: INR 2,322 Crores
CIN	: L65991DL1990PLC041796
BSE Code	: 539404
NSE Symbol	: SATIN
Bloomberg Code	: SATIN:IN
AGM Date	: August 9, 2024
AGM Mode	: Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

About the Report

Our Annual Report for 2023-24 is our fifth consecutive Integrated Annual Report, created in accordance with the principles of Integrated Reporting. This year, we hope to go deeper into holistically communicating our financial and non-financial ways of value creation over the long term. We have presented a more detailed interplay of facts and disclosures respecting the Integrated Reporting framework along with the GRI standards.

Management Assurance

Our senior management, under the supervision of the Chairman cum Managing Director, provides assurance on the data presented. The Board members have also provided adequate insights related to governance and overall operating context.

Reporting Scope and Boundary

Satin Creditcare Network Limited's (SCNL) Integrated Annual Report for 2023-24 covers information on the Company's business segments, along with our associated activities that enable short, medium and long term value creation.

Disclaimer

This document contains statements about expected future events and financials of Satin Creditcare Network Limited (SCNL), which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Theme Introduction

Growing with Grit. Conquering with Capability.

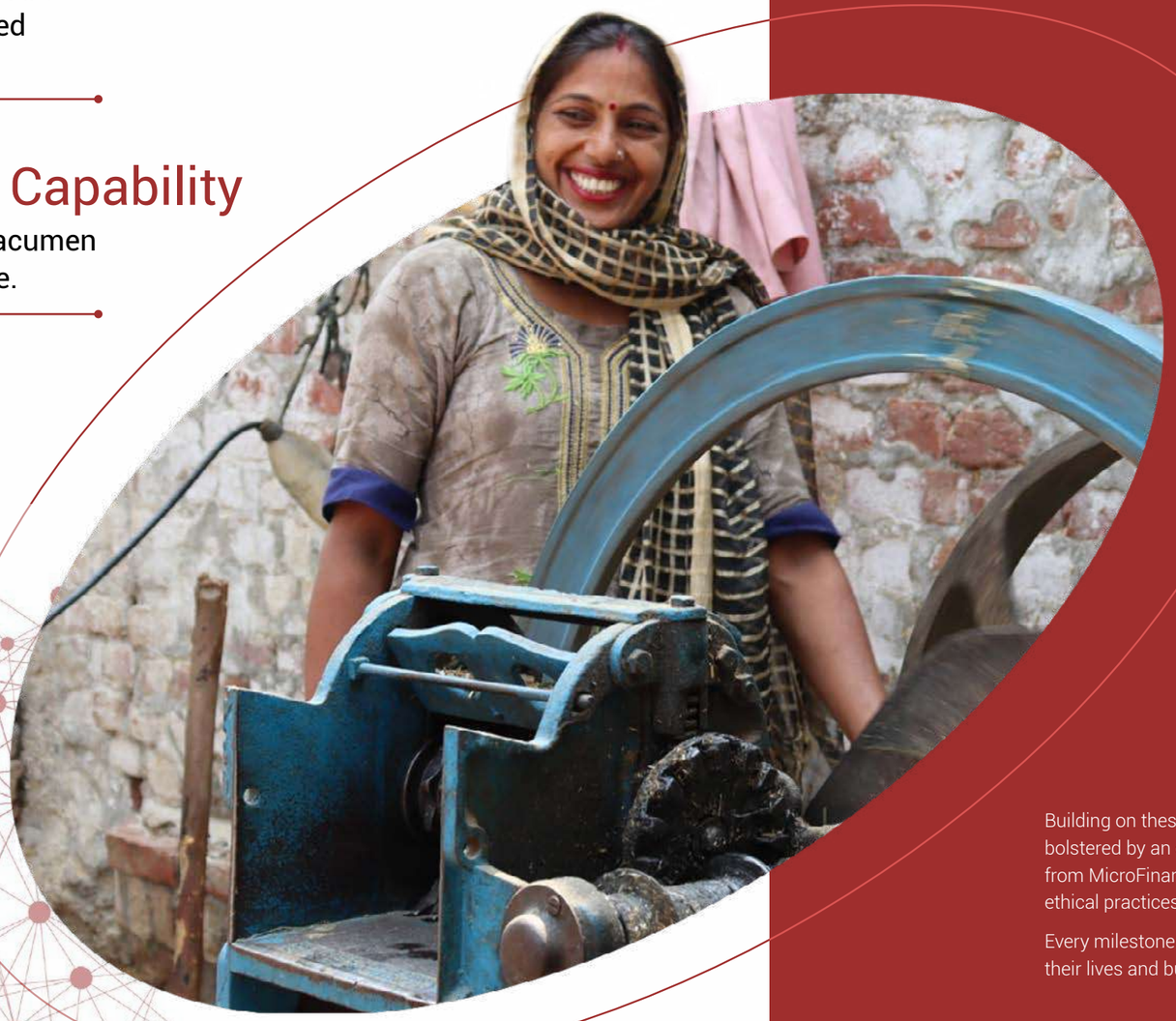
At Satin Creditcare Network Limited (SCNL), our journey spanning more than three-decades embodies resilience and strategic growth. As a premier microfinance institution (MFI), financial inclusion is in our DNA. We deliver comprehensive financial services to those on the fringes of the mainstream economy. Our business model thrives on strategic diversification in products and geographic presence, aiming to be the ultimate one-stop financial services provider in rural India. We offer a variety of financial products, including income-generation loans, water and sanitation loans and product financing to facilitate access to clean energy, better mobility and overall productivity. Our Company through our subsidiaries is also expanding across micro, small & medium enterprizes and affordable housing finance segment. By harnessing cutting-edge technology and robust processes, we ensure operational efficiency and scalability.

Growing with Grit

Reflects our relentless pursuit of empowering underserved communities.

Conquering with Capability

Showcases our strategic acumen and operational excellence.



Growing with Grit, we have navigated numerous challenges, continuously adapting and evolving.

Conquering with Capability, our inclusive approach has resulted in significant impacts, fostering economic development and creating sustainable livelihoods across diverse regions.

Building on these successes, this year, our commitment to expanding our reach and capabilities was bolstered by an equity infusion and strategic partnerships. Recognitions like the Gold-level certification from MicroFinanza Rating and receiving a top ESG rating of 'AA' reaffirm our dedication to excellence and ethical practices.

Every milestone reaffirms our role as a catalyst for positive change, empowering communities to transform their lives and build a better future. We will continue to grow with grit and conquer with capability.

Corporate Snapshot

Growing and Creating Value through Customized Financial Solutions

As the trusted financial provider for millions of households, at Satin Creditcare Network Limited ('SCNL', 'The Company'), we have cemented our status as the leading NBFC-MFI primarily serving rural India. We have relentlessly fortified our position by championing financial inclusion and fostering development in underserved communities.

Our strategy is built on innovation and inclusivity. We offer microfinance solutions specifically designed to uplift underserved women from marginalized groups. Our wide-ranging product portfolio, strategic alliances, and cutting-edge technology enable us to provide financial services that promote sustainable development.

SCNL remains dedicated to its core mission of making a positive difference in the lives of underprivileged communities. Our innovative vision sets us apart, enabling us to empower and transform the lives of over 3 million customers. Through resilience and by encouraging economic growth, we are paving the way for a brighter and more inclusive future for rural India.



Our Key Differentiators

- Diversified Portfolio
- Pan-India Presence
- Strong Underwriting Capability
- Well-Diversified Liability Profile
- Optimal Liquidity and Robust Capitalization
- Superior Asset Quality
- Strong Data Analytics Approach
- Technological Investments
- Positive ALM
- Experienced Management Team
- Robust Risk Management Framework

Performance at a Glance

INR 11,850 Crores
Assets Under Management

26
Number of States and Union Territories

34.7 Lakhs
Number of Active Clients

INR 10,549 Crores
Disbursement

12,896
Number of Employees

INR 2,241 Crores
Revenue

INR 436 Crores
PAT

4.8%
Return on Assets

21.6%
Return on Equity



Our Offerings

Satin Creditcare Network Limited (SCNL)

- Income Generation Loans
- Product Financing

Satin Housing Finance Limited (SHFL)

- Affordable Housing Finance

Satin Finserv Limited (SFL)

- Retail MSME Loans
- Business Correspondence Services

Our Subsidiaries

Through the collective efforts of our subsidiaries, we aim to provide a comprehensive range of financial services to our clients. By leveraging the strength of our microfinance outreach, we endeavor to offer affordable housing and retail MSME loans to clients who have completed more than two loan cycles with the company and have higher credit requirements. This approach aligns with our broader strategy of customer life cycle management. By serving microfinance graduated individuals, we deepen our relationships with existing clients while addressing their evolving financial needs and capabilities.



Satin Housing Finance Ltd.
THE ANSWER IS HOME

SHFL started its operations in 2017 with the aim of providing diverse affordable housing solutions to the low-to-middle income groups. It offers loans with flexible repayment options and affordable interest rates contributing towards achieving the national objective of financial inclusion. SHFL is present across 4 states with 7,456 customers and aims to expand its reach by leveraging the SCNL brand. The Company operates primarily in tier-II cities while also striving to reach tier-III and tier-IV cities.

Satin Housing Finance Limited (SHFL)

INR 756 Crores Assets Under Management	**INR 456 Crores** Disbursement
49.2% CRAR	**1.5%** Return on Assets
INR 9 Crores PAT	**4.9%** Return on Equity

SFL

Founded in 2018, SFL's financial offerings cater to the micro, small and medium-sized enterprizes (MSMEs). It offers working capital and machinery loans and trade finance solutions within the range of INR 1 Lakhs to INR 15 Lakhs to individual and corporate clients. SFL strives to promote entrepreneurship among the society by empowering businesses with flexible and accessible financial support. Moreover, it offers secured small-ticket business loans averaging INR 1.57 Lakhs. Following the successful merger of Taraashna Financial Services Limited (TFSL) with SFL, the subsidiary expanded its operations to encompass business correspondence activities with various banks. Currently, the Company is phasing out the business correspondent book and shifting its focus towards building a retail MSME book for future growth.

Satin Finserv Limited (SFL)

INR 501 Crores Assets Under Management	**INR 402 Crores** Disbursement
48.0% CRAR	**1.3%** Return on Assets
INR 5 Crores PAT	**3.2%** Return on Equity

Milestones

Growing in Capability and Strength Over the Years

1990

Launched our operations as a provider of individual and small business loans and savings services catering to small businesses

1996

Launched our IPO through listing on the Delhi Stock Exchange (DSE), Ludhiana Stock Exchange (LSE), and the Jaipur Stock Exchange (JSE)

1998

Registered as NBFC with the RBI

2008

Started JLG Model

2013

Converted into NBFC-MFI

2015

Listed on the Calcutta Stock Exchange (CSE) on May 19, the NSE on August 26, and the BSE on October 20, following the de-recognition of the DSE, LSE, and JSE earlier in the same year

2016

Acquired Taraashna Financial Services Limited

2017

Incorporated Satin Housing Finance Limited, a wholly owned subsidiary providing financing in the affordable housing segment

2018

Marked our foray into MSME lending by incorporating Satin Finserv Limited

2021

Initiated merger of TFSL and SFL

2023

Surpassed the milestone of INR 10,000 Crores AUM

Completed the merger of two of our wholly owned subsidiaries, Taraashna Financial Services Ltd with Satin Finserv Ltd, with effect from March 1, 2023

2024

Surpassed the milestone of INR 10,000 Crores AUM on a standalone basis

Entered into a co-lending arrangement with Karnataka Bank

Nation-wide footprint

Widening the Ambit of Financial Inclusion

At SCNL, our presence extends across 26 states and union territories in India, reaching the most remote regions and marginalized communities. We are dedicated to serving areas often overlooked and populations typically deemed unreachable. This dedication aligns with our vision to advance financial inclusion and uplift disadvantaged sections of society. Our goal is to empower and create opportunities in every corner we touch.

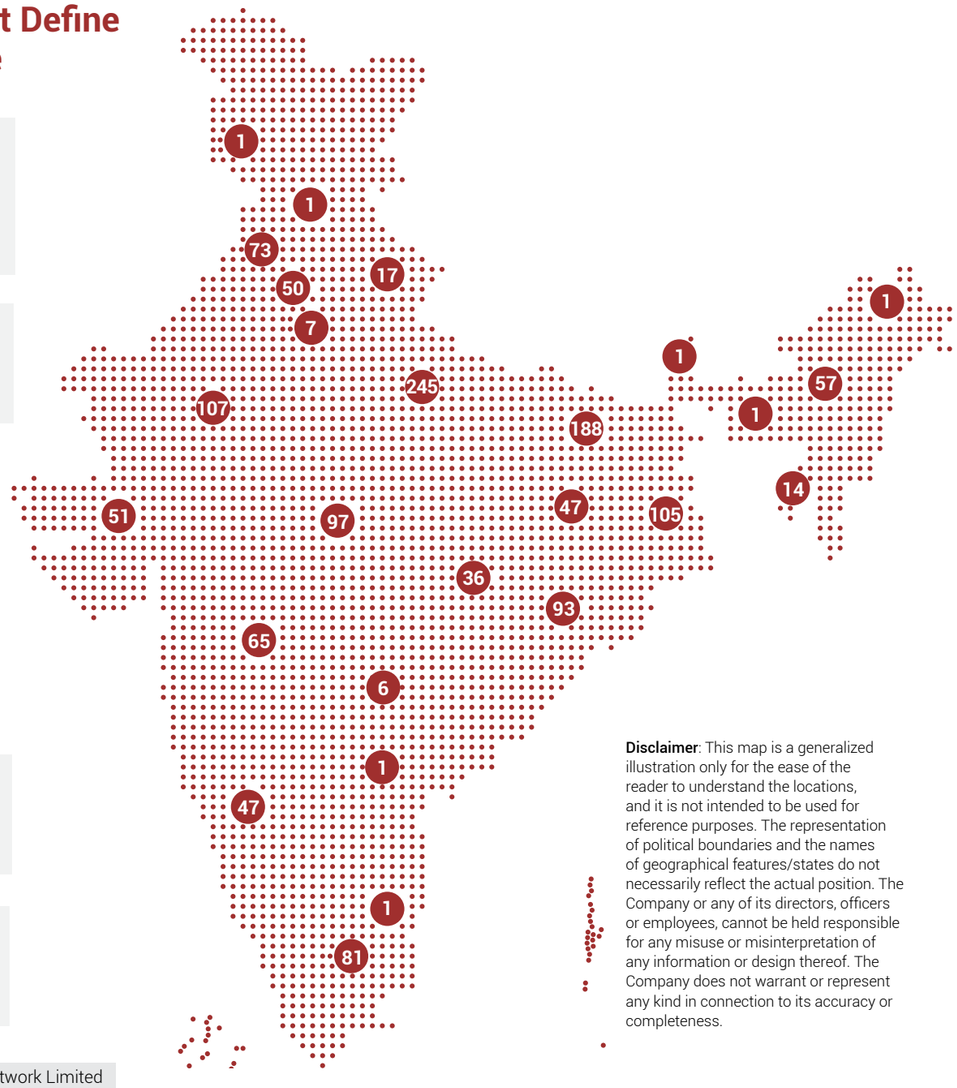
Numbers that Define our Presence

26
States and Union Territories

1,393
Branches

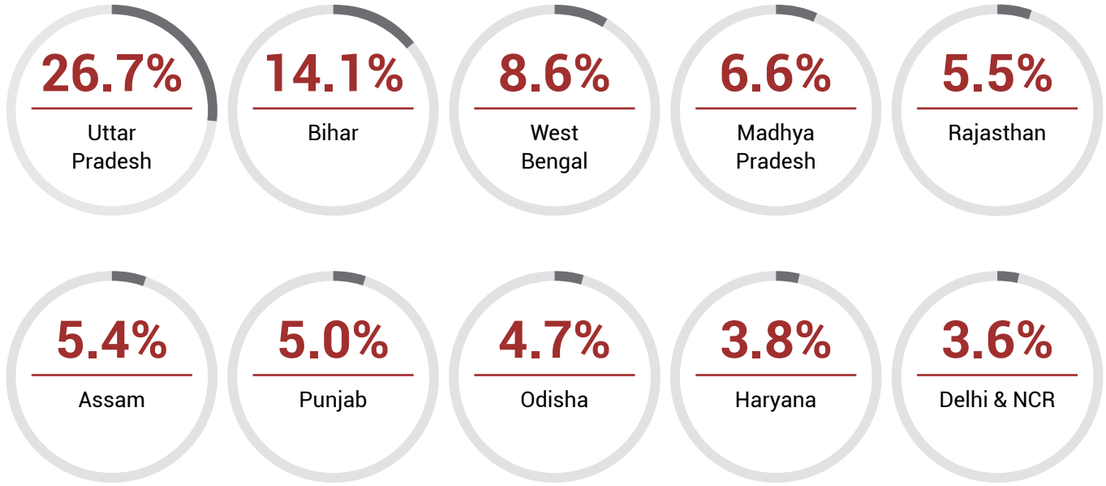
421
Districts

89,000
Villages



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

Our State-wise Presence



Number of States and UTs

Sl. No	State	Number of Branches
1	Uttar Pradesh	245
2	Bihar	188
3	Rajasthan	107
4	West Bengal	105
5	Madhya Pradesh	97
6	Odisha	93
7	Tamil Nadu	81
8	Punjab	73
9	Maharashtra	65
10	Assam	57
11	Gujarat	51
12	Haryana	50
13	Jharkhand	47
14	Karnataka	47
15	Chhattisgarh	36
16	Uttarakhand	17
17	Tripura	14
18	Delhi	7
19	Telangana	6
20	Arunachal Pradesh	1
21	Himachal Pradesh	1
22	Jammu & Kashmir	1
23	Meghalaya	1
24	Puducherry	1
25	Sikkim	1
26	Andhra Pradesh	1
	Total	**1,393**

Management's Message

Chairman cum Managing Director's Communique



> This year's efforts were guided by a simple yet powerful theme: 'Growing with Grit. Conquering with Capability.' Throughout the year, we focused on expanding our services and refining our operations to better serve our clients. Our commitment to improving access to financial services in rural areas has helped us make a real difference in the lives of millions of households.

Dear Shareholders,

I am pleased to present the 5th Integrated Annual Report of our Company. Over the past year, we have reinforced our commitment to excellence and dedication to fostering financial inclusion for women from low-income groups, empowering them to pursue their aspirations. This year has been characterized by more than just business growth; it has been defined by our determination to serve and succeed. We have significantly enhanced the quality of our services and expanded our reach to underserved communities across India, making a meaningful impact on countless lives.

This year's efforts were guided by a simple yet powerful theme: 'Growing with Grit. Conquering with Capability.' Throughout the year, we focused on expanding our services and refining our operations to better serve our clients. Our commitment to improving access to financial services in rural areas has helped us make a real difference in the lives of millions of households, demonstrating our role as a catalyst for positive change.

Macro-Economic Optimism

India witnessed a remarkable GDP growth rate estimated at 7.6% in 2023-24, validating its resilience and potential. However, looking ahead, the outlook is cautious, with GDP growth expected to moderate to 6.8% in 2024-25. This anticipated moderation in growth can be attributed to a range of factors that showcases the country's commitment to balancing robust economic activity with necessary fiscal measures to ensure long-term stability. So far, strategic fiscal consolidations and higher interest rates have been pivotal in stabilizing the broader economic environment. While these measures may temper some immediate economic activities, they are crucial for sustainable growth. Moreover, a disciplined fiscal policy aimed at reducing the fiscal deficit to 5.1% of GDP has strategically positioned India to navigate the complexities of the global economic landscape effectively.

Despite these macro-economic adjustments, India's growth trajectory is favored by various factors that also increase our resilience. Increased consumer purchasing power, buoyed by lower inflation, lays a solid foundation for sustained economic activity. Additionally, strong agricultural outputs and a revival in private capital spending contribute significantly to our economic strength. Further bolstering this growth are government initiatives aimed at boosting rural incomes and enhancing infrastructure spending. These not only stimulate economic development but also foster inclusive growth, ensuring that the benefits of progress reach every corner of our nation. Together, these elements reinforce India's position as the world's fastest-growing major economy.

Microfinance Industry Trends

Microfinance institutions (MFIs) have been instrumental in promoting financial inclusion by extending credit to disadvantaged communities, thereby enhancing these macro-economic strengths.

The sheer size of the market, characterized by financially excluded households, presents significant growth opportunities for MFIs. This year, we witnessed an unprecedented surge in credit demand from rural areas. This can be attributed to factors such as increased internet penetration, rising income levels, increased consumption of FMCG products and evolving lifestyles. Moreover, the optimistic economic forecast, including predictions of an above-normal monsoon, shall bode well for agricultural productivity and disposable income in rural regions. These favorable conditions augur positively for MFIs like us, primarily serving rural communities and catering to the needs of those at the bottom of the economic pyramid. As we continue to expand our presence in this burgeoning market, the potential for growth and impact is immense. This integrates deeply with the broader economic strategies of enhancing India's overall economic vigor.

Acknowledging the dynamism of 2023-24, the microfinance sector has demonstrated formidable growth and resilience. As of March 31, 2024, the Gross Loan Portfolio

(GLP) surged to INR 4,33,697 Crores, marking a robust annual growth rate of 24.5% over the previous year. This significant expansion can be partly attributed to rural India's contribution, which, while constituting 47% of India's GDP, drew only 8% of overall banking credit. This is indicative of a vast market ripe for deeper credit penetration. Amidst regulatory evolutions and economic fluctuations, non-banking financial companies-microfinance institutions (NBFC-MFIs) have adeptly navigated the landscape, continuing to maintain their position as leaders in lending to economically weaker sections. They now hold a market share of 39.4%, outstripping banks and small finance banks (SFBs) which hold 33.2% and 17.1%, respectively, as of March 31, 2024. This shift is indicative of the sector's agility and its critical role in financial inclusion.

Continuing this trajectory, the RBI has introduced several initiatives aimed at strengthening the sector. The adjustment of risk weights on unsecured lending has facilitated a healthier credit distribution. At the same time, strategic regulatory changes have improved asset quality and reduced credit costs across the board. Recent data indicates that disbursements have grown significantly, with NBFC-MFIs achieving faster growth rates than SFBs, highlighting their vital role in the financial ecosystem. The above-mentioned RBI reforms have streamlined the operational frameworks for MFIs, enhancing their capacity to serve the underbanked with greater efficiency and stability. These concerted efforts ensure that the microfinance sector remains an important element of India's economic framework, poised for continued growth and broader societal impact.

Our Performance

During 2023-24, SCNL achieved robust financial and operational milestones, underscoring our commitment to strategic growth and spearheading financial inclusion. Our consolidated Assets Under Management (AUM) escalated impressively to INR 11,850 Crores, marking a substantial 30% year-over-year (y-o-y) growth, driven by strong focus on new client additions and strategic expansion in new and existing geographies. This was further strengthened by our record yearly consolidated disbursement of INR 10,549 Crores, reflecting our deepened market penetration and enhanced service delivery.

The addition of 6.3 Lakhs new customers on a consolidated basis in 2023-24 reflects the growing trust in our services and our expanding reach across India. During the reporting year, we maintained a trend of healthy collection rates, while maintaining a superior asset quality. The on-book GNPA of the company stood at INR 198* Crores, representing 2.5%* of the on-book portfolio. As of March 31, 2024, we had an on-book provision of INR 164* Crores, i.e. 2.1% of our on-book portfolio, exceeding the RBI-mandated provision requirement of INR 148* Crores. Furthermore, the overall provision coverage ratio stood at 83%* as of March 31, 2024, a significant increase from the 64%* recorded in March 31, 2023. Despite facing challenges in our Punjab portfolio, where local issues affected our exposure totalling INR 369 Crores, we managed a commendable collection efficiency of 97% in the region. This not only demonstrates our robust risk management capabilities, but also our ability to maintain operational continuity in the face of adversities.

Our financial prowess was further highlighted by a significant 43% increase in consolidated net interest income, reaching INR 1,340 Crores for 2023-24. This surge was supported by an improved Net Interest Margin (NIM) of 12.8%, highlighting the effectiveness of our financial management strategies. It complements our solid financial performance, as evidenced by the significant leap in Profit After Tax (PAT) on a consolidated basis to INR 436 Crores. The profitability performance is a testament to our operational efficiencies and the effective implementation of strategic initiatives. Our financial foundation remains strong, supported by a well-capitalized balance sheet and a capital adequacy ratio of 27.7%*, ensuring our readiness for future expansions and market challenges.

Our subsidiaries, Satin Housing Finance Limited (SHFL) and Satin Finserv Limited (SFL), played a pivotal role in diversifying our financial services, contributing significantly to our overall success. SHFL's AUM, for instance, grew by 50% y-o-y to INR 756 Crores in 2023-24, whereas SFL's MSME book grew by 45% y-o-y in the same period. This emphasizes our effective cross-sector integration and the synergistic benefits of

> During 2023-24, SCNL achieved robust financial and operational milestones, underscoring our commitment to strategic growth and spearheading financial inclusion.

*On a standalone basis

INR 436 Crores
PAT

21.6%
Return on Equity

> We remain focused on deepening our impact by expanding into new territories and enhancing our presence in the existing ones. We are dedicated to extending our inclusive charter to empower more individuals from low-income groups to pursue their aspirations.

our extended financial offerings in housing and MSME finance. These achievements not only reflect our operational excellence but also highlight our commitment to fostering economic empowerment across varied financial sectors.

Moreover, the upgrade of our long-term credit rating to A (Stable) by ICRA from A- (Stable) reaffirms our strong risk management and sustained financial health. Both of our subsidiaries SHFL and SFL were assigned A- (stable) credit rating from ICRA. This year, we surpassed our financial targets across multiple key performance indicators, setting the stage for leveraging forthcoming opportunities. Our strategic initiatives are geared to sustain growth and enhance stakeholder value, ensuring that we continue to serve as a preferred financial ally for low-income households. This is particularly evident from the healthy proportion of first-cycle customers at 54%*.

Going forward, our focus remains on optimizing operational efficiencies, enhancing customer value, and driving sustainable growth. The solid foundation of our diversified liability profile, continuous access to domestic and international funds, and robust capitalization endeavours underscore our preparedness for future challenges and opportunities. We have raised 15 rounds of capital since 2008, culminating in substantial liquidity. This makes us well-equipped to navigate the complexities of the financial sector while continuing our mission of financial inclusion and socioeconomic upliftment.

*On a standalone basis

Expanding our Footprint

We have expanded our reach into two new states: Andhra Pradesh and Telangana. This is in alignment with our commitment to broaden our inclusive initiatives for individuals from low-income backgrounds. With this expansion, we are now present in 26 states and union territories, strengthening our nationwide footprint. The addition of 107 new branches across 421 districts has increased our branch infrastructure to 1,393, facilitating greater access to financial services for underserved communities.

We remain focused on deepening our impact by expanding into new territories and enhancing our presence in the existing ones. We are dedicated to extending our inclusive charter to empower more individuals from low-income groups to pursue their aspirations. As we continue to grow, our aim is to become the preferred partner for financial inclusion, serving the underserved segments of society across the nation.

Improved Underwriting Capability through Technology

At SCNL, we uphold the highest standards in customer onboarding processes. Adhering to stringent guidelines and protocols is fundamental to ensuring the authenticity of our customers' operations and maintaining transparency. We take pride in our robust internal processes, which have been instrumental in safeguarding against fraud, non-compliance, and other potential issues.

To address the evolving landscape, we have invested in cutting-edge technologies such as iris-based verification, geo-tagging, and e-signatures. These advancements enhance our underwriting capabilities and streamline customer onboarding, improving both security and efficiency. Our commitment to digitization has yielded tangible results over the past two years. For example, we have significantly reduced our reliance on manual processes, decreasing the number of branch manual registers from twenty to just six. This shift has led to increased efficiency and streamlined operations across our organization. With an impressive uptime of 99.6%, we have established a strong

> At SCNL, we have embraced a strategic and holistic approach to learning and development, recognizing that our employees are central to our success. Throughout the past year, we have implemented a range of innovative programs aimed at skill development, employee engagement, diversity, and inclusion.

technological advantage, positioning us for success in today's dynamic business landscape. By combining technological advancement with operational excellence, we are well-equipped to thrive in an ever-evolving digital world, paving the way for lasting growth and success.

People-the Driving Force of our Success

At SCNL, we have embraced a strategic and holistic approach to learning and development, recognizing that our employees are central to our success. Throughout the past year, we have implemented a range of innovative programs aimed at skill development, employee engagement, diversity, and inclusion. For the fifth consecutive year, SCNL has been recognized as a Great Place to Work. This recognition affirms our ongoing efforts to foster a positive and supportive work environment and our dedication to creating an inclusive and rewarding workplace culture.

For the fifth consecutive year, Satin has been recognized as a Great Place to Work

Our talent development initiatives are carefully structured to identify and cultivate high-potential employees, preparing them for future leadership roles within the organization. Additionally, our role change program has been instrumental in optimizing manpower allocation, thus enhancing overall productivity. Moreover, our assessment development program plays a vital role in nurturing internal talent, facilitating their progression to the next level within the organization. This not only fosters a culture of growth and advancement but also ensures that our employees are continuously challenged and motivated to excel.

At SCNL, we deeply value the contributions of our employees and make it a priority to recognize and reward their efforts. Through these comprehensive learning and development initiatives, we aim to empower them to reach their full potential, driving both individual success and organizational growth.

Achievements

As mentioned earlier, this year has been a resounding success for us. We have been honored with numerous accolades recognizing our dedication to robust processes, compliance, innovation, and consistently strong performance. Among these achievements, the Company has been awarded the

'Gold'

for Best API Project at the prestigious 2023 Treasury Management International Awards for Innovation and Excellence.

Received the

Highest 'AA' ESG rating, and a Gold-Level certification

for our commitment to ESG practices and client protection principles

latest standard of ISO 27001:2022 for information security. This is a testament to our efforts in safeguarding data and ensuring the highest standards of security. We have also been awarded the 'Gold' for Best API Project at the prestigious 2023 Treasury Management International Awards for Innovation and Excellence.

Additionally, we are proud to have received the highest 'AA' ESG rating, and a Gold-Level certification for our commitment to client protection principles. We have won the Best Innovative Financial Accessibility model for WASH at the ISC-FICCI sanitation award ceremony. This prestigious award highlights our innovative approach to enhancing financial accessibility in the sanitation sector. All this further solidifies our position as a leader in promoting financial inclusion and sustainable development.

These accolades serve as a testament to the hard work and dedication of our team members, whose unwavering commitment to excellence drives our continued success. We are honored to be recognized for our achievements and remain firm in our pursuit of excellence in all aspects of our operations.

Our Focus on Sustainability

Our sustainability focus shows our dedication to societal well-being. The Clean Energy Program exemplifies our commitment to tailored financial solutions addressing pressing environmental concerns. Moreover, we have been continuously evolving our risk framework, integrating stringent policies, and refining processes to ensure resilience in the face of emerging challenges. The recent addition of Mr Anil Kaul, former MD of Tata Capital Housing Finance and Mr Joydeep Datta Gupta, a former Partner of Deloitte India and Board Member of Deloitte Asia Pacific, to the Board further strengthens our governance structure with more expertise and strategic guidance. Notably, our focus on community development extends to empowering women entrepreneurs, recognizing their pivotal role in driving sustainable economic growth. Through these multifaceted initiatives, we not only demonstrate our dedication to sustainability but also underscore our role as a catalyst for positive change, driving meaningful impact within communities and beyond.

> Our goal is clear: to become the premier one-stop financial services provider, particularly in rural India, marked by our innovative processes and technology.

> Our sustainability focus shows our dedication to societal well-being. The Clean Energy Program exemplifies our commitment to tailored financial solutions addressing pressing environmental concerns. Moreover, we have been continuously evolving our risk framework, integrating stringent policies, and refining processes to ensure resilience in the face of emerging challenges.

Way Forward

To navigate the constantly changing business landscape, we will continue to monitor emerging technologies and aim to adopt them early to gain a first-mover advantage. Our experienced Board and management team are dedicated to further strengthening our risk management structure and processes in the coming years to safeguard against future business uncertainties. Our strategic focus remains on maintaining our Net Interest Margin (NIM) in alignment with the current cost of borrowing.

Our goal is clear: to become the premier one-stop financial services provider, particularly in rural India, marked by our innovative processes and technology. We are committed to emerging as the preferred financial partner for millions of underserved low-income households, empowering them to achieve their financial goals.

Thank you for being an integral part of our success story.

Best Regards,

H P Singh
Chairman cum Managing Director

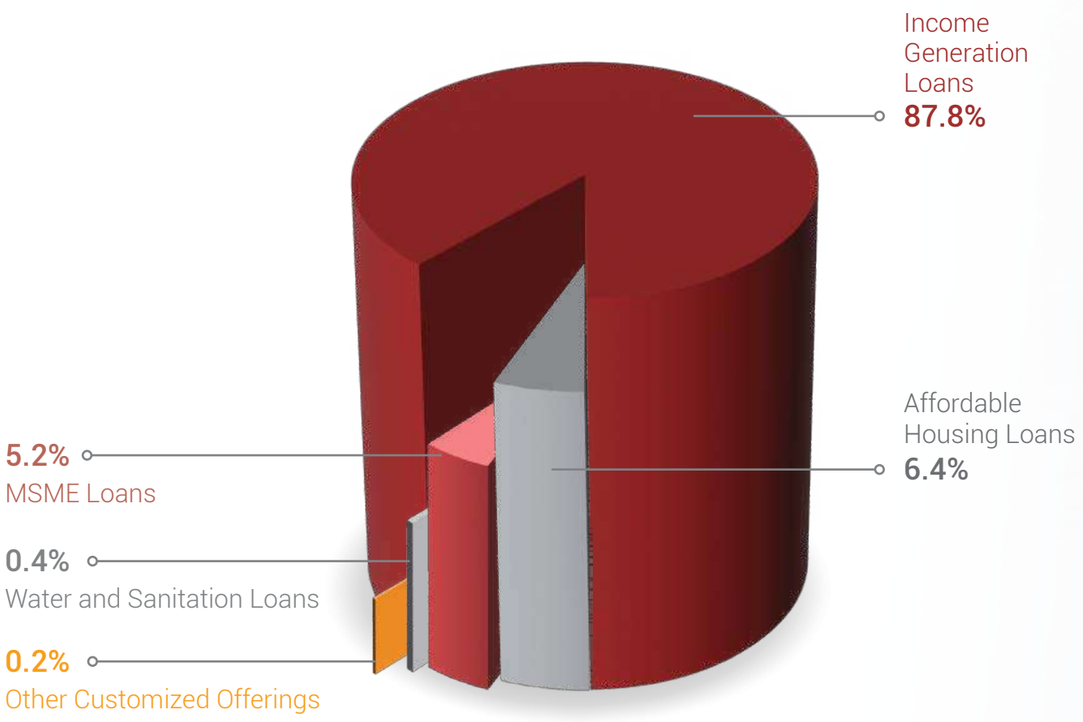
Product Range

Emerging Capabilities as a One-Stop Solution Provider

We offer a diverse range of micro-loans services to our customers through the SCNL group offerings with the aim of providing innovative solutions to meet their evolving needs. Through the Joint Liability Group model, we extend micro-credit loans to economically active women in rural, semi-urban and urban regions, offering financial support on an unsecured basis. This approach addresses the challenges faced by individuals with limited access to conventional financial institutions. It also empowers them with opportunities for economic growth and self-sufficiency.

Assets under Management Mix (%)

(As on March 31, 2024)





Business Segment Analysis

Income Generation Loans (IGL)

At SCNL, our IGL loan segment aims to increase the income-generating potential of the clients engaged in agricultural, transportation, trading, and production-related business operations. These loans help to enhance the quality of life of the underserved population across our presence.

INR 10,000 to INR 80,000
Ticket Size

INR 9,535 Crores
Disbursement in 2023-24



Strategic Pillars

- Positioned to grow the IGL business on account of our robust processes, strong underwriting, and an extensive reach spanning pan India.
- Enhanced customer experience through investments in robust technology infrastructure.
- To serve the underprivileged women in rural areas to make them self-dependent by increasing their income generating potential through our offerings.
- Strong focus on new client additions across geographies.

Demand Catalysts

Unmet Potential Demand

The microfinance sector's loan portfolio in 2023 covers less than a third of the potential demand in the market. It is estimated that there are 20.83 Crores households earning less than INR 3 Lakhs per annum, representing a significant untapped market for IGL.

Demographic Dividend

India's young population, with a median age of 29 years, is driving lifestyle needs and seeking easy credit options to finance consumption expenditures. The increasing adoption of digital technology, especially in rural areas, has led to a tech-savvy consumer base opting for smartphone banking and lending products.

Achievements

- Contributed 87.8% of AUM out of the total AUM of INR 11,850 Crores as on March 31, 2024.
- Capital infusion of INR 338 Crores in 2023-24.
- 34,60,221 IGL loans outstanding across 26 states.



Business Segment Analysis

Water and Sanitation (WASH) Loans

Since 2015, we've broadened our offerings to include WASH loans for our existing clients, empowering them to build safe, household-level potable water and sanitation facilities. Beginning in Bihar, our initiative has flourished, expanding to meet the rising demand in states like West Bengal and Uttar Pradesh, among others.

INR 10,000 to INR 35,000
Ticket Size

INR 103 Crores
Disbursement in 2023-24



Strategic Pillars

- Providing digital and physical training about the product through awareness campaigns using written and audio-visual material.
- Reaching out to customers in underserved areas through robust and widely spread ecosystem with our in-house professional team.
- Various households and schools across rural India lack the access to improved water, sanitation and hygiene which can lead to the spread of preventable diseases. Our WASH loans aim to empower individuals and institutions by providing the necessary resources to enhance water quality, sanitation infrastructure, and hygiene practices.

Achievements

- Mobilized capital of INR 96 Crores with a repayment rate of 99.36%.
- Reached out to 2,41,075 people in need for water and sanitation products.
- Witnessed an increase in the ticket size of loans as we continued to expand the range of available WASH loan products. At present, WASH loan product comprises a combination of water and sanitation loans with a tenure of upto two years and three top-up loans (toilet construction and improvement and water) for a tenure of 1 year.
- Expanded the segmental presence on a pan-India level, catering to every customer who requires a helping hand to build a toilet or water connection or both.
- Awarded for the 'Best Innovative Financial Accessibility Model for WASH' at the 7th ISC-FICCI Sanitation Awards.

Demand Catalysts

Swachh Bharat Mission

The Indian Government launched the world's largest sanitation initiative in 2014. The increased awareness generated through this cleanliness drive is expected to drive the demand for WASH loans in remote areas.

Increased Awareness

The Covid-19 pandemic has increased awareness around sanitation and hygiene nationwide. This is also true for rural areas which has led to demand surge in this business segment.



Other Offerings

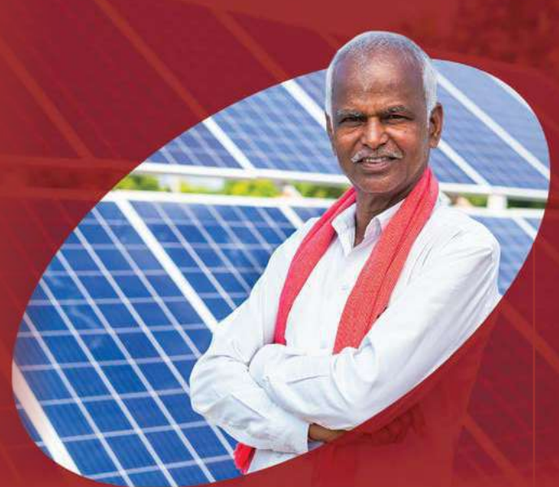
Growing the Business with Our Customized Financial Solutions

We are driven by a mission to uplift the well-being of communities around us. The essence of societal development permeates every facet of our company. At SCNL, we take pride in our major role in community development through our bespoke financial solutions. These tailored offerings include specialized loans for clean energy, transportation, potable water, and various business needs, fostering growth and progress in every area we touch.

21,560

Loans Disbursed in 2023-24





Solar Energy

Our extensive financing solutions are tailored to meet the needs of households in areas lacking reliable electricity. Our comprehensive offerings encompass funding options for extended lighting facilities, such as solar energy products, ensuring access to sustainable energy sources for diverse communities.



Cycles

We provide flexible loan options tailored for the purchase of bicycles. This specialized offering empowers our clients to optimize their daily commutes and become more efficient.



Home Appliances

We offer a diverse range of financing solutions to meet the requirement of home appliances enriching the daily lives of our clients.



Mobile Phones

We offer flexible financing options serving various needs of small businesses and individuals from lower-income households. This ensures increased access to affordable smartphones facilitating seamless communication.

Business Segment Analysis

MSME Loans

The MSME loan segment of the Company is managed by our subsidiary, Satin Finserv Limited (SFL). It offers finance solutions to MSMEs to help meet their working capital needs and facilitate business expansion. These flexible financial solutions are expected to promote sustainable growth within the sector.

INR 1 Lakh to INR 15 Lakhs
Ticket Size

INR 219 Crores
Disbursement in 2023-24



Strategic Pillars

- Addressing the 'Missing middle' in financing for microfinance graduated borrowers.
- Ensuring faster and secured operations through a robust in-house software, enhancing customer satisfaction.
- Focusing on secured retail MSME lending and leveraging on SCNL's strategic presence in rural areas.
- Possessing 17 active lenders including Banks and Impact Funds, among others, ensuring a robust fund sourcing channel.

Achievements

- Increased on-book AUM by 45% y-o-y to reach INR 326 Crores.
- Disbursed loans amounting to INR 219 Crores.
- Portfolio at risk (PAR) 90 < 2.7% for sub-INR 3.5 Lakhs ticket size loans, comprising ~95% of total MSME portfolio.
- Recorded PAT of INR 5 Crores and CRAR stood at 48.0%.

Demand Catalysts

Untapped Potential

The Company aims to leverage the untapped potential of the middle and small ticket size business loans averaging more than INR 2 Lakhs secured against collateral.

Capital Expenditure Outlay

As per the Interim Union Budget 2024-25, the Government announced an INR 11.11 Lakh Crores outlay in capital expenditure. This is expected to drive the growth in the MSME loan segment.

New MSME Registrations

As of September 2023, 2.47 Crores MSMEs had registered, including 59.78 Lakhs informal micro enterprizes. Increased number of MSME registrations are expected to drive customer demand for SFL.



Business Segment Analysis

Housing Loans

Our affordable housing loans business is managed by our subsidiary, Satin Housing Finance Limited (SHFL) with the aim of fulfilling the aspirations of individuals in rural and semi-urban areas. The business focuses on providing accessible and flexible financing solutions, enabling clients to achieve their dream of home ownership.

INR 1 Lakh to INR 7 Lakhs

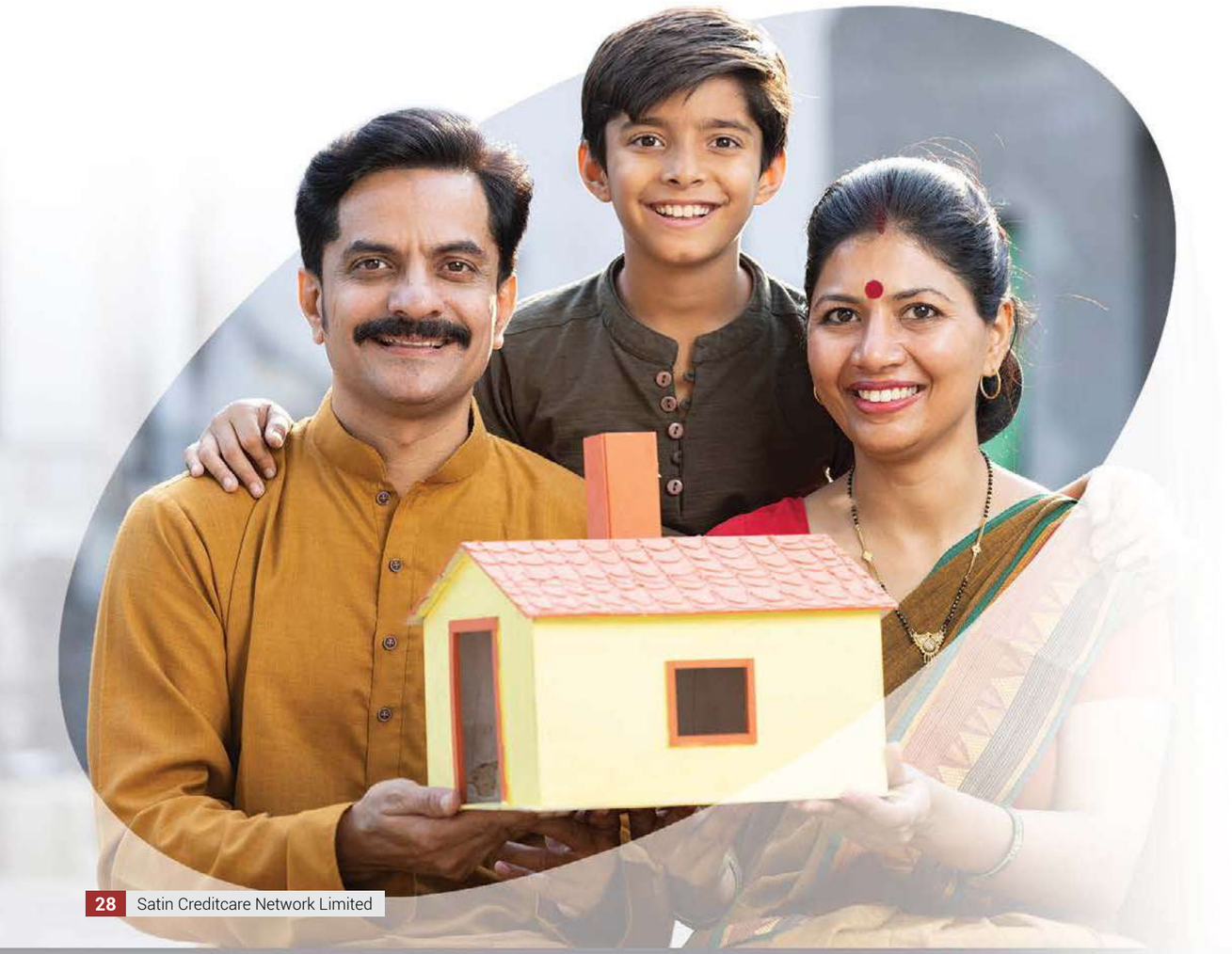
Ticket Size of Micro Home Loan

INR 5 Lakhs to INR 40 Lakhs

Ticket Size of Affordable Home Loan

INR 456 Crores

Disbursement in 2023-24



Strategic Pillars

- Positioned to grow the business on account of our robust processes, strong underwriting, and an extensive reach spanning pan India.
- Strategically tap the high-income clients of SCNL with an opportunity of INR 7,000 Crores AUM, assuming 10% conversion of existing consumer base.
- Capitalize on the opportunity to leverage on SCNL's vast geographic presence.

Achievements

- Generated 4.1% of revenues out of the total revenue of INR 2,241 Crores as on March 31, 2024.
- Zero restructured accounts since inception with no write-off.
- Nil NPA till 4 years of operations and minimum delinquency till date.

Demand Catalysts

Growing Aspirations

The housing loan segment is driven by the growing aspirations for homeownership among rural and semi-urban populations, fueled by the desire for improved living standards and long-term financial security.

Government Initiatives

According to the Interim Union Budget 2024, the government allocated INR 80,671 Crores for the Pradhan Mantri Awas Yojana (PMAY), up 49% from a revised estimate of INR 54,103 Crores in Budget 2023. Housing concessions through this scheme is expected to generate housing demand in rural areas.

Lucrative Schemes for Builders and Developers

Various schemes such as late EMI payment options, construction-linked plans, stamp duty waivers and easy payment structuring are strengthening home loan demand.



Economic Contribution

Contributing to the Nation and Conquering with Capability

Our mission is not only to offer financial services but also bring about economic prosperity across the length and breadth of the nation. Our financial products empower clients to enhance their contributions towards the national growth story. Our inclusive approach towards 'Conquering with Capability' has translated into substantial outcomes, fostering economic development and creating sustainable livelihoods across diverse regions.

(On a Standalone Basis)

Economic Value

We drive economic value by fostering financial inclusion and entrepreneurship among low-income households and small businesses in India. By doing so, we create job opportunities and stimulate local economies, contributing to poverty alleviation and economic growth. Through financial literacy programs and capacity-building initiatives, we empower borrowers to make informed financial decisions, fostering resilience and sustainable development within communities.

Direct Economic Value Generated

INR 1,632.3 Crores
Interest Income

INR 89.5 Crores
Treasury Income

INR 71.6 Crores
Other Operating Income

Direct Economic Value Distributed

To Employees

INR 365.7 Crores
Employee Benefit Expenses

To Depositors and Lenders

INR 832.8 Crores
Interest Expenses

To Government

INR 143.0 Crores
Tax Payment

To Community

INR 1.5 Crores
Social Responsibility Projects

INR 423 Crores
Economic Value Retained

Employment Generation

As a leading NBFC-MFI, our focus on extending micro-credit facilities has empowered potential individuals to realize their entrepreneurial potential and drive economic growth. Our initiatives have also enhanced job creation at the grassroots level. We have emerged as a significant contributor to employment generation across all the 26 states we operate in. We have offered direct employment to 11,363 individuals pan India, majorly to youth from rural areas, strengthening our position as an employer of choice across the sector.

At Satin Creditcare, we believe in nurturing potential and fostering growth. We have not only provided employment opportunities for the less fortunate, but have also guided many towards a fulfilling career path irrespective of their background and educational qualification. Many have risen from Community Service Officers (CSOs) to top positions like Deputy Chief Operating Officer (DYCOO), Zonal Manager and Regional Manager, benefitting from our continuous training, mentorship and growth opportunities. These success stories highlight our commitment to recognizing talent and dedication, and our commitment towards professional development and excellence.



11,363
Total Number of Direct Employment

8,434
Number of Employees Added in 2023-24

23%
Employment Growth Rate

21%
Female Workforce in Head office

89%
Young Workforce under 35 Years

Continuous Innovation

At SCNL, we are respected as the pioneers of innovation in the microfinance sector, on account of our strategic investments in cutting-edge in-house technology stack. By harnessing new age technology, we streamline operations and elevate customer experiences, optimizing processes for scalability and efficiency. We forge strategic partnerships to expand our reach and impact, and engage in social innovation to tackle broader development challenges. Our focus on providing access to formal financial services through advanced application software ensures speed and accuracy in transactions. With a holistic approach to innovation, we push the boundaries of traditional microfinance, driving positive change and fostering inclusive growth in the communities we serve.

Complete in-house technology

~9.6 Crores

Total number of Transactions

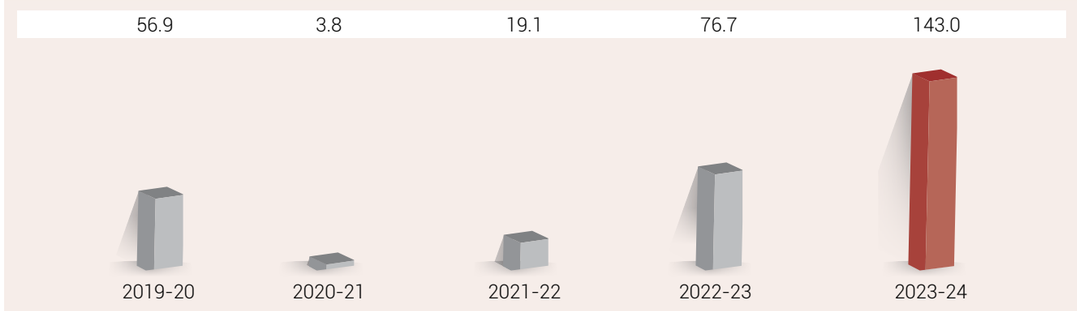
Technologies Driving Business Process



Tax Contributions

We adhere to all tax regulations set forth by the governing bodies, ensuring our tax policies and practices are in full compliance. As a responsible corporate citizen, we diligently follow all applicable tax laws without any deviations. We have received Certificates of Appreciation from the Central Board of Indirect Taxes and Customs in both July 2021 and July 2022 as a recognition towards our prompt tax filing measures.

Taxes Paid to The Government (INR Crores)



Women Empowerment

At SCNL, we believe that women are not just the cog in the wheel but the drivers of sustainable development. Through targeted outreach and customized products, we enable women entrepreneurs to access credit, fostering economic independence and financial inclusion. Additionally, our focus on health and well-being via WASH loans improves sanitation facilities, directly benefiting women and their families. Providing financial literacy, imparting health and hygiene knowledge undertaking a women-centric approach in loan approval processes, and ongoing monitoring and evaluation to track impact are some of our other key metrics that contribute to women's empowerment across income levels and entrepreneurship rates. During the year under review, we also organized health workshops for our female clients and their family members, empowering them with the knowledge and resources necessary for a healthier lifestyle. We also value our female employees and offer a menstrual leave policy known as Satin Ease. This policy ensures that our female staff can take the necessary time off to manage their menstrual health, reflecting our dedication to creating a supportive and inclusive work environment. We also offer allowances to female community service officers for travel purposes.

Loan Disbursement for Women Empowerment

19,50,969

IGL for Women Entrepreneurs in 2023-24

37%

Increased Number of Women employees in 2023-24

52,772

WASH Loans for Women in 2023-24



Rural Development

We are on a mission to uplift the economic well-being of rural communities by providing credit access to promising individuals. By extending loans to these visionaries, we enhance their livelihoods and spark a ripple effect of prosperity that transforms entire communities. As these entrepreneurs utilize the loans to strengthen their ventures, they create avenues for job opportunities, thereby stimulating economic growth at the grassroots level. Through this symbiotic relationship, we enable a sustainable cycle of empowerment, wherein each beneficiary becomes a catalyst for positive change. This way, they not only enrich their own lives but also those of their dependents and the broader community.

25,43,771

Number of Clients in Rural Areas

5,99,868

Additions in the Number of Rural Entrepreneurs Served in 2023-24

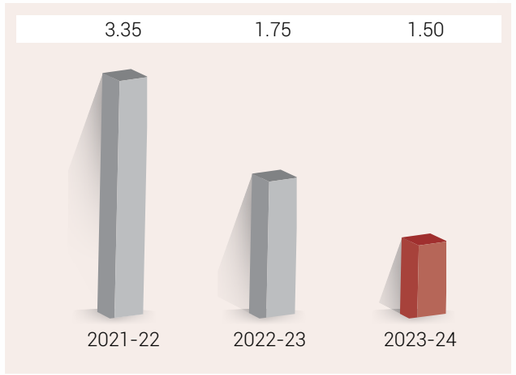


Community Support

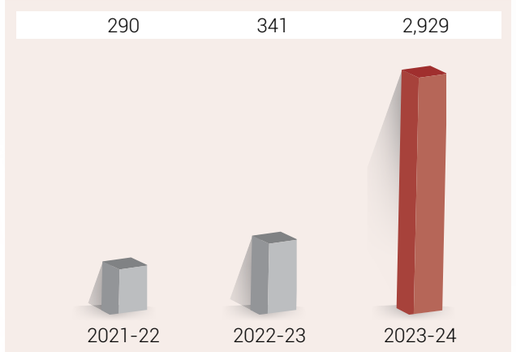
Community development is not just a goal for us. It is a commitment deeply ingrained in our ethos. Our entire range of welfare measures is meticulously designed to prioritize the needs of the economically disadvantaged. This ensures that the benefits permeate through to the most vulnerable sections of society. We invest in social and cultural development programs and actively promote education, training, and social awareness, particularly among the economically backward. This helps us empower individuals to break free from the shackles of poverty and generate sustainable income streams, thereby reducing dependency on traditional employment avenues. Moreover, we recognize the intrinsic link between environmental preservation and community well-being. We also proactively engage in initiatives aimed at protecting the environment and maintaining ecological balance. This ensures that our efforts not only contribute to economic prosperity but also the long-term sustainability and resilience of the communities we serve.

CSR Investments

(INR Crores)



Number of Beneficiaries



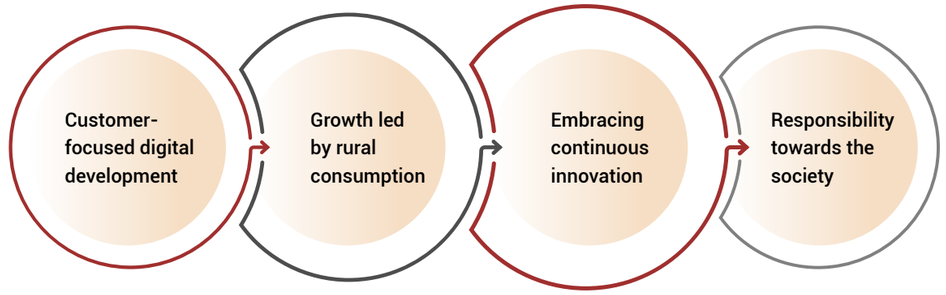


Sectoral Context

Gathering Grit to Deliver Sustained Growth

At SCNL, we are strategically positioned for long-term growth by tapping into emerging sectoral opportunities and adapting to market trends. Our determined efforts to carry out continuous innovation and expand into diverse financial products and services positions us to capitalize on evolving customer needs and industry shifts for sustained growth.

The Mega Trends We Foresee



Customer-focused digital development

There has been a significant growth in the penetration of mobile phones, affordable data and usage of mobile applications in areas such as consumer engagement through digital content by the rural and lower income segments. This has paved the way for developing customer-centric offerings. As customer preferences increasingly shift towards digital channels, leading industry players have seized this opportunity to offer unique value propositions.

SCNL's Responses

- Strengthening digital capabilities in alignment with business needs
- Digitizing the service delivery channels, i.e. complete loan process, disbursement, cashless collections
- Guiding clients through their entire digital journey
- Adopting new-age technologies to onboard clients and increase operational efficiency

Growth led by rural consumption

The microfinance sector is poised to capitalize on the burgeoning consumption narrative within India's rural landscape. With a significant portion of India's population residing in rural areas, there is a vast untapped market for financial services. MFIs equipped with innovative technologies and scalable business models are strategically positioned to penetrate these markets. They offer door step delivery of financial products and services that cater to the specific needs and aspirations of rural consumers.

SCNL's Responses

- Strengthening the field team network through training programs
- Strong underwriting capabilities
- Value-accretive business model and presence across 26 States and Union Territories
- Leveraging the deep understanding of rural markets
- Developing a robust microfinance network
- Developing diversified financial solutions serving the rural audience
- Entered the markets of Andhra Pradesh and Telangana in 2023-24
- Expanding the branch outlets across states

Embracing continuous innovation

In the microfinance sector, technology and AI are driving continuous innovation, streamlining processes, and expanding access to financial services. From automated loan approvals to AI-driven risk assessments, these advancements are enhancing efficiency and helping reach underserved communities. The integration of technology is revolutionizing how MFIs operate, making financial inclusion a reality for millions around the nation.

SCNL's Responses

- Establishing a centralized data analytics unit
- Implementing public cloud-based solutions
- Establishing cutting edge technologies to onboard customers such as IRIS-based verification, geotagging, geofencing and e-signature, among others
- Implementing mobile-based application
- Establishing public cloud-based solution (AWS) improving availability, scalability and toughness

Responsibility towards the society

Businesses are recognizing the importance of going beyond traditional practices and making meaningful contributions to society. They are also acknowledging the pressing need to assess their impact on both society and the environment. This awareness is prompting sincere efforts to address these challenges and make a tangible difference in the world.

SCNL's Responses

- Embedding ESG in our core values
- Implementing people-centric policies
- Promoting women's empowerment, financial education, and healthcare
- Conducting CSR activities to improve the living standards of the downtrodden sections in the society

Business Model

Growing with Grit and a Value-Accretive Business Model

OPTIMIZING OUR SIX CAPITALS

	INPUT KPIs	KEY SDGs INVOLVED	RISKS IMPACTING THE CAPITALS
Financial Capital	**INR 338 Crores** Equity Funding **INR 9,969 Crores** Debt Funding **INR 2,401 Crores** Net Worth	8 DECENT WORK AND ECONOMIC GROWTH	Credit Risk Liquidity and Funding Risk Operational Risk Compliance Risk
Manufactured Capital	**Pan-India Presence** **1,393** Branches **421** Districts **89,000** Villages **26** States and UTs	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Technology Risk Operational Risk Climate Change Risk
Intellectual Capital	**100%** New Customers Onboarded Digitally **100%** Cashless Disbursement **100%** Branches have Paperless Operations	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Credit Risk Liquidity and Funding Risk Technology Risk Operational Risk Compliance Risk Climate Change Risk
Human Capital	**12,896** Total Workforce **28.5 yrs** Average Age of Employees **Performance-linked rewards**	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Operational Risk Climate Change Risk
Social & Relationship Capital	**INR 150 Lakhs** Contribution towards CSR Activities **Partnerships with relevant stakeholders such as investors, lenders and rating agencies**	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	Credit Risk Liquidity and Funding Risk Technology Risk Operational Risk Compliance Risk Climate Change Risk
Natural Capital	**Measures for Efficient** Energy Consumption Water Usage Waste Management Reduction of Paper Waste	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Climate Change Risk

INPUTS

ENABLING CONSTANT VALUE CREATION

Business Model (Continued)

Growing with Grit and a Value-Accretive Business Model

OUTPUTS

Income Generation Loan

INR 10,000-80,000	Upto 12-30 Months	87.8%
Loan Size	Tenure	of AUM

WASH Loan

INR 10,000-35,000	Upto 12-24 Months	0.4%
Loan Size	Tenure	of AUM

Social Impact Financing of Solar Lamps and Bicycles, Among Others

INR 2,000-52,000	6-24 Months	0.2%
Loan Size	Tenure	of AUM

Loans on Housing Finance and MSME through Subsidiaries

INR 1,00,000 –100,000,000	12-120 Months	9.1%
Loan Size	Tenure	of AUM

PRODUCING PURPOSE-LED OUTPUTS

OUTPUT GENERATED

NII	+	Other Income	-	Total Expenses	-	Tax	=	Profit for the Year
INR 1,257 Crores		INR 82 Crores		INR 757 Crores		INR 147 Crores		INR 436 Crores

Business Model (Continued)

Growing with Grit and a Value-Accretive Business Model

Created | Preserved

OUTCOMES

OUTCOMES CREATING LONG-TERM VALUE FOR STAKEHOLDERS

				Customers	Investors	Employees	Communities	Government /Regulatory Bodies	Business Partners/ Suppliers
Financial Capital	**INR 11,850 Crores** AUM	**INR 435.9 Crores** PAT	**INR 732 Crores** Pre-Provisioning Operating Profit		✓	✓			✓
Manufactured Capital	**34 Lakhs +** Total Customer Base			✓		✓			
Intellectual Capital	**IGL Loans: 87.8%** of AUM	**WASH Loans: 0.4%** of AUM		✓		✓			
Human Capital*	**39.7 Hours** Average Training Hours Per Employee	**372** Women Workforce	**8 Years** Average Tenure of Senior Management; **8,434** Employee Additions	✓		✓	✓		
			74 Hours Employee Training Hours						
Social & Relationship Capital	**57%** Loans to First Cycle Borrowers	**35.6 Lakhs** Active Loan Accounts	**2,929** Lives Impacted through CSR			✓	✓	✓	✓
			4,144 Lives Impacted through SPM Activities						
Natural Capital	**225** Scope 1; **3,037** Scope 2; **4,591** Scope 3 — GHG Emissions (in metric tonnes of CO_2 Equivalent)	**1,53,414 Tonnes** Reduced CO_2 Emissions through MEC Program	**10,45,255** Households Empowered with Clean Energy; **1 Kiloliter** Water Recycled per Day at Head Office				✓		

Strategy

Fulfilling Our Strategic Imperatives with Our Capabilities

Strategy	KPIs	2023-24 Performance	Key Capitals Involved	Key Stakeholders Involved
Enhanced Shareholder Value (S1)	• Improved credit rating • Consistent financial performance • Healthy return ratios • Robust process and policies	• RoA: 4.8% • RoE: 21.6% • PAT: INR 436 Crores • Raised INR 1,537 Crores capital since 2008	• Financial	• Investors/ Shareholders • Government/ Regulators
Maintaining a Diversified Portfolio with High Asset Quality (S2)	• Cutting-edge technology with robust policies in place • Strong field team • Comprehensive risk framework • Experienced management team	• On Book GNPA at 2.5% • New Portfolio^ GNPA at 1.5%	• Financial • Human • Intellectual	• Investors/ Shareholders • Customers • Employees • Government/ Regulators
Optimising Branch Network (S3)	• Diversified geographical presence • 107 new branches and 2 states added • 76% of our portfolio is based in rural areas	• Most diversified among peers, with a presence in 26 States & Union Territories • Deep Penetration into the existing states	• Physical • Financial • Social & Relationship	• Customers • Employees • Communities/ NGOs
Responsible Financing (S4)	• Number of clients increased by 22% • Gender empowerment and zero discrimination • Strong adherence to the client protection principles	• Disbursement increased by 30% • Almost 100% women borrowers in MFI Portfolio • 76% of whom are based in rural hinterlands of India • Achieved the highest rating of 'C1' in Code of Conduct Assessment from SMERA	• Social & Relationship • Natural • Human	• Business Partners/ Suppliers • Communities • Investors/ Shareholders • Customers • Employees • Government/ Regulators
Investments in Technology (S5)	• Complete digital journey for loan processing • Adoption of new technologies-like IRIS, and geotagging, among others	• 100% clients onboarded digitally • 100% cashless disbursement • 100% paperless in operational processes • Enhanced operational efficiencies and customer experience	• Intellectual • Social & Relationship • Financial	• Customers • Employees • Business Partners/ Suppliers
Maximising Product Financing Opportunities (S6)	• Diversified product offerings • Growth in customized financing loans • Business generated through cross-selling	• 21,560 loans disbursed under product financing category during the year	• Financial • Social & Relationship • Physical	• Customers • Employees • Business Partners/ Suppliers
Harnessing Enhanced Underwriting Capabilities (S7)	• No loan to overdue customers • Implementing credit bureau & application based scorecards • Identification of early warning signals • Household income assessment	• ~85% increase in center attendance • Portfolio originated July, 2021 onwards has better portfolio quality as compared to the industry.	• Physical • Intellectual • Social & Relationship • Financial	• Customers • Employees

^Portfolio originated July, 2021 onwards

Stakeholder Engagement

Growing and Creating Value through Impactful Collaborations

At SCNL, we are committed to engaging with our stakeholders, valuing their feedback, and integrating it into our operations. Through open discussions, stakeholders can share their perspectives, concerns, and suggestions regarding our products and services. This collaborative approach drives continuous improvement and shapes our strategies, ensuring the Company's growth and success. By nurturing relationships through impactful collaborations, we grow and create value for all our stakeholders.



Stakeholder Group	Stakeholder Priorities	Engagement Modes	Frequency
Customers	• Strengthening brand loyalty and advocacy • Developing mutual long-term collaborative relationships • Facilitating strong brand and differentiated offerings • Enhanced experience	• Center meetings • Digital tools • House visits • Notice board • Interaction at the branches • Surveys and feedback • Community events • Sparsh mechanism for grievance redressal	• Regular • Periodical • Annual • Need-based
Investors	• Keeping transparent disclosures • Ensuring ethical business conduct and comprehensive risk management	• Investor and analyst meetings • Conferences • Periodic meetings • Annual report, press releases or media updates • Earnings calls	• Regular • Quarterly • Annual • Need-based
Employees	• Offering skill and knowledge through rich and diverse exposure • Inspiring leadership • Developing a professional culture built on the fundamentals of honesty, integrity, and ethics • Promoting learning and career growth opportunities	• Internal meetings • Employee engagement initiatives • Cultural events • Training and development workshops • Health initiatives • Performance appraisals • Atoot Bandhan mechanisms for grievances • Rewards and recognition • Employee surveys	• Regular • Periodical • Annual • Need-based
Communities	• Empowering underserved children, youth, and women through education and skill building activities • Improving the quality of life through better healthcare facilities • Adopting safe work practices to protect communities	• CSR initiatives • Focus on health, education, livelihood, and poverty alleviation • Skill development and training workshop • Employee volunteering	• Regular • Program- based
Government/ Regulatory Bodies	• Adhering to compliance with applicable laws and regulations • Facilitating active participation in regulatory working groups	• Meetings, presentation, reports, and networking in different forums organized by regulatory authorities • Mandatory regulatory filings • Periodical submission of business performance • Annual report • Other written communication	• Periodic • Need-based

Materiality Assessment

Undertaking Materiality Assessment for Growing with Capability

We identify various material aspects that could profoundly influence the Company's capability to generate value to achieve both short and long-term goals. This encompasses a wide spectrum of environmental, social, and governance-related elements that impact our operations, stakeholders, and the larger community.

Subsequently, we undertake various growth enhancing strategies and measures to mitigate potential risks while capitalizing on opportunities. This includes robust risk management frameworks, innovative product offerings, employee engagement initiatives, efficient supply chain management practices, community outreach efforts, and sustainable finance solutions.

Methodology



Identify
material issues that affect our performance as well as stakeholders through an assessment of key sectoral trends, risks and opportunities and peer benchmarking

Prioritize
materiality issues through internal stakeholder engagement on two dimensions: their relative importance to stakeholders and their impact on our business performance

Integrate
these issues into our strategy, develop KPIs, and measure performance

Through our ongoing engagement with stakeholders, we have identified numerous significant topics across various stakeholder segments.

Aligning these topics with our business priorities strengthens the integrity and reliability of our strategic decision-making.



Material Topics	Description	Capitals Impacted
Energy Management	Maximizing the efficient utilization of critical resources like power, water, and space is essential for maintaining low operational costs while upholding responsible resource consumption practices. Energy, particularly, serves as the primary input for our operations, powering both our branches and field staff's electronic hardware. At SCNL, we vigilantly monitor our electricity consumption and enforce policies to promote efficient device usage.	Manufactured Capital Natural Capital
Environment Conservation	Environmental conservation is a universal priority for societies and administrations worldwide. At SCNL, we view climate change mitigation as a fundamental commitment for all organizations within the economic system. As India's premier MFI, we are deeply committed to the collective well-being of our customers, who are often financially vulnerable and disproportionately affected by climate change. In addition to optimizing our resource utilization, we have implemented policies to promote green lending and foster ESG-driven business outcomes.	Intellectual Capital Natural Capital Social & Relationship Capital





Material Topics	Description	Capitals Impacted
Innovative Products	Our customers seek credit for various reasons, many of which are often overlooked by traditional financing approaches in the mainstream financial system. At SCNL, we offer targeted financial services, which are a crucial element in forging enduring customer relationships.	Intellectual Capital Social & Relationship Capital Financial Capital
Customer Satisfaction	Customer satisfaction is important for business growth. It signifies our ability to meet and exceed customer expectations, fostering enduring relationships and bolstering brand trust. At SCNL, we serve as the sole lending provider for ~30%* of our customers, while 27% have remained loyal to us for over five years.	Social & Relationship Capital Intellectual Capital Financial Capital
Financial Performance	A robust financial performance empowers a business to strengthen its capabilities and fortify its organizational structure, benefiting its shareholders. This success attracts additional capital, enhancing its reach and portfolio of offerings. At SCNL, our commitment to delivering results and attracting investor interest through equity infusion is driving organizational growth and enabling us to fulfil the evolving aspirations of our target customers.	Intellectual Capital Social & Relationship Capital Financial Capital
Community Development	In microfinance, adhering to the joint liability model validates the significance of community development. It also reinforces brand trust among the target consumer group. Historically, our consumers have exhibited limited awareness around credit history, the necessity and benefits of financing, investment opportunities, and strategies for business growth. However, over the years, we have dedicated ourselves to bridging this knowledge gap and empowering our consumers with essential financial literacy, fostering a community dedicated to its own advancement.	Intellectual Capital Social & Relationship Capital
Employee Engagement	A deeply engaged employee is inherently driven to contribute to business success while upholding the Company's core values. At SCNL, the efficacy of our operations relies significantly on the trust and rapport our employees cultivate with our stakeholders. A highly engaged workforce is indispensable for nurturing enduring relationships with the stakeholders over the long term. To foster this engagement, we have implemented a range of incentives, both financial and non-financial, to inspire our employees to excel.	Intellectual Capital Human Capital Social & Relationship Capital
Training and Development	We have adopted a strategic and thorough approach to learning and development, ensuring that every employee has the chance to maximize their abilities and grow to their fullest potential.	Intellectual Capital Human Capital

*At the time of disbursement



Material Topics	Description	Capitals Impacted
Customer Privacy and Data Security	Data protection and security are essential for building customer trust in how businesses handle their data. Furthermore, it is an important component within organizational data governance structures. At SCNL, we prioritize data governance with utmost seriousness. It permeates through our corporate governance standards, risk management framework, compliance procedures, and policies for engaging with both employees and customers. We are among the first MFIs to achieve ISO certification. During the year under review, we have achieved the latest standard of ISO 27001:2022 certification as a testament to our commitment towards maintaining the highest standards of information security.	Intellectual Capital Social & Relationship Capital Financial Capital
Responsible Lending	We are responsible for providing last-mile credit to people on the outskirts of the mainstream economy. These people lack access to formal finance for a multitude of reasons. At SCNL, we serve them in a manner that is truly supportive, ethical, fair, and transparent, as well as reliable. We strive to enable them to ably support their families and businesses to grow.	Intellectual Capital Financial Capital Social & Relationship Capital
Corporate Governance	Effective corporate governance safeguards the interests and objectives of all key stakeholders within the business, fostering trust in the system's integrity and growth. At SCNL, alongside adhering to corporate governance best practices, we have developed various technology-driven systems that allow for continuous monitoring and assessment of our operations round the clock. Our governance framework, established by our Board and senior leadership, rests upon pillars of fairness, trust, transparency, and integrity. We take pride in our record of zero non-compliance since inception, a testament towards our strong governance commitment.	Intellectual Capital Financial Capital Social & Relationship Capital

Risk Management

Safeguarding Success and Growth through Proactive Management

As a responsible corporate citizen, we maintain a comprehensive and robust risk management framework. We ensure oversight of key functions to mitigate risks originating from both internal and external environments. Our risk-conscious culture penetrates throughout the organization, where each employee is well informed about the various types of risks they may encounter, enabling them to discharge their duties responsibly.

Risk Management Framework

Risk management and compliance play an important role within SCNL's governance structure, overseen by the Board. Our framework operates on the principle of the three lines of defence.

- Diverse Business and Support Functions — 01
- Risk and Compliance Function — 02
- Audit Function — 03

Risk Management Committee

We have a dedicated Risk Management Committee established by the Board which plays a crucial role in formulating, implementing, and monitoring the risk management plan for the Company. The Committee ensures alignment with our strategic objectives and facilitates continuous monitoring and review of risk management initiatives.

Risk Management Team

Our Risk Management Team vigilantly tracks risks arising from the ever-changing financial landscape. It ensures that the overall risk exposure remains within the predetermined thresholds established by the Board. This proactive stance allows us to swiftly identify and address emerging risks, safeguarding the Company's interests. The ALCO Committee routinely oversees fund mismatches, manages daily liquidity for operational needs, and secures funds to meet maturing liabilities. Additionally, the Board-endorsed Audit Committee provides further scrutiny over financial risks and controls.

Our Risk Management Framework includes the following considerations

- Key business strategies that are supported by the direction provided by the Board and senior leadership
- Risk identification, analysis, response, and monitoring led by the senior leadership. This is done through consistent monitoring of the diverse factors that are material to the business. This undergoes continuous overview and Board assessment
- Our risk mitigation strategy continues to evolve over time in response to the identified risks. This is the primary responsibility of the Board, and permeates to the various business functions for action and implementation



Key Risks and their Mitigation Strategies

Type of Risk	Risk Description	Mitigation Strategy
Credit Risk	The Company might face financial risk in the event of borrower default on contractual obligations.	We mitigate this risk through strong technology-supported underwriting mechanisms and established protocols for credit approvals, coupled with vigilant monitoring after disbursal. Risk management guidelines issued by the RBI and SROs continue to act as a guiding factor while formulating and implementing the risk system.
Market Risk	Adverse market changes might affect the daily operations of the business.	We uphold rigorous policies to monitor market movements alongside active stakeholder engagement to stay vigilant on emerging trends. Our priority is to optimize business outcomes and profitability while maintaining strong business fundamentals.
Liquidity Risk	Our inability to maintaining a sufficient liquidity buffer on a continuous basis to fulfil immediate obligations, including debt repayments and committed loan disbursals due to certain reasons	We have put comprehensive Asset Liability Management (ALM) and Liquidity Risk Management policies in place. The Liquidity Risk policy includes a framework for monitoring liquidity positions on a weekly or monthly basis. As a standard practice, the Company is dedicated to maintaining robust liquidity and capital adequacy levels, surpassing the buffer requirement of 30 days set by the RBI. Our guiding principle is to ensure availability of funds for upcoming liabilities, meet obligations for business expansion, and provide a buffer against financial strains. Additionally, the Company has a diversified set of lenders and excellent repayment track record of over 34 years.
Operational Risk	Possibility of losses on account of insufficient controls over internal processes, people, systems, and operations might affect the Company's businesses. The type of major loss events would include frauds, misappropriations, personal transactions, robberies, business disruptions and system failures, damage to physical assets, loss arising due to failed execution of processes or product.	We have instituted controls, checks, and a real-time reporting system to mitigate the risk of losses stemming from operational failures. We have also deployed an Automated System for transaction monitoring and adhere to AML/CFT guidelines for enhanced oversight.
Climate Risk	The potential adverse impacts of climate change encompassing physical, transition, and liability risks might affect the Company's business.	We maintain an extensive operational network spanning 26 States and Union Territories to mitigate the potential impact of adverse climatic conditions in specific regions. Due to our focus on financial services products, we are not directly exposed to physical climate risks. However, we have implemented strategies to identify and address portfolio-level risks stemming from environmental and regulatory changes. Furthermore, the Company prioritizes ESG factors when assessing the viability of opening new branches, alongside business and risk considerations.
ERM Risk	Lack of a strong ERM system might lead to potential threats to the Company's financial stability, operational continuity, and strategic objectives.	We have adopted an Enterprize Risk Management (ERM) framework to assess and quantify comparative movements. ERM frameworks foster a uniform risk management culture, ensuring continuity despite changes in employee personnel or industry norms. They provide guidance to risk management functions, enabling enterprizes to navigate complexity, visualize risks, allocate ownership, and delineate responsibilities for assessing and monitoring risk controls.
Interest Rate Risk	Due to fluctuations in interest rates, there is a potential risk to the long-term sustainability of the business, as it can negatively affect the cost of funds.	According to the business model, the Company lends at a fixed rate and borrows at a floating rate. However, RBI regulations have brought about a positive change, enabling us to integrate risk pricing into our lending practices.
IT/ Cybersecurity Risk	We handle sensitive customer data, which makes us a prime target for cybercriminals. Incidents such as data breaches, phishing, ransomware attacks, and advanced persistent threats (APTs) can result in disruptions to business operations, as well as significant financial and reputational damage.	We prioritize the security of our clients' information and uphold strict confidentiality standards. Holding certification under ISO 27001:2022 the Company maintains a robust Information Security Management System (ISMS) to ensure the protection of sensitive customer data.
Compliance Risk	With the increased focus on regulatory compliance and complexity associated therein, there is a probability that we may fail to meet regulatory expectations. On the other hand, any regulatory violations might lead to stringent actions and penalties imposed by regulatory bodies or statutory authorities.	Compliance serves as the pillar of governance at SCNL, overseen by the Board. Our compliance policy mandates full adherence to rules and regulations governing our operations across the states in which we operate. We have implemented a system-driven monitoring mechanism to minimize the risk of non-compliance with regulatory requirements. We are committed to strictly adhere to applicable rules and regulations governing our business operations.
Model Risk	We use various models and frameworks in our decision-making processes, with the understanding that there is a possibility of incorrect outputs due to potential misuse.	We review the models periodically as well as the underlying assumptions to ensure that they are consistent with current environment. Models are used for specific purposes only to reduce the chances of getting misused.

Governance Commitment

Enabling Robust Governance Practices at SCNL

At SCNL, we are dedicated towards good corporate governance and responsible business conduct. Our corporate governance commitment is validated through our value system encompassing culture, policies, and relationships with stakeholders.

We adhere to the highest legal and regulatory standards through effective business decisions. Our organizational culture is deeply imbibed with strong ethics, responsible conduct, transparent processes and sense of accountability towards all stakeholders. Our commitment is further evident in our proactive adoption of the integrated reporting framework, as well as our implementation of the ESG approach to reporting. This ensures enhanced and more cohesive disclosures and communication regarding our business sustainability efforts.

10
Number of Board Meetings Conducted

100%
Average Attendance Rate at Board Meetings

99%
Average Attendance Rate at Board Committee Meetings

9
Total Members on the Board

7
Number of Independent Directors on the Board

99%
Consumer Complaints Resolved within Turnaround Time

Key Elements of Our Corporate Governance

Independence of the Board

The SCNL Board comprises a balanced mix of Independent and Non-Independent Directors. This ensures both the independence of the Board and the segregation of governance functions from the Company's management. With a total of 9 members, including 7 Independent Directors, one of whom is a woman, our Board is committed to adhering to all regulations set forth by the governing authority in a proactive manner.

Formulation of Internal Guidelines

We implemented an Internal Guidelines policy on Corporate Governance in accordance with RBI's Scale Based Regulations. This policy outlines our Governance Philosophy and establishes the constitution of committees along with their respective terms of reference.

Governance Policies

We have undertaken various policy measures as part of our governance commitment. Our governance policies comprise policies on Code of Conduct, Whistle Blower, Material Subsidiary Policy, Materiality of Transactions, Succession Plan Policy, Internal Audit Policy, Prevention of Sexual Harassment, Fair Practice Code, and Zero Tolerance Policy, among others. Our Board has approved the Anti-Bribery and Anti-Corruption Policy in its meeting held on March 22, 2024.

Key Elements of Our Corporate Governance

Risk management and compliance play an important role within SCNL's governance structure, overseen by the Board. Our framework operates on the principle of the three lines of defence.

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Working Committee
- Asset Liability Management Committee
- IT Strategy Committee
- NCD Public Issuance Committee

Upholding Fair and Transparent Practices

We have set well-defined policies and codes laying down ethical behaviours, standards, and practices to be followed by employees, Directors, and senior management personnel, among others. Policies such as Code of Conduct on Insider Trading, Code of Conduct of Directors and SMPs, and the Fair Practice Code are implemented to uphold our commitment towards fair and ethical practices.

Board Diversity

Board diversity is evaluated from various angles, encompassing gender, age, cultural and educational backgrounds, ethnicity, professional expertise, skills, and knowledge. Every appointment to the Board is grounded in merit with candidates assessed against objective criteria. The importance of diversity in the Board is duly acknowledged and factored into decision-making processes.

Board Committees

The Board has established several committees to assist in fulfilling its various responsibilities. These committees consist of subject matter experts and independent members who collaborate to form diverse teams.

Achievements Validating Our Governance Excellence

Rating Upgrade: Long-term credit rating upgraded to A (Stable) from A- (Stable) by ICRA in 2023-24

Gold-Level Certification: Certified with Gold level from MicroFinanza Rating in accordance with the new framework of Social Performance Task Force (SPTF) and the Copernicus Climate Change Service Evolution (CERISE)

AA ESG Rating: Secured the Top Rating from ESG Risk Assessments and Insights Limited, a subsidiary of Acuite Ratings. We attained the 'Top Spot' across the industry and secured a commendable '10th position' in the universal ranking, which encompasses a vast spectrum of 1,115 issuers

Strengthening the Board: Mr Anil Kaul, former MD of Tata Capital Housing Finance and Mr Joydeep Datta Gupta, former Partner of Deloitte India and Board Member of Deloitte Asia Pacific, have both been appointed as Independent Directors, significantly strengthening our Board's expertise and leadership

Board of Directors

Pioneering Our Strategic Vision, Capabilities, and Growth

- Audit Committee
- Nomination & Remuneration Committee
- Asset Liability Management Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- IT Strategy Committee
- Stakeholders' Relationship Committee
- Working Committee
- NCD Public Issuance Committee

M Member
C Chairman



Mr H P Singh
Chairman cum Managing Director

C C C C M M

Mr H P Singh, aged 63 years, is a law graduate and fellow of The Institute of Chartered Accountants of India since 1984. He has over three decades of microfinance experience and is responsible for bringing many innovations in the financial inclusion space. Apart from being an expert in lending, particularly in the microfinance field, Mr Singh also spends a lot of time in mentoring and promoting excellence in the organization. His acumen in financial engineering, over almost 40 years of experience has helped SCNL achieve success in operational strategy and efficiency. Mr Singh also participated in Harvard Business School's Action Program on Strategic Leadership for Microfinance in 2009, as well as the Leadership Program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011. He is a part of the industry forum, the Federation of Indian Chambers of Commerce and Industry (FICCI), where he lends his expertise as a Banking and Financial Institution Committee member. As the former Chair of Sa-Dhan, he contributed significantly to the organization's growth and development over his two-year tenure. Furthermore, Mr Singh has also been appointed as Trade Commissioner for the Indian ASEAN Trade Council, wherein he oversees the Council's efforts to enhance trade and economic cooperation between India and the ASEAN region. Mr Singh has been an inspiration right from the very beginning when the Company came into being in 1990, till today where he continues to be actively involved in our day-to-day operations. Under his leadership, SCNL has evolved into a leading microfinance institution in India, holding a strong national presence and serving millions of rural households with a diverse range of offerings including microfinance, MSME and affordable housing loans.



Mr Satvinder Singh
Non-Executive and Non-Independent Director

M M M M

Mr Satvinder Singh, aged 58 years, has extensive experience in consumer marketing and finance. He has developed new methods of credit appraisal and marketing for SCNL as Company Director. Associated with SCNL since its inception in 1990, Mr Singh also acted as Managing Director between September 1995 and February 2011.



Mr Sundeep Kumar Mehta
Independent Director

C C M M M

Mr Sundeep Kumar Mehta, aged 62 years, is a science graduate from the University of Rajasthan and holds a PG Diploma in Business Administration from the Annamalai University. He has also earned numerous other certifications, degrees, and diplomas in the fields of cyber law, history, labor laws, auto engineering, and human resources. Mr Mehta joined SCNL's Board in 2013 after a versatile career spanning 15 years that saw him working in high-capacity roles across organizations like the RKJ Group, Escorts Ltd., Panacea Biotech, Bata India, and Eicher Good Earth.



Dr Sangeeta Khorana
Independent Director

M M

Ms Sangeeta Khorana, aged 60 years, is a former Indian Administrative Services officer with a Doctorate in International Economics from the University of St. Gallen in Switzerland. She also holds summa cum laude Master's degrees from the Universities of Berne, Switzerland, and Allahabad, India. Dr Khorana joined the Board in August 2013. With a wealth of experience spanning more than 16 years, Dr Khorana previously worked with the Indian Government before moving to academia and consulting in Europe. Her expertise on international business is renowned across the globe and she has been invited by the European Parliament and the British media to offer her valuable comments on India-related issues. Dr Khorana has also published extensively in internationally ranked journals, authored books, and contributed chapters as well.



Mr Goh Colin
Independent Director

M M M

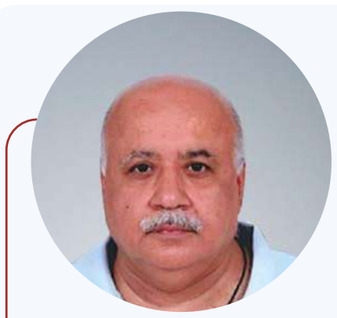
Mr Colin, 57, is the Founder/CEO of The RICE Co. Limited (TRCL), a company committed to harvesting artistic talent of underserved children and youth in our community, a program he started in 2005. Today, TRCL is a highly-diversified group of companies providing education and training to the underserved in content creation and production and phygital placemaking with a focus on emergent technology. It is also an impact investment company with offices in Singapore, Malaysia, and the Philippines. The company's intention will always be social, but this does not prevent it from being very entrepreneurial. Mr Colin serves on the Boards of several government and non-profit organizations in Singapore. He is a member of the Board of Governor in Republic Polytechnic, Chairs the School of Technology for the Arts (STA), and the Innovation & Entrepreneurship Advisory Committee at Temasek Polytechnic. In addition, he is a Board member of TRCL, Global Cultural Alliance, Millet Holdings Group of Companies, The Medici Water Mark, Independent Director for Think Through Consulting, Singapore, and the Corporate Rep for Netxus Global and Nutrious Farm. He is also a strategic advisor to Caregiver Asia, a commercial champion and mentor with the National University of Singapore Graduate Research & Innovation Program (GRIP) and a Board of assessor for Intercultural Theatre Institute. Mr Colin holds a double degree in Economics and Finance and a Master of Business Administration (MBA degree) from the University of Technology, Sydney, Australia.



Mr Sanjay Kumar Bhatia
Independent Director

C M M M

Mr Sanjay Kumar Bhatia, aged 59 years, is a Chartered Accountant and Commerce graduate from the Delhi University. He has over 36 years of rich experience across leading corporates, startups, and BAU environments, having worked in both sales management and strategy formation. He is now the Director of Community creation at Antara Senior Living Limited. In this capacity, he oversees the creation of future communities for progressive seniors, the formulation of long-term strategy, and tactical execution, as well as general management. He also provides consultancy on income and corporate tax and corporate law matters to various organizations. In the past, he has served as the Vice President and Head of Strategic Initiatives (Revenue) at Max Life Insurance and worked at companies such as Max New York Life, Vikas Motors Limited, Dinker Portfolio Private Limited, DMA of Citibank N.A., and GE Countrywide.



Mr Anil Kumar Kalra
Independent Director

C C M

Mr Anil Kumar Kalra, aged 69 years, has 33 years of banking experience across leading companies in London and India. He is extremely well versed in banking, financial services, investment banking, and infrastructure financing. He spent five years as the Chief Executive Officer in a Financial Services Company in London, UK. He has been associated with various well-known banks and financial Institutions across India and London, including public sector banks. Prior to this, Mr Kalra served as Senior Vice President in a leading NBFC engaged in providing financial services to corporates (including asset financing, debt syndication, corporate advisory, and merchant banking, among others) and supported sister companies within the Group with focus on infrastructure projects financing. He holds an MBA in Finance degree from the Faculty of Management Studies (FMS), Delhi University and B. Com (H) degree from Shri Ram College of Commerce.



Mr Anil Kaul
Independent Director

Mr Anil Kaul, aged 58 years has a distinguished career spanning over three decades. He was the former Managing Director of TATA Capital Housing Finance Ltd. He brings a wealth of experience from his roles in prominent financial institutions, including ICICI Group, Bank Muscat SAOG, Standard Chartered Bank India, and Citibank N.A. India. Mr Kaul holds an MBA degree and has further honed his leadership skills through programs at Columbia University and The Wharton School, University of Pennsylvania, in 2002 and 2006, respectively. As a valuable addition to the Board of Directors at SCNL, his responsibilities encompasses offering key insights, and aiding in the formulation and execution of decisions aligning with the Company's vision.



Mr Joydeep Datta Gupta
Independent Director

Joydeep Datta Gupta, aged 60 years, is an Independent Director on the Board of three NBFCs (including a listed company). He is a former Partner of Deloitte India and Board Member of Deloitte Asia Pacific. He had also held senior leadership positions at Deloitte India.

Mr Datta Gupta is a Chartered Accountant and has thirty three years of experience across two Big 4 professional services firms.

Among his many roles over sixteen years at Deloitte India, Mr Datta Gupta has led the go-to-market function. Prior to that, he was the Chief Operating Officer for the consulting business. He has been a Technology Consulting leader for Deloitte South Asia. He also set up the Advisory Practice for Deloitte in Bangladesh.

Prior to Deloitte, he was a Partner at PricewaterhouseCoopers India and led the Business Transformation Services practice, the Oracle ERP practice, the Human Capital Consulting practice, the Risk Management practice and the BPO practice. He had also held senior leadership positions at PricewaterhouseCoopers. His internal roles included serving as the HR Leader for the firm and the Technology Leader for the firm.

Apart from experience in governance, management and leadership, Mr Datta Gupta specializes in business process, technology and risk management. He served on the Boards of several Chambers of Commerce, Social and charitable organisations and a municipality. He has been a speaker and chaired several panels at leading National and Global seminars.

Financial Capital

Driving Responsible Financial Growth and Capabilities



Financial capital is the lifeblood of our business as it drives growth and sustains our operations, resulting in enhanced value creation for stakeholders. With a relentless focus on maintaining asset quality and surplus liquidity, we strengthened our balance sheet, ensuring prudent capital allocation. This financial strength empowers us to meet the diverse needs of marginalized communities, facilitating access to vital financial services. Our strategic approach to financial management not only safeguards our stability but also fuels our mission of fostering inclusive prosperity. Growing with grit and conquering with capability, we prioritize transparency, accountability, and responsible investment to drive meaningful impact and sustainable progress. As stewards of financial capital, we are committed to making a difference while ensuring long-term success and resilience.

Our Strategic Focus

At SCNL, our strategic focus for financial capital encompasses diversification of our lending and investment portfolio, robust risk management practices, and advancements in technology and innovation. This will further enhance operational efficiency, customer experience and develop a sustainable and profitable business model that delivers both immediate and long-term value for all stakeholders.

SDGs Covered



Key Performance Indicators

INR 2,401 Crores
Net Worth

INR 436 Crores
Profit after Tax

4.8%
Return on Assets (RoA)

21.6%
Return on Equity (RoE)

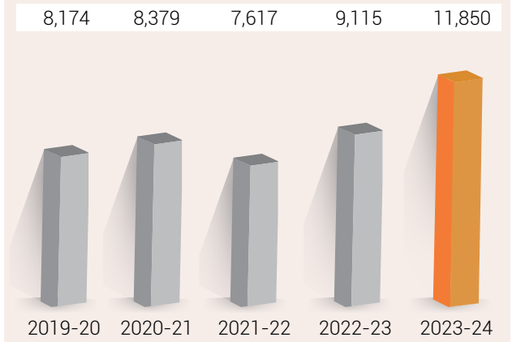
INR 9,969 Crores
Debt Capital Raised

A (Stable)*
Enhanced Credit Rating

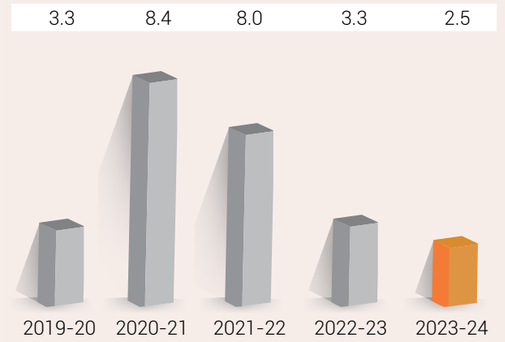
INR ~1,100 Crores*
Total Liquidity Position

27.7%*
Capital Adequacy Ratio

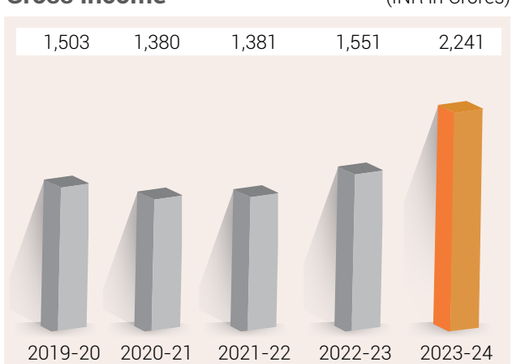
Asset under Management (INR in Crores)



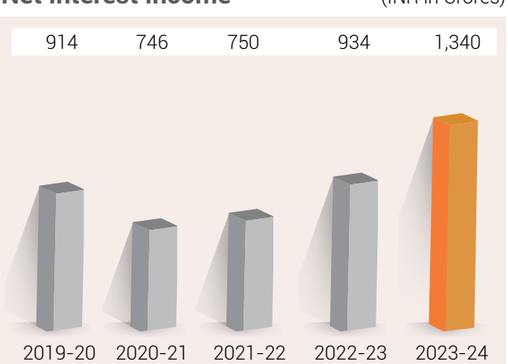
Gross NPA* (%)



Gross Income (INR in Crores)

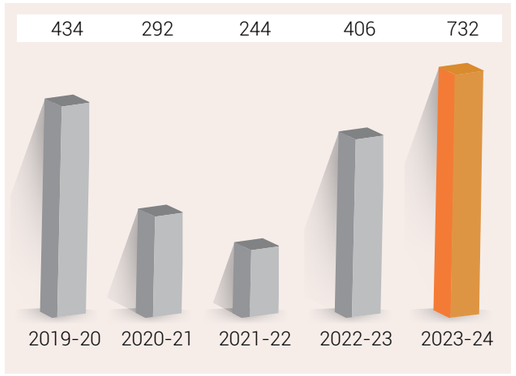


Net Interest Income (INR in Crores)

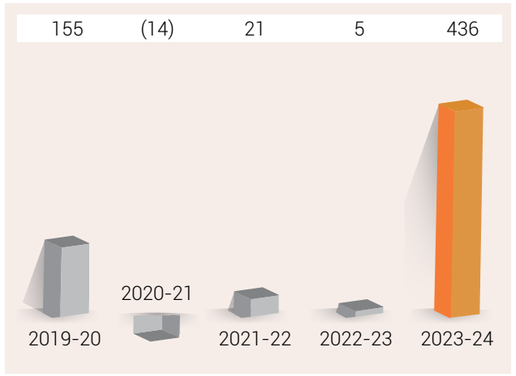


*On standalone basis

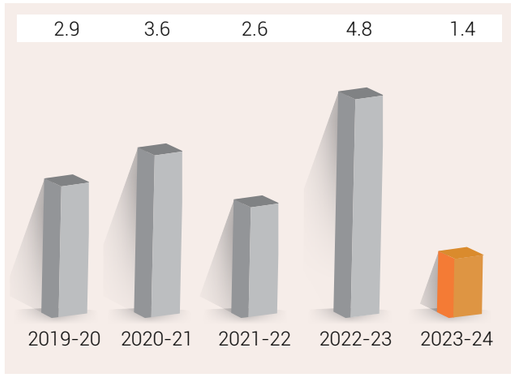
Pre-Provisioning Operating Profit (INR in Crores)



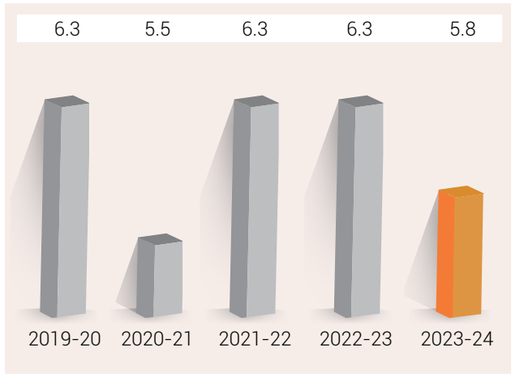
Net Profit (INR in Crores)



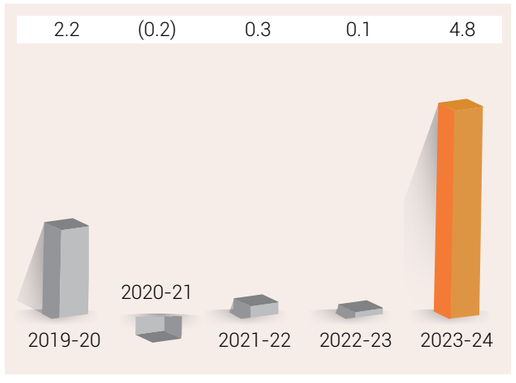
Credit Cost (%)



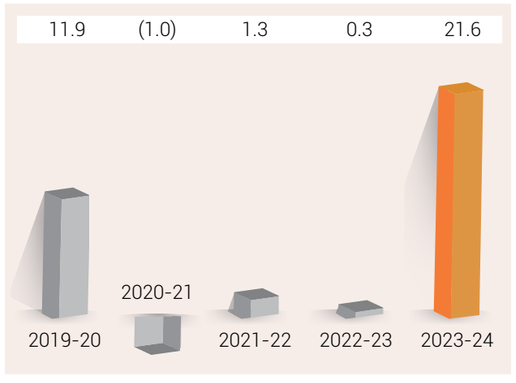
Opex to Average AUM (%)



Return on Assets (%)



Return on Equity (%)



*On standalone basis

Empowering Growth through Strong Financial Prowess

Our consolidated AUM increased to INR 11,850 Crores with a growth rate of 30% y-o-y in 2023-24. We recorded the highest yearly disbursements exceeding INR 10,000 Crores, propelling us towards unparalleled profitability, achieving a record INR 436 Crores. During the year under review, 34.7 Lakhs clients have entrusted us with their financial aspirations. Our asset growth surged ahead at a rate exceeding 25%, fueled majorly by a dynamic blend of new client acquisitions. We uphold the commitment to achieving superior asset quality. Our on-book gross non-performing assets (GNPA) remained at INR 198 Crores, at 2.5% of our on-book portfolio, fortified by ample provisions totalling INR 164 Crores, exceeding RBI guidelines. Our liquidity remains robust, strengthened by diverse funding sources and channels, ensuring uninterrupted support for our clients. With a Capital to Risk-Weighted Assets Ratio (CRAR) consistently above 25% over the past 5 years, we are resolute and poised for continued success as a beacon of financial strength and stability.

We secured INR 250 Crores equity infusion through QIP, oversubscribed by 1.9x, showcasing robust investor confidence from prestigious domestic and global backers

Strong Asset Liability Management

Our asset-liability management (ALM) framework emphasizes maintaining adequate liquidity and effectively managing the risks associated with fluctuating interest rates. By aligning the maturity profiles of assets and liabilities, we ensure robust ALM practices. We have maintained a strong ALM with a positive liquidity gap by ensuring sufficient liquidity levels and strategically managing our liability profile in line with our loan portfolio. Our success is further reinforced by diverse funding sources, a focus on high-quality liquid assets and comprehensive interest rate risk management strategies.

Enhanced Credit Rating

During the year under review, our long-term credit rating was upgraded to A (Stable) by ICRA from A- (Stable) affirming the strong performance of the Company. The improved credit rating has strengthened our financial position, credibility, and growth prospects, positioning for sustainable success in the microfinance industry.

Capital Trade-Offs

Financial Capital Interlinked with other Capitals

Intellectual Capital	Our intangible assets, including strong branding, technology-driven infrastructure, payment interfaces for key partnerships, and bank collaborations, remain robust. This is due to our continuous investment in these strategic initiatives.
Manufactured Capital	Our financial capital serves as a vital catalyst in our nationwide expansion, facilitating the establishment of additional branches. This strategic growth initiative allows us to extend our reach to a broader spectrum of underserved individuals and communities.
Human Capital	By allocating financial resources, we prioritize equitable and unbiased compensation for our employees. This helps in retention and boosting productivity.
Social & Relationship Capital	We understand the significance of cultivating robust relationships with our customers, communities, investors, and other stakeholders in our ecosystem. This commitment necessitates investments of time and financial resources, dedicated to fostering consistent and meaningful interactions.
Natural Capital	Through conscientious and responsible management of our daily operations, we strive to reduce our environmental footprint. This dedication not only fosters sustainability but also drives long-term cost efficiency for our business.

Manufactured Capital

Growing Our Phygital Reach and Capabilities



At SCNL, our strong branch infrastructure and ability to offer a seamless customer experience allow us to take our services to the last mile. It also helps us propagate our aim of financial inclusion for the grassroots of our society. We aim for deeper penetration into our existing geographies and prioritize innovation to achieve growth with determination and capabilities. Simultaneously, we continually enhance our cutting-edge digital framework to offer an unparalleled customer experience.

We have aggressively expanded our presence by entering two new states, opening 107 branches, during the year under review. This has helped us register 2x growth compared to the 62 branches opened in 2022-23.

Our Strategic Focus

Positioned to be the premier one-stop financial services provider in rural India, we leverage state-of-the-art technology and fortified processes to empower communities. Emphasizing adaptability, we harness technology while upholding a substantial physical presence through ongoing investments in building deeper rural presence. Our comprehensive digital services, spanning from customer onboarding to loan disbursement, underscore our customer-centric approach, ensuring a seamless experience for our clientele.

SDGs Covered



Key Performance Indicators

INR 35.6 Lakhs
Loan Accounts

26
Presence in States and Union Territories

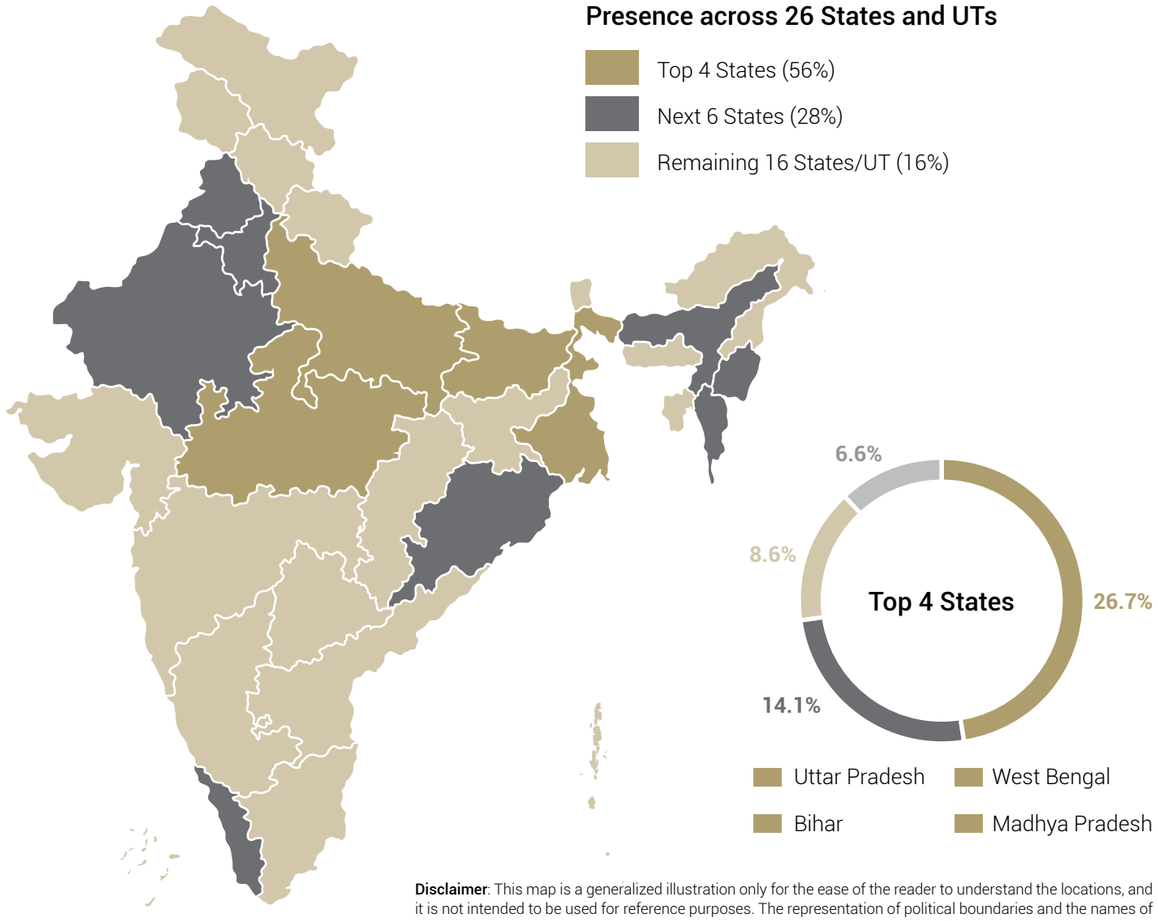
1,393
Branches Network across 421 Districts and 89,000 Villages

2.8 Lakhs
Centers

95
Regional Offices

96.4%
Districts with <1% Exposure

Presence across 26 States and UTs



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Enhancing Our Presence

To grow in a calibrated manner, we have been delving into unexplored, underserved areas through strategic branch expansions and will continue to do so. This is expected to strengthen our market share in terms of AUM, outreach, and client base. Our existing experience in these regions gives us an edge. It also offers insights into local business dynamics, legal frameworks, and socio-political stability, further enhancing our strategic positioning.

Developing a Robust Ecosystem

We are dedicated to fulfilling our customers' needs, investing in employee growth, attracting diverse investors, maintaining robust relationships with lenders and regulators, and fostering community trust. All of these have solidified our position in the financial services sector. Together with our subsidiaries, we are constructing an extensive ecosystem that offers a broad spectrum of financial services and credit solutions to our clients. From unsecured small loans to secured loans with larger amounts, this comprehensive ecosystem streamlines the borrowing process and enhances client convenience by providing a variety of loan options under one umbrella.

Technology as an Enabler

E-Sign of Loan Documents through IRIS and Fingerprint

- Enhanced security and authentication

Geotagging

- Reduced paper usage and faster turnaround time
- Decreased dependence on loan officers, leading to improved control and efficiency

ISO Certification

- Seamless onboarding process, enhancing overall customer experience and ensuring robust data security

AWS

- Precise control over access and activities within specific locations
- Commitment to best practices in information security management
- Strong infrastructure minimizing downtime and disruptions

Our Robust KYC Process

Geo-fencing (capturing Lat/Long coordinates) → Obtaining Aadhaar and Voter Id → Direct bank account validation → OTP-based mobile verification → E-sign of loan documents through Iris and Fingerprint

Offering Services to Rural and Low-Income Groups

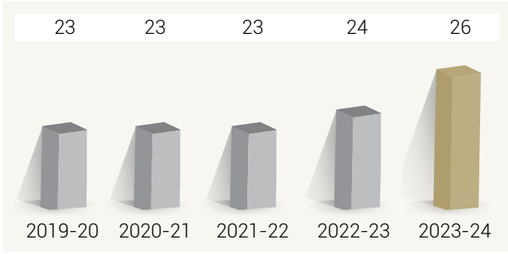
Committed to extending credit facilities to India's underbanked populations, we prioritize driving financial inclusion and upholding responsible lending practices. Our strategic focus involves investing in a robust distribution network and support services. This results in a strong presence in rural and semi-urban areas and empowerment of underserved households. Understanding the evolving needs of our customers, we offer income-generating loans ranging from INR 10,000 to INR 80,000. Additionally, we provide water and sanitation loans to address sanitation, health and hygiene requirements, along with Sahiyog loans to boost working capital. To ensure manageable monthly repayments, we employ a biweekly repayment model. Furthermore, we conduct financial literacy workshops and customers surveys to foster personal development and gain insights into client preferences. Transparency is key, and we provide customers with fact sheets alongside their loan cards, fostering trust and clarity in our interactions.

76%

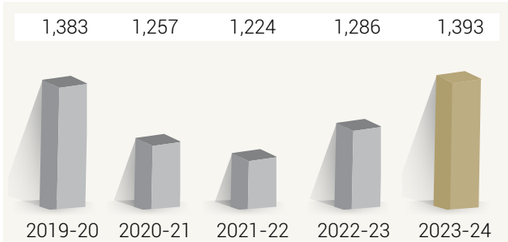
Portfolio in Rural Areas

Our Multi-Level Presence

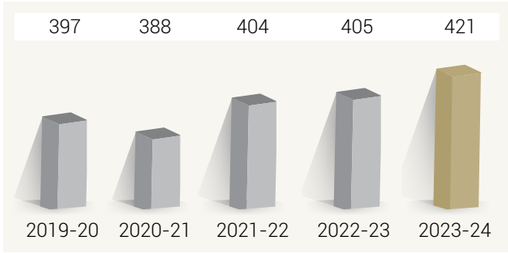
States



Branches



Districts



Capital Trade-Offs

Manufactured Capital Interlinked with other Capitals

Intellectual Capital	Manufactured capital within our organization is pivotal in upholding our brand reputation, building deeper rural presence, maintaining technology infrastructure, nurturing strategic partnerships with third-party payment interfaces, collaborating with banks for co-lending, managing risks, and delivering effective services to underserved populations.
Financial Capital	Our combination of physical and digital assets empowers us to establish and sustain profitable operations nationwide, spanning both traditional and digital channels.
Human Capital	As our manufactured capital generates revenue, it is appropriately allocated to compensate our valuable human resources.
Social & Relationship Capital	The existence of manufactured capital has facilitated the development of robust relationships with local stakeholders and underserved communities.
Natural Capital	We are actively striving to maximize the efficient use of natural resources and minimize waste at our branches and offices, with the goal of reducing our environmental footprint.

Intellectual Capital

Enhancing Our Technological Capabilities and Gaining Ground



At SCNL, we are investing in intellectual capabilities ahead of the curve to deliver sustained growth. We recognize that our ability to thrive in a dynamic business landscape depends on our adeptness in leveraging cutting-edge technology and fostering a culture of innovation. With a firm commitment to future-proofing our operations, we continuously strive to upgrade our intellectual capabilities to become a preferred financial services provider in rural India.

Our Strategic Focus

We are focused on strengthening organizational agility and scalability through strategic investments in cutting-edge technology. Our goal is to elevate customer experiences to unprecedented levels by seamlessly integrating digital and physical interactions. Through a blend of assisted, unassisted, and semi-assisted customer journeys, we are committed to providing a seamless omnichannel experience that exceeds expectations.

SDGs Covered



Key Performance Indicators

100% Cashless Disbursement	**6.34 Lakhs** Customers Added Digitally in 2023-24	**100%** Loan Agreements through UIDAI's IRIS Authentication
100% Digitalization of Field Operations	**100%** Paperless Operations	**~8%** Cashless Collection

Providing Seamless Customer Experience

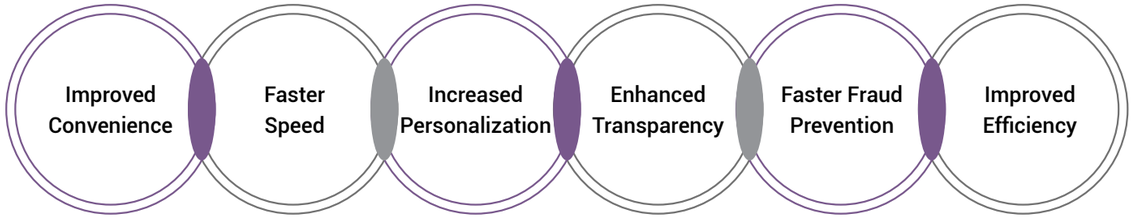
At SCNL, we leverage technology across the entire loan lifecycle, aiming to elevate the customer experience comprehensively. Our user-friendly digital loan application platforms enable customers to easily apply via mobile apps, reducing paperwork and enhancing convenience. Automated underwriting systems powered by AI expedite credit analysis and loan approval processes. Electronic document management systems digitize and securely store loan documents, accelerating processing times. Our integration with banking partners facilitates seamless loan disbursements directly to customers' accounts. We use biometric and IRIS-based authentication to securely verify identities during disbursements, reducing the risk of fraud. API integration with external partners enables real-time access to relevant data for credit scoring and compliance checks. Our loan management systems enhance customer service and operational efficiency. To equip our staff with the necessary skills to leverage new technologies effectively, we also undertake comprehensive training programs. Our feedback mechanisms and regulatory compliance solutions ensure continuous improvement and adherence to standards throughout the loan process.

Our Technology Initiatives

- Digital Loan Application Platform
- Automated Underwriting Systems
- Electronic Document Management
- Payment Solution Integration
- Biometric Authentication
- API Integration with Partners



Our Technology Outcomes



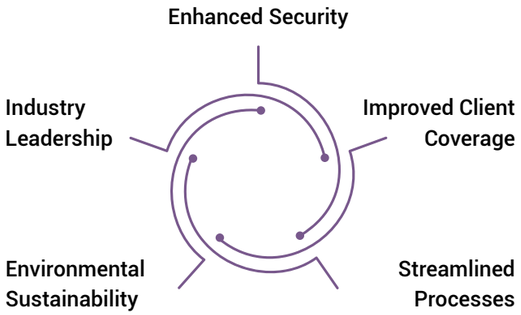
Ensuring Seamless Customer Onboarding

At SCNL, ensuring a smooth loan experience is of paramount importance to enhance customer satisfaction and strengthening our competitive edge. During the year under review, we invested in IRIS-based e-KYC authentication framework by embracing a comprehensive digital and paperless approach, validating our commitment towards environment sustainability. This framework aims to fortify security protocols and significantly mitigate the risk of documentation fraud.

Our IRIS-based e-KYC project aims to achieve unparalleled client coverage by diligently addressing longstanding challenges. This includes rectifying incomplete Aadhaar seeding of client phone numbers. Besides, we are poised to tackle the prevalent issue of fingerprint mismatches particularly among clients engaged in manual labour-intensive occupations. This visionary initiative not only underscores our commitment to technological innovation but also showcases our proactive stance in overcoming industry challenges.

> We are one of the leading innovators in the NBFC-MFI sector and the first to exclusively conduct all our loan agreements using UIDAI's IRIS authentication technology

Transformative Outcomes of IRIS Authentication Technology



Key Achievements in 2023-24

- We introduced UIDAI's IRIS Authentication technology to ensure a seamless loan agreement process for our customers.
- We adopted precision tracking systems such as geo-fencing and geo-tracking solutions.
- We developed an advanced customer insights platform leveraging machine learning and data science.
- We achieved the latest standard of ISO 27001:2022, becoming one of the few microfinance companies to receive this certification.

Ensuring Robust Cybersecurity Measures

At SCNL, we have a multifaceted cybersecurity strategy. This includes robust firewalls and intrusion detection systems, endpoint security software across devices, and timely software updates. We enforce stringent authentication methods and provide comprehensive staff training to combat cyber-threats effectively. Sensitive data is encrypted, and we have an incident response plan in place for swift action. Routine audits, vendor assessments, and continuous monitoring ensure proactive threat mitigation, fortifying our organization's cybersecurity posture.

Safeguarding Customer Privacy

We prioritize data integrity through a multifaceted approach. Our encryption methods ensure data remains secure during transit and storage, while stringent access controls regulate access to customer data. Anonymization and pseudonymization techniques minimize the risk of identifying individuals, crucial for preserving privacy. We conduct regular audits and monitoring to uphold compliance with standards and swiftly identify security breaches. Adopting a data minimization approach, we retain only essential data to mitigate the impact of breaches. Additionally, our transparent consent mechanisms empower customers to make informed decisions about their data usage. Our comprehensive employee training fosters a culture of data privacy and security.



Capital Trade-Offs

Intellectual Capital Interlinked with other Capitals

Financial Capital	By continuously innovating to provide solutions for our clients, we expand our capacity to engage with a wider spectrum of target demographics. This amplifies both our profitability and positive impact on marginalized communities.
Manufactured Capital	The evolution of innovative financial products and solutions, such as the integration of digital transactions, shapes the layout and structure of our branches. Our objective is to cultivate a more customer-centric experience by embracing these transformations.
Human Capital	Innovation is a continuous journey and impact the day-to-day responsibilities of our employees. This underscores the need for training to equip them with the adaptability required to embrace these changes.
Social & Relationship Capital	As we advance towards providing a more inclusive and responsible array of solutions, we expect our initiatives to be acknowledged by our key stakeholders. This acknowledgment will cultivate trust in our organization over the long term.
Natural Capital	We strongly believe that embedding sustainability into our solutions and operations as a core practice will result in lasting environmental advantages. Moreover, it will demonstrate our commitment to the stakeholders we collaborate with.

Human Capital

Taking the Growth of Our Employees to the Next Level



At SCNL, we firmly believe that our growth story is intricately woven with the relentless efforts of our invaluable employees. Their dedication embodies our essence of growing with grit and conquering with capability, shaping our journey towards success.

We have developed a work environment that values diversity, fosters creativity, and encourages continuous learning and development. Through transparent communication and supportive leadership, we aim to create a culture where every individual feels valued and motivated to contribute to the Company's success. Our HR practices prioritize employee well-being, career growth, and work-life balance, recognizing that a motivated and engaged workforce is key to achieving our organizational goals.

Our Strategic Focus

Our human resources policy intends to build a competitive advantage by investing in our people and enhancing talent attraction. We aim to establish objective policies that prioritize fairness, merit, and performance-based career growth.

SDGs Covered



Key Performance Indicators

12,896
Number of Employees

28.5 Years*
Average Age

56%*
Employee Retention Rate in 2023-24

13.41*
Average Training Hours conducted in 2023-24

75%*
Middle-Layer Management Associated for Over 3 Years

Talent Acquisition and Retention Strategy

Acquiring the right talent is crucial for our success. We are engaged in sourcing top talent through various channels to promote diversity for innovation and drive a positive organizational culture. Our talent acquisition team has accelerated its hiring efforts during the year under review. We follow a unique recruitment approach of hiring high school graduates from the local neighbourhood. This helps in creating employment opportunities for youngsters and improve the livelihood of the societies within our vicinity. We have onboarded 8,434 new employees out of which July 2023 witnessed the highest number of hiring with around 1,000 employees onboarded. We organized various initiatives such as, 360-degree feedback mechanisms, Varta with CMD, recreational activities and internal job posting to manage and retain the talent pool. We have an employee grievance redressal mechanism that helps us understand and address employee needs, ensuring their satisfaction and retention.

Strengthening Diversity and Empowering Women

Diversity and inclusion stems from creating a sense of belonging where everyone has equal opportunities. With operations spanning 26 States and Union Territories across pan india, we deeply value individuals from all backgrounds—regardless of race, color, religion, gender, age, or disability status. This commitment not only enriches our team but also elevates the entire customer experience. We implemented various initiatives such as diversity training, mentorship programs, and flexible work arrangements to strengthen diversity and empower women within the organization. We promoted women employees in the leadership team and offered them with additional responsibilities during the year. These opportunities have empowered women and increased trust in their leadership, setting an example for the young leaders to grow.

Value for Women

We introduced 'Value for Women' initiatives to understand the needs of women workforce in the organization. Investors from a global organization came into the corporate office to engage with female employees and collect information through group discussion rounds. This was intended at introducing empowering initiatives such as workshops, training programs, and gender action plans.

Satin EASE Leave

At SCNL, we are committed towards fostering a supportive and inclusive work environment where discussions about menstruation are destigmatized. We have designed a menstrual leave policy named as Satin Ease Leave to acknowledge and accommodate the varying needs of female employees and inculcate a sense of belonginess, equality, and dignity.

*On a standalone basis

Focus on Learning and Development

We have implemented a strategic and comprehensive approach to learning and development, ensuring that each employee is able to reach their full potential. During the year under review, we introduced new programs focusing on skill development, employee engagement, diversity, and inclusion to enhance employee satisfaction and contribute to the Company's growth. During the year under review, we have conducted various employee training programs on POSH, Code of Conduct, Human Rights, ESG and other specific subjects of organizational importance.

Offering University Recognized Courses

We introduced a National Apprentice Program (NAPS) and E-Gurukul program in association with the Shoolini University. These online degree programs help the aspiring learners get formally educated without interrupting their current job roles. They offer a life-changing opportunity for our employees.

The Buddy Program

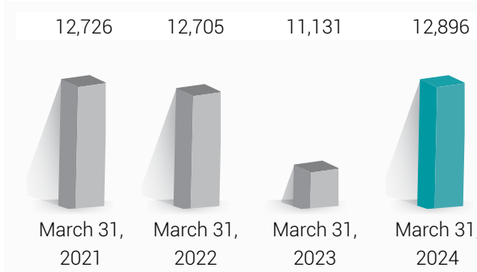
We launched the buddy program to prepare new hires for a new crucial process that involves educating them about our policies and products. All new candidates were aligned with experienced branch staff for field training after six days of the induction program. During the buddy program, the new candidate received hands-on exposure to compliance by completing some of the reports and documentation themselves.

IT-Focused Learning Initiatives

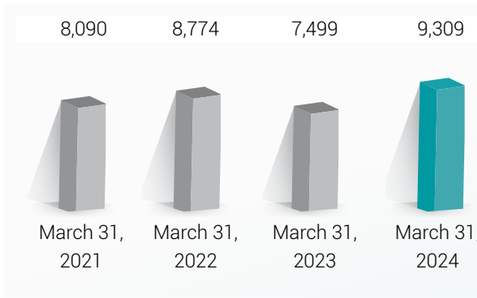
At SCNL, we undertook various IT initiatives focused on providing employees with access to online learning platforms, virtual training, and digital resources for continuous learning. We implemented an employee self-service (ESS) portal for ex-employees to facilitate their smooth exit. This portal allows ex-employees to access all their details maintained by the HR department and all letters issued to them during their employment. The complete exit process has been automated, improving efficiency and convenience for both the Company and its former employees.

We are proud to have been listed five times as the 'Great Place to Work' with 100% online surveys. We have also been awarded among the 'Top 100th Best Workplaces to Work for in India' across all industries in 2024

Employees



Loan Officers



89.1%
Employees Contributing to Young Workforce (18-35 years)

~21%
Women Employees in Our Head Office

8,434
New Employees Added in 2023-24

Performance Management System

The Company's performance management system is designed to foster continuous improvement and development. The system comprises periodic feedback, goal setting, performance reviews, and individual development planning.

Creating the Leaders of Tomorrow

Our talent development programs are structured to identify and nurture high-potential employees for future leadership roles. We also offer a role change program which aims to enhance productivity by optimizing manpower allocation. Besides, our assessment development program is designed to facilitate the promotion of internal talent to the next level, fostering a culture of growth and advancement within the organization.

The Leaders Club

We created a talent pool called The Leaders Club (TLC) from our top-performing lower management employees to pave a career path towards the collection team. They are mentored to be future leaders and lead the teams as and when an opportunity arises.

Promoting the Culture of Merit

We encourage merit-based career progression through transparent performance evaluations, skill development opportunities, and promotions based on performance and potential.





Imbibing a Culture of Employee Recognition

At SCNL, we highly value recognizing and rewarding our employees' contributions. Our comprehensive recognition and reward system includes bonuses, lucrative incentives, awards, and public recognition for outstanding performance. Besides, our referral program recognizes team members contributing to employer branding and hiring efforts. As we continue to evolve, we remain committed to enhancing our recognition and reward system to better meet the needs of our employees and the organization.



Ensuring Employee Health, Safety, and Sustainability

We are dedicated towards ensuring a safe and healthy work environment for all employees through the implementation of a range of safety measures, health programs, and sustainability initiatives. These are designed to support employee well-being and environmental responsibility.
We undertook various initiatives, including self-defence training and cancer awareness programs for women employees as well as many blood-donation drives during the year under review.



Employee Well-Being Programs and Celebrations

At SCNL, we prioritize the well-being of our employees through a range of initiatives designed to enhance their physical and mental health. Our employee wellness programs include regular health camps and stress management workshops to address key health concerns. We also recognize the importance of celebrating milestones and cultural festivals to foster a positive work environment.
By encouraging our employees to participate in these programs and celebrations, we not only promote their well-being but also foster a sense of community and pride within our organization.



Awareness Campaigns and Workplace Wellness Surveys

The Company conducts awareness campaigns on health, safety, and wellness topics. We conduct workplace wellness surveys to gather feedback from employees and improve wellness initiatives. We also conduct employee satisfaction assessments to analyze employee satisfaction levels and identify areas for improvement. Our knowledge sharing sessions help upgrade the potential of others and are among the most excellent practices.

Capital Trade-Offs

Human Capital Interlinked with other Capitals

Financial Capital	Our team plays a major role in propelling growth and efficiency across our diverse business segments and departments. This collective effort significantly contributes to our overall financial performance.
Manufactured Capital	Human capital, in the form of our skilled workforce, has been instrumental in enhancing expertise and capabilities among our employees. This has empowered us to establish a strong local presence and effectively cater to underserved populations.
Intellectual Capital	Our workforce plays a crucial role in implementing, sustaining, and improving intangible assets. This includes our brand reputation, technological infrastructure, payment systems, and customer service platforms.
Social & Relationship Capital	Improving the skills of our personnel enables us to cultivate positive relationships with customers, communities, investors, and other stakeholders within our ecosystem.
Natural Capital	Educating our employees about integrating eco-friendly practices into their daily routines helps in minimizing our operational footprint on the environment.

Natural Capital

Envisioning a Sustainable World for Holistic Growth



Natural capital plays a pivotal role in our operations and sustainability efforts. As a financial institution deeply connected to rural communities, we recognize the intrinsic value of natural resources in supporting livelihoods and economic activities. Preserving ecosystems and biodiversity not only safeguards the environment but also ensures the resilience of the communities we serve. By integrating natural capital considerations into our business practices, we contribute to long-term environmental sustainability while fostering socioeconomic development in rural areas.

Our Strategic Focus

We strive for sustainable growth and are committed to consistently integrating environment-friendly practices. In addition to adopting ecologically sound methods throughout our operations, we are dedicated to empowering clients to embrace cleaner energy solutions and contribute to a brighter future by improving water and sanitation infrastructure.

SDGs Covered



Key Performance Indicators

225.12 Scope 1 Emissions (tCO_2e)	**3,036.86** Scope 2 Emissions (tCO_2e)	**4,591.03** Scope 3 Emissions (tCO_2e)
1,53,414 Tonnes, Reduction of CO_2 Emissions through MEC Program	**10,000** Saplings Planted in 2023-24	**99,552** Energy Generated through Solar Panels

Promoting Clean Energy through Our Offerings

We strive to provide innovative loan products that empower individuals to make positive changes in their lives. Through our solutions, we facilitate customer access to clean energy options such as solar and bicycle loans. Our solar loan offerings enable clients to acquire home lighting systems powered by solar energy, empowering them to engage in profitable endeavors. We have added induction cooktop as another green product to the portfolio. These energy-efficient appliances minimize fuel consumption, reduce environmental impact, and expedite cooking times, thereby enhancing productivity.

Developing a GHG Inventory

In our pursuit to become a climate-positive NBFC-MFI institution, we have accounted for our greenhouse gas (GHG) emissions. We have comprehensively assessed Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from the generation of purchased electricity), and Scope 3 (all other indirect emissions in our value chain). This initiative strengthens our commitment to environmental responsibility and transparency. By understanding our carbon footprint, we can implement targeted strategies to reduce our emissions and contribute positively to global climate goals.



Satin Clean Energy Program

At SCNL, we are an environmentally conscious and responsible organization, which aims to reduce carbon emissions and contribute to the net zero emissions target undertaken by the Central Government. Our tailored financial offerings empower customers to embrace clean energy solutions and contribute to a sustainable future.

We entered into a strategic partnership with Micro Energy Credit as part of our global carbon program in 2019. This partnership helped distribute eco-friendly products to various rural and underserved communities. The program has empowered several households with clean energy and made a significant positive impact on lives of individuals.

Water and Energy Management

Our corporate headquarters embodies sustainability with its green building architecture and energy-saving features. These panels generate 100 kW of electricity, significantly reducing the organization's reliance on conventional energy sources and leading to substantial cost savings. Through a sewage treatment plant (STP), we recycle one Kiloliter water per day which is reused for gardening and sanitation purposes. Besides, our utilization of radiant cooling technology helps us save upto 30% on air conditioning equipment and electricity expenses.

Due to the nature of our offerings, our consumption of natural resources is minimal, aimed solely at facilitating seamless business operations. Nevertheless, we remain committed to energy conservation and leveraging technology across our operations.

As of March 31, 2024

10,45,255
Households Empowered

40,11,658
Lives Impacted



Plastic Waste Management

We have implemented substantial measures to reduce our plastic usage footprint. This extends to recycling cardboard boxes and newspapers for packaging materials, while abstaining from offering plastic bottled water to our guests. This initiative promotes sustainable and eco-friendly practices within our organization.

Biodiversity Management

We conducted a comprehensive pan-India plantation drive across our regional offices, aiming to promote environmental sustainability and community involvement. Around 10,000 saplings were strategically planted in various community spaces, including government schools, police stations, gurudwaras, and other communal areas. By planting in these locations, we not only enhance the greenery of our surroundings but also extend the benefits of a healthier environment to all members of society.



Promoting Sustainable Environment

At SCNL, we are committed to creating solutions that promote sustainable development, safeguard the environment, and address environmental challenges. We are progressively adopting electronic document management and other digital tools to eliminate paper usage entirely. To streamline loan processing and onboard new clients seamlessly, we have increasingly integrated tablets into our field operations. Furthermore, our Board places a strong emphasis on prudent resource utilization by frequently conducting virtual meetings and embracing paperless practices through the Board PAC software. In alignment with government directives, we have completely phased out the use of single-use plastic items.

Capital Trade-Offs

Natural Capital Interlinked with other Capitals

Financial Capital	By implementing energy-saving initiatives and adopting practices such as water recycling, we can not only achieve cost rationalization but also demonstrate our unwavering commitment to sustainability. Additionally, these efforts contribute to enhancing our ESG ranking.
Manufactured Capital	The availability of natural resources is crucial in establishing the essential physical infrastructure needed to expand our business reach. This highlights their importance to our operations.
Intellectual Capital	As we embrace sustainability within our offerings, our approach to innovation will gradually evolve. This evolution will empower us to integrate sustainable practices into our thought processes, catalyzing positive change.
Human Capital	Embedding environmental conservation into our organizational culture will not only shape our work environment but also influence our learning and development programs. This will foster a collective dedication to sustainability.
Social & Relationship Capital	By responsibly utilizing resources, we contribute to the availability and accessibility of common resources to all members of society. This aligns with our mission to advocate for equitable resource utilization.

Social & Relationship Capital

Building Relationships to Sustain Growth and Enhance Capabilities



We are actively developing an organization where financial empowerment is intertwined with social responsibility. Our commitment to making a positive impact extends beyond merely providing financial services to marginalized communities; it encompasses making a lasting positive impact. Central to our business model is fostering strong relationships and bonds, which not only drive our success but also ensure that our initiatives are deeply rooted in the needs and aspirations of the communities we serve.

Our Strategic Focus

We strive to drive financial inclusion while placing sustainable value creation for our stakeholders at the forefront of our efforts. Our quest on community well-being focuses balancing business priorities along with social responsibilities to ensure responsible financing and client protection. We persist in implementing stakeholder engagement programs and are dedicated to empowering women as part of our ongoing initiatives.

SDGs Covered



Key Performance Indicators

33.4 Lakhs
Women Borrowers

INR 150 Lakhs
Spent on CSR Activity

Entering into Co-Lending Arrangements

Embarking on a transformative journey, we have forged a strategic co-lending partnership with Karnataka Bank. This partnership is dedicated to empowering JLGs of industrious women in rural and semi-urban regions. This landmark collaboration not only extended vital financial support but also marked a major step towards expanding our reach and impact. Looking ahead, our focus remains on unlocking a myriad of opportunities to deepen our footprint, and serving diverse communities.

Customer Engagement

At SCNL, we prioritize customer satisfaction. We regularly conduct client satisfaction surveys to gather feedback on our services, identify areas for improvement, and welcome suggestions. Additionally, we organize a variety of workshops focusing on financial literacy, health, hygiene, & skill development, and more to enhance the welfare of our clientele. Our dedicated field personnel, including Community Service Officers (CSOs) and Branch Managers (BM), maintain close contact with clients through regular center meetings. They provide financial and business advice tailored to individual needs, fostering strong customer relationships essential for business loyalty. With millions of customers served across rural areas, our weekly center meetings serve as vital touchpoints for intensifying customer engagement. Our customer grievance redressal mechanism, Sparsh, ensures timely resolution of client queries by coordinating with various departments. Moreover, we conduct client exit surveys to gather insights for continuous improvement.

As a result of our customer engagement initiatives, we have been awarded the prestigious Gold standard in Client Protection Principle (CPP) certification from global rating agency, MicroFinanza. This award recognizes our commitment towards delighting customers and exceeding their expectations.

Community Development Engagements

We believe that we are engaged in the business to make the world a better place. Through our community development initiatives, we aim to benefit not only our clients but also the individuals who are indirectly affected by our operations or are with the Company in any way. Our engagement in corporate social responsibility projects aligns with national and regional priorities.

Workshops Conducted

In partnership with the RBI and Sa-Dhan, we have organized a total of 42 workshops across four states to educate our clients on the importance of responsible financial planning, saving, and investing.

2,244
Lives Impacted



In partnership with Water.org, we organized a center leader workshop in Moradabad, Uttar Pradesh, focused on promoting awareness on health, hygiene, and financial literacy.

500
Lives Impacted

Healthcare Activities

Through our partnership with DocOnline, we have organized health camps, providing our clients with essential health check-ups and consultations with senior doctors via video conferencing. By leveraging video conferencing technology, our clients gained access to consultations with experienced senior doctors remotely, eliminating the necessity for physical visits and prioritizing safety. Our health camps stand as a testament to our commitment to the well-being of our clients, reaffirming our dedication to comprehensive care beyond financial services.

24

Health Camps Organized

1,400

Lives Impacted



Education Initiatives

We believe in empowering communities through education, thereby contributing to their long-term socioeconomic development. Our CSR activities in the education sector encompass various initiatives such as providing scholarships, supporting educational infrastructure development, and fostering partnerships with educational institutions. Through these endeavors, we aim to create opportunities for learning and growth, ultimately driving positive change and enhancing the quality of life for individuals and communities.

To foster the growth and development of students, faculty, and the wider community at GNA University, we formed a strategic partnership in 2021-22, aiming for long-term collaboration. This collaboration has laid the foundation of life changing projects for underprivileged children by improving the quality of education and creating chances of future employability. During the year under review, we allocated INR 150 Lakhs from our CSR fund. This was directed towards establishing a new computer lab, installing elevators, and completing the construction of the girl's hostel building.



2,929

Number of Beneficiaries

Employee Engagement Activities

Recognizing the significance of a motivated workforce in our enduring growth and progress, SCNL prioritizes employee engagement through a range of activities. This includes donation drives and Women's Day celebrations to interactive sessions with the CMD and health check-up camps. Through these initiatives, we cultivate a vibrant workplace culture that values our people as our foremost growth catalysts and brand advocates.



Women's Empowerment

We have partnered with 'Value for Women' to implement enhanced policies and benefits. These are aimed at increasing the representation of women in our workforce and fostering a more inclusive environment. Initiatives such as Satin Ease, where women employees are now entitled to a leave on the first day of their menstrual cycle, exemplify our commitment to supporting their well-being at the workplace.

As majority of our client base comprises women, we have encountered numerous inspiring stories of their success. These women not only uplift their own livelihoods but also contribute to the betterment of their male family members. We firmly believe in providing equal opportunities to women in all fields. Through our social media platforms, we proudly share these success stories and testimonials, highlighting the achievements and empowerment of women in our community.

3 Million+

Number of Women Beneficiaries

Other Development Activities

As part of our branch-level community development initiatives, we focus on humanitarian aid and disaster relief. This program is designed to provide critical assistance to individuals affected by disasters such as fires, cyclones, floods, and earthquakes. Throughout the past year, we have offered support by distributing ration kits and essential household items, helping those impacted to recover and rebuild their lives. This initiative underscores our commitment to standing by our community in times of need and ensuring their well-being during challenging circumstances.

Capital Trade-Offs

Social & Relationship Capital Interlinked with other Capitals

Financial Capital	Building strong and lasting relationships with stakeholders is instrumental in strengthening our financial position.
Manufactured Capital	Continual interaction with stakeholders empowers us to strengthen our combined physical and digital footprint.
Intellectual Capital	The ever-changing needs of stakeholder groups play a crucial role in shaping and advancing our intellectual capital.
Human Capital	By fostering sustainable, long-term value for all stakeholders, we motivate our employees to excel and promote higher rates of employee retention.
Natural Capital	With growing awareness around climate change among stakeholders, companies with minimal carbon footprints will be favored.

Awards and Accolades

Conquering the Big Stage and Being Recognized for Our Excellence



Won the **'Best Innovative Financial Accessibility Model'** for WASH Loan at ISC-FICCI sanitation award ceremony



Recognized as one of the **'Top 50 Companies with Great Managers'** by People Business Consulting for the 3rd time in a row.



Adjudged as '**Being among the Best in the Microfinance Industry**' by GPTW, India



Won '**Corporate Excellence Award**' at the Making India Employable Conference and Awards



Awarded **'Gold for the Best API Project at the 2023'** Treasury Management International Awards



Ranked 67th among the '**Top 100 India's Best Companies to Work for 2023**' across all industries for the 2nd year in a row by GPTW, India



Awarded the '**Best Learning Team**' at the Learning and Development Summit & Awards 2023



Conferred with the prestigious '**Most Impactful Scholarship Program of the Year**' by Indian CSR Award 2023



Recognized as the '**Great Place to Work**' for the 5th year in a row by GPTW, India



Bestowed with the '**Most Influential MFI of the Year Award**' at the NBFC & Fintech Conclave and Awards 2023



Acknowledged for '**Impactful Contribution in the Economy**' at the 4th Elets BFSI Game Changer Summit

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

It is our immense pleasure to present the 34th Annual Report along with the audited financial statements of your Company for the financial year ended March 31, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL SUMMARY/HIGHLIGHTS, STATE OF AFFAIRS

(INR in Lakhs)

Particulars	Standalone		Consolidated	
	March-24	March-23	March-24	March-23
Total Revenue	2,05,064.82	1,75,341.41	2,24,052.78	1,55,089.26
Total Expenses excluding depreciation and amortization	1,46,482.12	1,39,621.10	1,63,497.85	1,52,725.82
Profit before Depreciation and tax	58,582.7	35,720.31	60,554.93	2,363.44
Depreciation and amortization expenses	1,997.75	1,620.27	2,266.14	1,839.37
Profit / (Loss) before Tax	**56,584.95**	**34,100.04**	**58,288.79**	**524.07**
Tax Expense	14,300.54	7,667.12	14,694.99	42.76
Profit / (Loss) after Tax	**42,284.41**	**26,432.92**	**43,593.80**	**481.31**
Other comprehensive income	(6.45)	(1,904.81)	607.03	(2,066.67)
Total comprehensive income for the year	**42,277.96**	**24,528.11**	**44,200.83**	**(1,585.36)**

OPERATIONS, FUND RAISE, PROSPECTS AND FUTURE PLANS

Operational Highlights in brief (Standalone basis)

- The aggregate Assets Under Management (AUM) of the Company stood at INR 10,59,281.81 Lakhs as on March 31, 2024. This represents a year on year (YoY) growth of 33.6% as compared to March 31, 2023.
- Loan amount of INR 9,69,125.38 Lakhs was disbursed in 2023-24, representing an increase of 31.1% as compared to 2022-23.
- The Company disbursed 20,26,052 loans during 2023-24, an increase of 15.9% over 2022-23.
- Average loan amount disbursed per account during 2023-24 was INR 0.47 Lakhs as compared to INR 0.43 Lakhs during 2022-23.
- The Company has operations spread across 26 states & union territories and a total of 1,236 branches PAN India.

During the financial year under review, the Company saw 60% increase in its profitability with net profit of INR 42,284.41 Lakhs for the year ended March 31, 2024 as compared to a net profit of INR 26,432.92 Lakhs for the year ended March 31, 2023. Profit before tax increased by 66% to INR 56,584.95 Lakhs. Total Income has increased from INR 1,75,341.41 Lakhs for the year ended March 31, 2023 to INR 2,05,064.82 Lakhs for the year ended March 31, 2024 which is mainly due to increase in Assets Under Management (AUM) of the Company, improved portfolio quality and improved yield on AUM. The Return on Average Assets increased to 4.77% in 2023-24 as compared to 3.52% in 2022-23. The cost of funds has come down marginally from 11.35% in 2022-23 to 11.30% in 2023–24. Net Interest Margin has improved to 13.15% in 2023-24 as against 11.51% (excluding extraordinary income of INR 35,200 Lakhs) in 2022-23. The Company's strong liquidity position provides significant headroom for growth. The Company has CRAR of 27.66% as on March 31, 2024 as compared to 26.62% as on March 31, 2023.

Credit Rating

Your Company believes that its credit rating and strong brand equity enables it to borrow funds at competitive rates. The credit rating details of the Company as on March 31, 2024 were as follows:

Credit Rating Agency	Instruments	Rating
ICRA	Long Term Debt Ratings (Non-convertible Debentures)	ICRA A (Stable)
	Long Term Debt Ratings (Non-convertible Debentures – Subordinate Debt)	
	Long-Term/Short-Term fund-based term bank facilities programme	
	Long-Term fund-based term loan facilities programme	ICRA A (CE)
	Short-Term Ratings	ICRA A1
CARE	Long Term Debt Ratings (Non-convertible Debentures)	CARE BBB+ (Stable)
	Long Term Debt Ratings (Non-convertible Debentures – Subordinate Debt)	

Operation's highlights

Particulars	March 31, 2024	March 31, 2023
Number of branches	1,236	1,078
Amount disbursed (INR in Lakhs)	9,69,125.38	7,39,010.87
Number of active clients	33,38,888	25,59,406
Total Assets under management (INR in Lakhs)	10,59,281.81	7,92,852.54

Fund Raise

(a) Resource Mobilization:

During the year under review, the Company has continued to diversify the sources of funds and raised a total sum of INR 9,83,217.70 Lakhs by way of equity issuances, short-term loans, long-term loans, issue of non-convertible debentures, external commercial borrowings, securitization and assignments. Out of overall fund raised, INR 33,781.25 Lakhs were raised through equity issuances and INR 9,49,436.45 Lakhs raised through borrowings, which includes INR 55,047.00 Lakhs by issuance of non-convertible debentures, INR 4,35,229.97 Lakhs by way of term loan, INR 4,03,104.26 Lakhs by way of Securitization and INR 22,710.97 Lakhs by way of Commercial Paper. The Company also raised term loans through external commercial borrowing (ECB) route of INR 33,344.25 Lakhs.

Subordinated Debts represented long term source of funds for the Company and the amount outstanding as on March 31, 2024 was INR 33,005.00 Lakhs.

(b) Bank Finance:

As on March 31, 2024, borrowings from banks were INR 6,93,148.62 Lakhs as against INR 5,31,755.76 Lakhs as on March 31, 2023.

Please refer the **Management Discussion and Analysis Report** for more information.

(c) Preferential Issue:

During the financial year 2021-22, the Company had allotted 2,46,15,384 fully convertible warrants ("**Warrants**") to entities belonging to promoter group and non-promoter group at an aggregate amount of INR 19,999.99 Lakhs. Further, out of entire consideration payable towards Warrants i.e. INR 19,999.99 Lakhs, the Company had received an amount of INR 4,999.99 Lakhs i.e., 25% of issue price before allotment of Warrants. Balance 75% was to be infused at the time of conversion of Warrants i.e. within 18 months from the date of allotment of Warrants i.e. January 25, 2022. During the financial year 2022-23, the Company had received an amount of INR 6,218.74 Lakhs by way of conversion of 1,02,05,128 Warrants into equivalent number of Equity Shares.

Further, during the financial year 2023-24, the following Warrants were converted into Equity Shares, details are as follows:

i) On June 13, 2023 and July 07, 2023, the Company had allotted 32,82,052 & 29,23,076 Equity Shares of face value of INR 10 each at an issue price of INR 81.25 each to Trishashna Holdings & Investments Private Limited, an entity belonging Promoters and Promoter Group, respectively; and

ii) On July 21, 2023, the Company had allotted 82,05,128 Equity Shares of face value of INR 10 each at an issue price of INR 81.25 each to Florintree Ventures LLP, an entity belonging to Non-Promoter Group.

Additionally, during the year under review, the Company received INR 249,99,99,928.80 (Indian Rupees Two Hundred Forty-Nine Crore Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred Twenty-Eight and Eighty paisa only), in "Satin Creditcare Network Limited – QIP Escrow Account", towards issuance and allotment of 1,08,36,584 Equity Shares of face value of INR 10 each, at an issue price of INR 230.70 per Equity Share (including share premium amount of INR 220.70 per Equity Share), reflecting discount amount of INR 12.11 per Equity Share (i.e. 4.99% on the Floor Price of INR 242.81 per Equity Share) to 15 successful Qualified Institutional Buyers under the Qualified Institutions Placement ("**QIP**") route, in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Sections 42 and 62 of the Companies Act, 2013 ("**the Act**"), as amended, read with the rules made thereunder and all other applicable laws and regulations.

The Company had utilized the proceeds for the objects as stated in the Notice convening the Member's meeting and there has been NIL deviation or variation in the use of proceeds.

(d) Non-Convertible Debentures (NCDs):

i. During the year under review, the Company had successfully raised, by way of Private Placement basis:

a) INR 36,000 Lakhs through issuance of 36,000 Listed, Secured NCDs and INR 5,000 Lakhs through issuance of 5,000 Listed, Unsecured NCDs, having face value of INR 1,00,000 each. These secured and unsecured NCDs are listed on WDM segment of BSE Limited (BSE); and

b) INR 9,482 Lakhs through issuance of 9,482 Unlisted, Secured NCDs having face value of INR 1,00,000 each and INR 4,565 Lakhs through issuance of 45,650 Unlisted, Secured NCDs having face value of INR 10,000 each.

ii. Details of NCDs which have not been claimed by the Investors:

There are no NCDs, which have not been claimed by the Investors or not paid by the Company after the date on which NCDs became due for the redemption.

COMPANY'S PROSPECTS, FUTURE PLANS AND BUSINESS OVERVIEW

The fiscal year 2024 stands out as a momentous chapter in our 33 year long journey, where we've reshaped countless opportunities, redefined our trajectory and met success in all financial and operational metrics. We witnessed growth in Assets Under Management ("**AUM**"), recorded the highest yearly disbursement, observed robust customer addition, maintained our pristine asset quality, improved our Net Interest Margin, reduced Opex Ratio and fortified our capital base, paving the way for a successful year for all our stakeholders.

Business Overview

Our AUM has crossed the milestone of INR 10,000 Crore during the year; YoY growth of 34% to reach INR 10,593 Crores as on March 31, 2024. The growth in AUM is primarily aided by healthy customer addition. We either have surpassed or are well within the guided range of our annual performance targets on various parameters during the reporting period. We continued to witness robust growth in our borrower base; added 7.8 Lakhs customers during 2023-24 with the borrower base reaching to 33.5 Lakhs as on March 31, 2024. We forayed into two new states, Andhra Pradesh and Telangana, in line with our strategy to extend our inclusive charter to more individuals from low-income groups. With this expansion, our presence is spread across 26 states and union territories.

During the year under review, we maintained the trend of our healthy collections and asset quality. The On-Book GNPA of the Company stood at INR 198 Crore, which is 2.5% of the On-Book portfolio as compared to 3.3% as on March 31, 2023. The overall Provision Coverage Ratio stood at 83% as of March 31, 2024, marking a significant increase from 64% recorded in March 31, 2023.

We have a well-capitalized balance sheet with CRAR of 27.7% as on March 31, 2024 and ample liquidity of ~ INR 1,100 Crore.

Few key developments of the year are highlighted below:

- Successfully completed equity infusion of INR 250 Crore through QIP;
- Entered into a co-lending agreement with Karnataka Bank;
- Long-term credit rating upgraded to A (Stable) by ICRA from A- (Stable);
- Certified with the highest level of recognition, Gold level, by MicroFinanza Rating in accordance with the new framework of SPTF and CERISE.

The robust underpinnings of our organization, which includes our solid fundamentals, ethical work practices, customer-centric business approach and employee-focused operational framework, have ensured our continued social relevance. Through the collective efforts of our subsidiaries, we aim to extend a spectrum of financial services to our clients. As a result, we have emerged as the preferred financial ally for numerous low-income households throughout rural India.

Prospects

This year, the industry witnessed a remarkable surge in credit demand from the rural market, a trend vividly illustrated in the figures of the industry's loan portfolio. Over the years, the Indian microfinance model has remained resilient and fundamentally strong against all crisis. With RBI and SEBI showing concerted effort towards bolstering microfinance and emphasizing its strength and stability within the financial ecosystem, MFIs have benefitted in numerous ways. Various technological interventions in the financial sector have helped lower operational costs and promote financial inclusion. The Company shall continue to stay at the forefront of capitalizing its outreach, focusing on healthy asset quality and liabilities, which will help provide financial support to its borrowers, create a positive impact in their lives and thus create value for its stakeholders.

The microfinance industry's total loan portfolio reached to INR 3,99,442 Crore as on December 31, 2023, witnessed a growth of 24.6% YoY. The total number of active loans accounts were 14.6 Crore with 7.4 Crore unique borrowers as on December 31, 2023. NBFC-MFIs are the largest provider of micro-credit accounting for 39.1% to total industry portfolio as on December 31, 2023. (*Source: MFIN Micrometer Q3 FY23-24*).

Future Plans

As we embark on the next chapter of our journey, we remain optimistic about demonstrating good growth in the years to come and being at the forefront, making meaningful differences and fulfilling rural aspirations with our diversified financial services. The Company's strategy for 2024-25 is to achieve an AUM growth of 25%+ with focus on acquisition of new clients and geographical diversity.

Further, by harnessing the strength of our microfinance outreach, we endeavor to extend affordable housing and retail MSME loans specifically to clients who have completed more than two loan cycles with the Company and have higher credit requirements. As we progress on the path of expansion, we are poised to embrace greater profitability; expect to achieve a RoA of more than 4.0% in the coming fiscal year by limiting our credit cost and upholding cost efficiency.

With an extensive reach spanning Pan India, a distinctive operating model, a diversified product portfolio in secured and unsecured lending, a robust technology infrastructure, a diversified liability profile, and a strong balance sheet, we are poised to be at the forefront. Our aim is to be the ultimate one-stop financial services provider, primarily in rural India differentiated by our process and technology.

Please refer to the **Management Discussion and Analysis Report** for more information on your Company's Business Overview.

SHARE CAPITAL

Authorised Share Capital

During the year under review, the Company had increased the Authorised Share Capital from INR 1,80,00,00,000 (Indian Rupees One Hundred and Eighty Crore only) divided into 10,50,00,000 (Ten Crore and Fifty Lakhs) Equity Shares of INR 10 (Indian Rupees Ten) each and 7,50,00,000 (Seven Crore and Fifty Lakhs) Preference Shares of INR 10 (Indian Rupees Ten) each to INR 2,00,00,00,000 (Indian Rupees Two Hundred Crore only) divided into 12,50,00,000 (Twelve Crore and Fifty Lakhs) Equity Shares of INR 10/- (Indian Rupees Ten) each and 7,50,00,000 (Seven Crore and Fifty Lakhs) Preference Shares of INR 10/- (Rupees Ten only) each, ranking *pari-passu* in all respects with the existing Equity Shares and Preference Shares of the Company, respectively, as per the Memorandum and Articles of Association of the Company.

Paid-up Share Capital

a. Equity Share Capital

The Paid up Equity Share Capital of the Company on April 1, 2023 stood at INR 85,22,41,250 divided into 8,52,24,125 fully paid Equity Shares of INR 10 each.

During the year under review, the Company had raised aggregate amount of INR 33,781.25 Lakhs towards Equity Share Capital and allotted-

a) 1,44,10,256 Equity Shares of INR 10 each to entities belonging to promoters & promoter group and non-promoter group at an issue price of INR 81.25 per Equity Share pursuant to conversion of Warrants issued by way of Preferential Allotment, on June 13, 2023, July 07, 2023 and July 21, 2023, respectively;

b) 1,08,36,584 Equity Shares of face value of INR 10 each, at an issue price of INR 230.70 per Equity Share under QIP route, on December 19, 2023.

As on March 31, 2024, the paid-up share capital of the Company stood at INR 110,47,09,650 comprising of 11,04,70,965 Equity Shares of face value of INR 10 each fully paid up.

b. Preference Share Capital

As on March 31, 2024, the Paid-up Preference Share Capital of the Company stood as Nil.

DIVIDEND

In order to grow the business line of the Company and enhance the rate of return on investment of the Members, it is necessary to conserve the resources. The Directors are of the opinion of retaining the profits for the year within the Company, and thus, have not recommended any dividend on Equity Shares for the year ended March 31, 2024.

The Board of Directors adopted a Dividend Distribution Policy which sets out the parameters in determining the payment / distribution of dividend. The details of Dividend Distribution Policy is placed on the Company's website at https://satincreditcare.com/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf.

AMOUNT TRANSFERRED TO RESERVES

An amount of INR 8,456.89 Lakhs, being 20% of the profit after tax (PAT) was transferred to statutory reserve of the Company pursuant to Section 45-IC of the Reserve Bank of India Act, 1934. Further, the closing balance of the retained earnings of the Company for 2023-24, after all appropriation and adjustments was INR 82,496.49 Lakhs.

DEPOSITS

The Company is registered with the Reserve Bank of India (RBI), as a Non-Deposit taking Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI) under Section 45-IA of the RBI Act, 1934. The Directors hereby report that the Company has not accepted any public deposit(s) during the year under review and it continues to be categorized and operates as a NBFC-MFI Company in conformity with the guidelines of the RBI. Accordingly, disclosure under Section 35(1) of the RBI Master Direction – Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 does not apply.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review, in terms of the provisions of Section 186(1) of the Act, the Company did not make any investment through more than two layers of investment companies.

Since, the Company is Non-Banking Financial Company, the disclosures regarding particulars of the loan or guarantee given and security provided is exempt under the provisions of Section 186(11) of the Act read with rules made thereunder, as amended. Further, the details of investments made by the Company are given in the Notes to the Financial Statements.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The policies and procedures adopted by the Company take into account the design, implementation and maintenance of adequate internal financial controls, keeping in view the size and nature of the business. The internal financial controls ensure the orderly and efficient conduct of its business. The controls encompass safeguarding of the Company's assets, strict adherence to policies and prevention and detection of frauds and errors against any unauthorized use or disposition of assets and misappropriation of funds. These controls help to keep a check on the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Audit Committee ensures that all procedures are properly authorised, documented, described and monitored. The Company has in place technologically advanced infrastructure with computerization in all its operations, including accounts and MIS.

The Company has in place strong internal audit processes, systems and designs annual risk-based audit plan to ensure optimum portfolio quality and keep risks at bay. There is a risk-based audit methodology for field audits and corporate functions audits which are planned based on various risk based parameters. There is a full-fledged in-house Internal Audit department. The branch and regional office audits take place generally thrice a year and corporate function audits takes place as per periodicity defined in the approved internal audit plan.

The Audit Committee of the Board of Directors, comprising of Non-Executive Directors, periodically reviews the internal audit reports, covering findings, adequacy of internal controls and ensures compliances. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, adequacy and effectiveness of the internal controls and systems followed by the Company. Information System Security controls enable the Company to keep a check on technology-related risks and also improve business efficiency & distribution capabilities. The Company is committed to invest in IT systems, including back-up systems, to improve the operational efficiency, customer service and decision-making process.

High standards of the Company's internal control systems are adequately reflected in it receiving ISO 27001:2022 Certification post qualifying two stages of audit by third party certification body - Documentation audit and Control Testing audit. There is also an annual Surveillance Audit conducted by third party ISO Auditors to retain the certification. By implementing ISO 27001 standards, organization identify and mitigate potential security threats to financial data. This enhances the integrity, confidentiality and availability of financial information, reducing the risk of fraud, unauthorized access and data breaches. It demonstrates to stakeholders, including investors and customers, that the organization is committed to safeguarding sensitive financial information, thereby enhancing trust and credibility.

IT security controls are essential measures implemented to protect digital assets from unauthorized access, alteration, or destruction. These controls encompass a range of technologies, processes and policies designed to safeguard information systems, networks and vulnerabilities. There are robust cloud systems which have been implemented efficiently, ensuring scalability, security and reliability for seamless operations and data management.

The Company has been using "Centralized Shared Services Centre (CSS)" to be more vigilant in authentic on-boarding of customers. Centralized Shared Services, an outsourced process unit helps in verification of Loan Application and KYC documents by verifying the authenticity of the clients being disbursed. This has helped in filtering adverse customer selection & sanctioning.

MATERIAL EVENT RECORDED SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There is no further material change and commitment affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e. March 31, 2024 and as on date of the Directors' Report.

DETAILS OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES, AS REQUIRED UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

Subsidiary, Associate and Joint Venture Companies

The Company has following 2 (Two) wholly owned subsidiaries as on March 31, 2024. There are no associate or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries -

1. **Satin Housing Finance Limited ("SHFL")** – SHFL was incorporated on April 17, 2017, as a wholly-owned subsidiary of the Company. It is registered with National Housing Bank (NHB) and holds the certificate of registration (COR) as Housing Finance Company (not holding/accepting of Public deposits) dated November 14, 2017 to carry on activities of housing finance business under Section 29A of the National Housing Bank Act, 1987. SHFL is engaged in providing long-term finance for purchase, construction, extension and repair of houses for the retail segment along with loans against residential property, commercial property and plots. During the year under review, SHFL has infused INR 1,622.32 Lakhs by way of Equity Share Capital. As on March 31, 2024, the paid up capital of SHFL stood at INR 12,962.32 Lakhs.
2. **Satin Finserv Limited ("SFL")** - SFL was incorporated on August 10, 2018, as a wholly owned subsidiary of the Company. SFL is Non-Banking Finance Company engaged in the business of providing various financial services to entrepreneurs, MSMEs and individual businesses and business correspondence services. SFL aim is to "serve the small business owners (MSMEs) in a manner that is mutually beneficial" by providing them loans for their business needs. SFL has adopted a unique credit underwriting and assessment model to understand the income source and derive eligibility of the potential customers.

The customised processes are designed to deliver speed, flexibility and simplicity to the customers, while ensuring adequate control. In the financial year 2022-23, the Hon'ble NCLT, Chandigarh Bench vide its order dated January 31, 2023 had allowed merger of Taraashna Financial Services Limited with Satin Finserv Limited, effective from March 01, 2023. As on March 31, 2024, the paid up capital of SFL stood at INR 15,755.78 Lakhs.

Business Highlights of Satin Housing Finance Limited

SHFL net worth stood at INR 19,982.24 Lakhs as at March 31, 2024. As on that date, regulatory Capital to Risk Assets Ratio (CRAR) is 49.15%. Further, during the year under review, NHB had sanctioned INR 3,000 Lakhs under refinance facility to SHFL. During the year ended March 31, 2024, SHFL's total income was INR 9,231.30 Lakhs as compared to INR 6,187.21 Lakhs in previous year ended March 31, 2023 and net profit after tax was INR 874.43 Lakhs as compared to INR 592.36 Lakhs in previous year ended March 31, 2023. SHFL has been profitable in last three successive years.

The Management of the Company is highly optimistic for bright future of SHFL in the years to come.

Business Highlights of Satin Finserv Limited

SFL net worth stood at INR 18,279.05 Lakhs as on March 31, 2024. This is SFL's fifth full year of operations and they have been profitable in all the five years. SFL has reported total income of INR 12,140.51 Lakhs during the year ended March 31, 2024 and profit before tax stood at INR 703.52 Lakhs. Capital to Risk Asset Ratio (CRAR) is 48.00% which is well above the regulatory requirement of 15.00%. During the fifth year of operations, SFL has shown decent growth in terms of sanctions & disbursements of loans with retail disbursements having grown by 85% from financial year 2022-23 in SME Business. During the year under review, SFL has disbursed loans of INR 21,943.16 Lakhs in SME Business and INR 18,234.30 Lakhs in Business Correspondence business and thereby, achieved AUM of INR 32,637.32 Lakhs (on book) and INR 17,463.44 Lakhs (off book).

The Management of the Company can see a positive outlook for SFL in the years to come.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 129(3) of the Act and Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), Consolidated Financial Statements of the Company including financial details of all the subsidiary companies, forms part of the Annual Report. The Consolidated Financial Statements have been prepared in accordance with the provisions of Indian Accounting Standards issued by the Institute of Chartered Accountants of India & Schedule III of the Act.

Further, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 also form part of the Annual Report. Further, the Company has neither any associate nor any joint venture as on March 31, 2024.

The financial statements of the subsidiary companies are also available on the Company's website https://satincreditcare.com/our-subsidiaries/

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the period under review, no company has become or ceased to be subsidiary, joint venture or associate of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

A. Directors

As on March 31, 2024, the Board of Directors of your Company consist of 8 (Eight) Directors, out of which 6 (Six) Directors are Non-Executive & Independent Directors, including 1 (One) Women Independent Director. Details are furnished herein below:

Sl. No.	Name of Directors	Category
1	Mr. Harvinder Pal Singh	Executive Promoter Director
2	Mr. Satvinder Singh	Non-Executive & Non-Independent, Promoter Director
3	Mrs. Sangeeta Khorana	Non-Executive Woman Independent Director
4	Mr. Sundeep Kumar Mehta	Non-Executive & Independent Director
5	Mr. Goh Colin	Non-Executive & Independent Director
6	Mr. Sanjay Kumar Bhatia	Non-Executive & Independent Director
7	Mr. Anil Kumar Kalra	Non-Executive & Independent Director
8	Mr. Anil Kaul*	Non-Executive & Independent Director

** Appointed as Non-Executive & Independent Director for a period of 3 (Three) years w.e.f. January 15, 2024 till January 14, 2027 at remuneration, by way of commission, for an amount upto INR 24,00,000 (approved for 1 (one) year i.e. January 15, 2024 to January 14, 2025), in addition to the sitting fees payable under the Act.*

Further, during the financial year 2024-25, based on the recommendation of Nomination and Remuneration Committee and subject to approval of the shareholders at ensuing Annual General Meeting, the Board in its meeting held on June 24, 2024, have approved the following(s):

i. Appointment of Mr. Joydeep Datta Gupta (DIN: 00176737) as an Additional Director (Non-Executive & Independent), for a period of 3 (three) years w.e.f. June 24, 2024 till June 23, 2027, on such terms and conditions including remuneration, by way of commission for an amount upto INR 24,00,000 per annum, in addition to the sitting fees payable for attending Board/Committee(s) meetings; and

ii. Approved the payment of remuneration, by way of commission, to all Non-Executive Directors (Including Independent Directors), subject to the overall maximum permissible limit as prescribed under the Act, in addition to the sitting fees payable for attending Board/Committee(s) meetings.

During the year under review, the Non-Executive Directors of the Company had no material pecuniary relationship or transactions with the Company, apart from receiving director's remuneration and sitting fees.

The composition of Board of Directors has been duly constituted in compliance with provisions of SEBI LODR Regulations during the financial year ended March 31, 2024. The terms and conditions of appointment of Non-Executive & Independent Director are available on the website of the Company.

B. Retirement by Rotation

In accordance with the provisions of Section 152 of the Act and Articles of Association of the Company, Mr. Satvinder Singh (DIN: 00332521), Non-Executive Director, is liable to retire by rotation at ensuing Annual General Meeting and, being eligible, offers himself for re-appointment as Director. The resolution seeking Members approval for his reappointment forms part of the Notice of ensuing Annual General Meeting. The Board of Directors of the Company recommends his re-appointment.

A brief resume and other relevant details of Mr. Satvinder Singh, as stipulated under Regulation 36(3) and other applicable provisions of the SEBI LODR Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are furnished in the Notice of ensuing Annual General Meeting, forming part of this Annual Report.

C. Key Managerial Personnel

During the year under review, the Board of Directors at its meeting held on August 10, 2023, based on recommendation of Nomination and Remuneration Committee & Audit Committee and in accordance with Nomination & Remuneration Policy of the Company, had approved the appointment of Mr. Manoj Agrawal as Deputy Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f. August 11, 2023.

Mr. Rakesh Sachdeva, Chief Financial Officer of the Company had been associated with the Company for more than two decades serving in various leadership capacities and contributing significantly to Company's growth through his expertise in Finance and Accounting. Since, he is approaching the age of superannuation and has decided to retire on June 30, 2024, the Board had taken proactive steps to ensure a smooth transition of his responsibilities as part of our succession plan for key position. Post Mr. Sachdeva's retirement on June 30, 2024, Mr. Manoj Agrawal will take over as Chief Financial Officer of the Company w.e.f. July 01, 2024.

As on March 31, 2024, Mr. Harvinder Pal Singh, Chairman cum Managing Director, Mr. Jugal Kataria, Group Controller, Mr. Rakesh Sachdeva, Chief Financial Officer, Mr. Manoj Agrawal, Deputy Chief Financial Officer and Mr. Vikas Gupta, Company Secretary & Chief Compliance Officer, are the Key Managerial Personnel(s) of the Company in accordance with the provisions of Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The present term of Mr. Harvinder Pal Singh as Chairman cum Managing Director of the Company shall expire on September 30, 2025.

Further during the financial year 2024-25, based on the recommendation of Nomination and Remuneration Committee and Audit Committee the Board in its meeting held on June 24, 2024 have approved the appointment of Mr. Manoj Agrawal as Chief Financial Officer of the Company with effect from July 1, 2024 in place of Mr. Rakesh Sachdeva who will retire on June 30, 2024.

D. Statement on Declaration of "Certificate of Independence"

All the Independent Directors have submitted disclosure(s) that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR Regulations, as amended.

Further, in terms of Regulation 25(8) of the SEBI LODR Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation which exist or may be anticipated, that could impair or impact their ability to discharge their duties.

MEETINGS OF THE BOARD

During the period under review, 10 (Ten) Board Meetings were held, the details of the same have been included in the Corporate Governance Report, which forms part of the Annual Report.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provisions of Section 178 of the Act and Regulation 17(10) read with Part D of Schedule II of the SEBI LODR Regulations, the Nomination and Remuneration Committee and the Board of Directors have formulated a policy for performance evaluation (same is covered under the Nomination and Remuneration Policy of the Company) of its own performance, of various mandatory Committees of the Board and of the individual Directors.

Further, SEBI vide its circular (Ref. no. SEBI/HO/CFD/CMD/CIR/P/2017/004) dated January 5, 2017 issued a guidance note on Board Evaluation for listed companies. In view of the same and in terms of Nomination & Remuneration Policy of the Company, the Independent Directors at its separate meeting held on March 22, 2024 under Regulation 25(4) of the SEBI LODR Regulations and Schedule IV of the Act had:

(i) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) reviewed the performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors; and

(iii) assessed the quality, quantity and timelines of flow of information between the Company's management and the Board of Directors that was necessary for the Board of Directors to effectively and reasonably perform their duties.

Further, in terms of the provisions of Regulation 19(4) read with Part D of Schedule II of the SEBI LODR Regulations and Section 178 of the Act, the performance evaluation process of all the Independent and Non-Independent Directors of the Company was carried out by the Nomination and Remuneration Committee in its meeting held on March 22, 2024.

Further, in terms of Regulation 17(10) of the SEBI LODR Regulations and Schedule IV of the Act, the Board of Directors also in their meeting held on March 22, 2024 carried out the performance evaluation of its own performance and that of its Committees and of the individual Directors.

The entire performance evaluation process was completed to the satisfaction of Board.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit and loss of the Company for the year ended on that date;
3. they have 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;
4. they have prepared the annual accounts for financial year ended March 31, 2024 on a going concern basis;
5. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the financial year ended March 31, 2024; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2024.

INFORMATION ON MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

During the period under review, no significant or material orders were passed by the regulators or courts or tribunals affecting the going concern status of the Company and its operations in future.

RELATED PARTY TRANSACTIONS

The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions ("**RPT Policy**") provides for identification, necessary approvals by the Audit Committee/Board, reporting and disclosure requirements in compliance with the requirements of the Act and the SEBI LODR Regulations as amended.

All the transactions entered into with related parties during the financial year were on arms' length basis and in the ordinary course of business or in absence of any criteria, approval was obtained as per the applicable provisions and RPT Policy of the Company. Further, a statement of all Related Party Transactions is presented before the Audit Committee on a quarterly basis.

During the year under review, the Company has not entered into any contract(s)/arrangement(s)/transaction(s) with related parties which could be considered material in accordance with Regulation 23 of the SEBI LODR Regulations, as amended and the RPT Policy of the Company. The "Policy on materiality of Related Party Transaction and dealing with Related Party Transaction" as approved by the Board is available on the website of the Company and the web-link of the same is https://satincreditcare.com/wp-content/uploads/2022/03/Policy-on-Materiality-of-RPT-and-Dealing-with-RPT.pdf

The disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable. Further, details of Related Party Transactions as required to be disclosed as per Indian Accounting Standard - 24 "Related Party Disclosures" specified under Section 133 of the Act are given in the Notes to Financial Statements.

Furtherance to this, the remuneration paid to Mr. Harvinder Pal Singh, Chairman cum Managing Director and sitting fees & commission paid to Non-Executive Directors are shown under Related Party Disclosures segment under "Notes to the accounts" of Financial Statements in terms of Indian Accounting Standard - 24 issued by the Institute of Chartered Accountants of India.

AUDITORS & THEIR REPORTS

Statutory Auditors & their Report

Pursuant to provisions of Section 139 and other applicable provisions of the Act read with rules made thereunder, as amended and in accordance to the provisions of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines on Appointment of Statutory Auditors") issued by RBI vide circular no. Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, the Board of Directors, upon recommendation of the Audit Committee, and further approval from the Members of the Company on August 11, 2021, had appointed M/s S S Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N) as the Statutory Auditors of the Company for a period of continuous 3 (three) years i.e. from the conclusion of 31st Annual General Meeting held in year 2021 till the conclusion of 34th Annual General Meeting scheduled to be held in the year 2024.

M/s S S Kothari Mehta & Co. LLP (*changed the status into Limited Liability Partnership*) is a peer-reviewed firm having certificate no. 014441 which is valid till August 31, 2025. The Statutory Auditors have confirmed that they are not disqualified from continuing as the Statutory Auditors of the Company upto the conclusion of AGM to be held in the year 2024. Further, pursuant to MCA guidelines and other applicable laws, the Board in its meeting held on April 29, 2024 has also taken note of such change in status of the Statutory Auditors.

Further, the Auditors' Report for the financial year 2023-24 does not contain any qualification, reservation, adverse remark or disclaimer. Further, there were no instances of any fraud reported by the Statutory Auditor's, to the Board pursuant to Section 143(12) of the Act.

The Board has placed on record its sincere appreciation for the services rendered by M/s S S Kothari Mehta & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company.

During the financial year 2024-25, basis the recommendation of Audit Committee the Board of Directors at its meeting held on June 24, 2024, in accordance with the RBI Guidelines on Appointment of Statutory Auditors and provisions of Sections 139, 141 of the Act and such other applicable provisions, if any, has appointed M/s J C Bhalla & Co., Chartered Accountants, (Firm Registration No. 001111N) as Statutory Auditors of the Company for a continuous period of 3 (three) years, from the conclusion of ensuing 34th AGM till the conclusion of 37th AGM to be held in year 2027, subject to the approval of Members of the Company.

Secretarial Auditors & their Report

In terms of provisions of Section 204 of the Act and Rules framed thereunder and based on the recommendation of Audit Committee, the Board of Directors had appointed M/s S. Behera & Co., Company Secretaries (ICSI PCS Registration No. 5980) as the Secretarial Auditors of the Company for the financial year 2023-24 at its meeting dated April 29, 2023. The Company provided all the assistance and the facilities to the Secretarial Auditors for conducting the secretarial audit. Secretarial audit report as provided by M/s S. Behera & Co., Company Secretaries does not contain any material qualification, reservation, adverse remark or disclaimer and is also annexed to this Report, in the prescribed Form MR-3, as **Annexure - I**.

The Board has placed on record its sincere appreciation for the services rendered by M/s S. Behera & Co., Company Secretaries, as Secretarial Auditors of the Company.

Cost records and Cost audit

Maintenance of cost records and requirement of Cost Audit as specified by the Central Government under Section 148 (1) of the Act, is not applicable for the business activities carried out by the Company and hence, such accounts and records are not maintained.

Reporting of Frauds by Auditors

During the period under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee/ Board or Central Government any instances of material fraud in the Company by its officers or employees under Section 143(12) of the Act.

However, there have been few instances of misappropriation and criminal breach of Trust including embezzlement of cash by the employees amounting to INR 42.93 Lakhs. In such cases, the action taken by the Company is, to terminate the services of such employees and also initiate legal action against such employees as deemed appropriate. In this course, the Company has recovered INR 4.93 Lakhs from some of those employees.

AUDIT COMMITTEE

The Company has an Audit Committee duly constituted in accordance with provisions of Section 177 of the Act, Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Regulation 18 of SEBI LODR Regulations, as amended. All the members of the Committee have expertise in finance and have knowledge of accounting and financial management. The scope of the Audit Committee, as set out in Regulation 18 of SEBI LODR Regulations and other applicable laws, are approved by Board of Directors of the Company. The composition of the Audit Committee & its terms of reference and the details of meeting(s) attended by the Audit Committee members are provided in Corporate Governance Report which forms part of the Annual Report.

During the year under review, all the recommendations of the Audit Committee were accepted by the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has a vision to drive 'holistic empowerment' of the community and carries CSR initiatives through partnering with a trust/foundation, qualified to undertake CSR activities in accordance with Schedule VII of the Act (includes amendments thereto). Sustainability and social responsibility are an integral element of corporate strategy of the Company. In compliance with Section 135 of the Act read with Rules made thereunder, the Company has established the Corporate Social Responsibility Committee ("**CSR Committee**") and the composition, function and details of meetings attended by the Committee Members are provided in the Corporate Governance Report which forms part of the Annual Report.

During the financial year 2023-24, the Company had contributed INR 150 Lakhs to GNA University, Punjab (an initiative of S. Amar Singh Educational Charitable Trust) for construction of girl's hostel, setting up of computer labs, elevator installation and to promote education & guidance for further education to the poor and marginalized children of the region, which had very low literacy rates, especially among females. The amount contributed was more than the actual CSR liability of the Company i.e. INR 25.93 Lakhs. The amount spent in excess i.e. INR 124.07 Lakhs will be set off in the immediate succeeding three financial years.

Key initiatives under each thematic area and the Annual Report on CSR under Section 135 of the Act read with Rules made thereunder, is annexed as **Annexure-II** to this Report and the same is available on the website of the Company i.e. www.satincreditcare.com.

As per amended CSR Rules and CSR Policy of the Company, the funds required to be disbursed have been utilized for the purposes and in the manner as approved by the Board of the Company and confirmation to this effect have been received from Mr. Rakesh Sachdeva, Chief Financial Officer and Ms. Aditi Singh, CSR Nodal Officer of the Company and such confirmations have been duly noted by the Board in its meeting held on April 29, 2024.

The Composition of CSR Committee and Board adopted CSR Policy as formulated and recommended by the CSR Committee are available at https://satincreditcare.com/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf

EMPLOYEES STOCK OPTION PLAN

The ESOP Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended from time to time (the '**SBEB Regulation'**).

Disclosures pertaining to ESOP scheme pursuant to SBEB Regulations are placed on the Company's website https://satincreditcare.com/. Grant wise details of options vested, exercised and cancelled are provided in the notes to the standalone financial statements.

There is no other material change in the ESOP scheme of the Company. The Company has not provided any financial assistance to its employees for purchase or subscription of shares in the Company or in its holding company.

The Company has not issued any sweat Equity Shares or Equity Shares with differential rights during the year.

POLICIES

Vigil Mechanism/Whistle Blower Policy

Pursuant to provisions of Section 177(9) of the Act read with Rules made thereunder and Regulation 22 of the SEBI LODR Regulations, as amended from time to time, the Company had adopted Whistel Blower Policy/Vigil Mechanism that aims to deal with instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct and the same is explained in the Corporate Governance Report.

The Policy provides adequate safeguard against victimization to whistle blower and enables the Directors & employees to raise their concerns, also provides an option of direct access to the Chairman of Audit Committee. During the period under review, none of the personnel have been denied access to the Chairman of the Audit Committee.

During the period under review, no complaint was received under vigil mechanism.

The Whistle Blower policy of the Company is also available on the website of the Company at https://satincreditcare.com/wp-content/uploads/2024/03/Whistle-Blower-Policy.pdf

Policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP) & Senior Management Personnel (SMP) and Other Employees

In pursuance of Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and Other Employees of the Company, to have diversified Board, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of Section 178 of the Act and Regulation 19 of the SEBI LODR Regulations as amended from time to time and Rules/Regulations/Guidelines/Notifications issued by RBI and SEBI from time to time, the Company has in place Nomination and Remuneration Policy *inter-alia,* establishing criteria for determining qualifications, positive attributes, independence of Directors and other matters as provided, is also available at https://satincreditcare.com/wp-content/uploads/2023/05/9.-Nomination-and-Remuneration-Policy.pdf

Further, the Company familiarizes its Independent Directors about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates and other relevant information relating to the Company. In this regard, the Company follows a structured familiarization programme for the Independent Directors. The detail of such familiarization programmes is disclosed on the Company's website and the web-link of the same is https://satincreditcare.com/policies-practices/#1611050197222-fdc295ab-84a2

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Risk Management Committee is responsible for monitoring and reviewing the risk management plan & ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development & implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

SEXUAL HARASSMENT POLICY FOR WOMEN UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a formal policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

The Company is in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013, to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby, providing a safe and healthy work environment.

The Company has set up an Internal Complaints Committee (ICC) as required under the said Act to redress the complaints received pertaining to sexual harassment. All employees (viz., permanent, contractual, temporary, trainees) are covered under this policy. Any complaint received by the ICC shall be dealt appropriately in accordance with the policy and applicable laws & regulations as provided in the Act.

The Annual Report of ICC Committee for the period commencing from January 01, 2023 till December 31, 2023 was submitted to the office of District Collector, Gurugram on January 09, 2024. One complaint was received and the same was disposed-off during the said period.

FAIR PRACTICE CODE

The Company has in place a Fair Practices Code (**"FPC"**) as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at https://satincreditcare.com/policies-practices/

CUSTOMER GRIEVANCE

The Company has a dedicated Customer Grievance team for receiving and handling customer complaints/grievances and to ensure that the customers are always treated in a fair and unbiased way. All grievances raised by the customers are dealt with courtesy and redressed expeditiously.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure-III**.

In accordance with provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules which forms part of this report, will be made available to any member on request, as per provisions of Section 136 of the Act.

In terms of provisions of Section 136 of the Act, the Report and Accounts are being sent to Members of the Company excluding information on employees' particulars which is available for inspection by the Members of the Company at Registered Office of the Company, during business hours upto the date of ensuing Annual General Meeting. If any Member is interested in obtaining such information, he/she may write to the Company Secretary at the Corporate Office of the Company.

LISTING ON STOCK EXCHANGES

The Equity Shares (bearing ISIN INE836B01017) of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2024-25 have been paid to both the exchanges.

The Non-Convertible Debentures issued on private placement basis are listed on Wholesale Debt Market segment of BSE.

ANNUAL RETURN

Pursuant to provisions of Section 92(3) read with Section 134(3)(a) of the Act read with rules framed thereunder, the draft Annual Return as on March 31, 2024 is available on the website of the Company and can be accessed through the following link https://satincreditcare.com/disclosures-under-regulation-46-of-the-lodr-2/#1657799697026-d5373efd-9938

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the period under review, there was no change in the nature of business of the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to amendment in the SEBI LODR Regulations, top 1,000 listed entities based on market capitalization are required to submit a Business Responsibility and Sustainability Report ("**BRSR**") with effect from financial year 2023-24.

A detailed BRSR in the format prescribed by SEBI describing various initiatives, actions and process of the Company towards ESG endeavor, is annexed herewith as **Annexure - IV** and has also been hosted on Company's website and can be accessed at https://satincreditcare.com/investor-relations-satin-creditcare/annual-report/

PARTICULARS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under clause (m) of sub-section (3) of Section 134 of the Act read with sub-rule (3) of Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-V** and forms part of this Report.

OTHER DISCLOSURE(S)

i. There are no details required to be reported with regards to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions as your Company has not done any settlement with any Bank or Financial Institutions since its inception.

ii. The Company has neither filed any application nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the reporting year, hence no disclosure is required under this section.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the cooperation received from lenders, our valued customers, regulatory bodies, Members and other stakeholders. The Board, in specific, wishes to place on record its sincere appreciation of the contribution made by all the employees towards growth of the Company.

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Place: Gurugram
Date: June 24, 2024

ANNEXURE-I

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2024

(Form No. MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan, Azadpur
Commercial Complex, Azadpur,
New Delhi-110033

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **SATIN CREDITCARE NETWORK LIMITED** (CIN: L65991DL1990PLC041796) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and made available and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, in our opinion we hereby report that, the Company has, during the audit period covering the financial year ended on **March 31, 2024** complied with the statutory provisions stated hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:

a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;

e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable during the Financial Year under review;**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable during the Financial Year under review**; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable during the Financial Year under Review;**

vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:

1. Master Directions, Rules, Regulations and Guidelines, including amendments thereof issued by the Reserve Bank of India as are applicable to NBFC -NDSI MFI;
2. Employees' Provident Funds & Misc. Provisions Act, 1952;
3. Employees' State Insurance Act, 1948;
4. Maternity Benefit Act, 1961;
5. Minimum Wages Act, 1948;
6. Payment of Bonus Act, 1965;
7. Payment of Gratuity Act, 1972;

ANNEXURE-I (Contd.)

8. Delhi Shops and Establishments Act, 1954; and
9. Local laws as applicable to all its branches and offices.

We have also examined compliance with the applicable Clauses/ Regulations of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors ('SS-1') and General Meetings ('SS-2') issued by The Institute of Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered by the Company with NSE and BSE Limited.

We report that, during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, and Guidelines mentioned above to the extent applicable. The Company was in receipt of an email from BSE Limited regarding delay in submission of prior intimation required under Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which pertains to the year 2021 asking for fine to be deposited. In response to this, the Company had filed a response mentioning the reasons of delay and the Company had deposited the amount of INR 1,000/- (Indian Rupees One Thousand) plus taxes and intimated the payment details to BSE.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliances report of Company Secretary & Chief Compliance Officer/Chief Financial Officer/Whole Time Director and respective departmental heads taken on record by the Board of Directors of the Company in their meetings and based on the review of the compliance mechanism established by the Company we are of the opinion that, adequate system and process exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with all applicable laws, rules, regulations and guidelines including Labour Laws and Environmental Laws.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of directors was received for circulation of the agenda and notes on agenda at a shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees thereof were carried out with requisite majority.

We further report that, during the audit period, the following specific events/actions have taken place in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above which may have a major bearing on the Company's affairs:

i) Pursuant to conversion of fully convertible warrants, the Working Committee of the Board of Directors, at its meeting held on June 13, 2023, July 07, 2023 and July 21, 2023, considered and approved the allotment of 32,82,052 Equity Shares, 29,23,076 Equity Shares and 82,05,128 Equity Shares of INR 10 each, respectively, in terms of provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

ii) The Board of Directors at its meeting held on October 19, 2023 approved the raising of funds, in one or more tranches, by issuance of eligible securities;

iii) The Fund Raising Committee at its meeting held on December 19, 2023, approved the issuance and allotment of 1,08,36,584 Equity Shares of face value INR 10 each, at an issue price of INR 230.70 per Equity Share (including premium of INR 220.70), aggregating to INR 250 Crores, to eligible qualified institutional buyers;

iv) The Board of Directors at its meeting held on January 15, 2024 approved the issuance of up to 20,00,000 secured, rated, listed, redeemable, non-convertible debentures, in one or more series/tranches, of face value INR 1,000 each for an amount up to INR 200 Crores by way of Public Issue, in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI LODR Regulations and also any other laws, rules, directions, notifications, circulars issued by the Government or any other Regulatory Authority, in this regard. The Company has obtained the In-principle approval from BSE Limited during the financial year under review.

ANNEXURE-I (Contd.)

We further report that, during the audit period, the Shareholders of the Company, inter-alia, have considered and approved the following:

i. Issue of non-convertible debentures (NCDs), in one or more series/ tranches on private placement basis;

ii. Adoption of new set of Articles of Association of the Company;

iii. Increase in Authorized Share Capital of the Company and consequential alteration of Capital Clause in the Memorandum of Association of the Company; and

iv. Raising of funds in one or more tranches, by issuance of Equity Shares and/or other eligible securities.

This report is to be read with our letter of even date which is annexed as **Annexure-'A'** and forms an integral part of this report.

For S. Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
CP No. 5980
ICSI UDIN: F008428F000266070

Date: April 29, 2024
Place: New Delhi

ANNEXURE-I (Contd.)

Annexure-A

To,
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Azadpur, New Delhi-110033

Our report of even date is to be read along with this letter:

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

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

For S. Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
CP No. 5980
ICSI UDIN: F008428F000266070

Date: April 29, 2024
Place: New Delhi

ANNEXURE-II

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility ('CSR') of SCNL is broadly framed taking into account the following measures:

- Welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits.
- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regards to the economically backward class for their development and generation of income to avoid any liability of employment.
- Protection and safeguard of environment and maintaining ecological balance.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Harvinder Pal Singh	Promoter, Executive Director (Chairman cum Managing Director)	1	1
2	Mr. Goh Colin	Non Executive & Independent Director (Member)	1	1
3	Mrs. Sangeeta Khorana	Non Executive & Independent Director (Member)	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of CSR committee shared above and is available on the Company's website at https://satincreditcare.com/board-of-directors/

CSR Policy at https://satincreditcare.com/wp-content/uploads/2021/03/CSR-Policy-Version-3-01.03.2021.pdf

CSR projects at https://satincreditcare.com/csr/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: N.A.

5. (a) Average net profit of the Company as per sub-section (5) of section 135 - INR 1,296.34 Lakhs

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 - INR 25.93 Lakhs

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years - Nil

(d) Amount required to be set-off for the financial year, if any – Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] - INR 25.93 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – INR 150 Lakhs

(b) Amount spent in Administrative Overheads – Nil

(c) Amount spent on Impact Assessment, if applicable – Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – INR 150 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
150 Lakhs	Nil				

ANNEXURE-II (Contd.)

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	INR 25.93 Lakhs
(ii)	Total amount spent for the Financial Year	INR 150.00 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	INR 124.07 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	INR 124.07 Lakhs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
1	2022-23	Nil						
2	2021-22	181.21 Lakhs	Nil	181.21 Lakhs	Nil			
3	2020-21	Nil						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
N.A.							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: N.A.

For **Satin Creditcare Network Limited**

Sd/-

Harvinder Pal Singh
(Chairman cum Managing Director &
Chairman - Corporate Social Responsibility Committee)

ANNEXURE-III

Details pertaining to section 197(12) of Companies Act, 2013 read with Rules 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The ratio of the remuneration (excluding commission) of each director to the median remuneration of the employees of the Company for the Financial Year:

Sr. No.	Name of Director(s)	Annual Remuneration (in INR) for 2023-24	Median Annual Remuneration of Employees for the 2023-24 (in INR)	Ratio of remuneration of each director of the median remuneration of the employees for FY
1	Mr. Harvinder Pal Singh	1,55,08,421	2,16,000	71.80:1

(ii) The percentage increase in remuneration (excluding commission) of each Director, Chief Financial Officer, Company Secretary in the Financial Year:

Sr. No.	Name of Director(s) Chief Financial Officer, Company Secretary	Annual Remuneration during 2022-23 (In INR)	Annual Remuneration during 2023-24 (In INR)	Percentage increase in remuneration since last FY
1	Mr. Harvinder Pal Singh, Chairman cum Managing Director	1,54,71,108	1,55,08,421	0.24%
2	Mr. Rakesh Sachdeva, Chief Financial Officer	77,53,039	80,39,115	3.69%
3	Mr. Vikas Gupta, Company Secretary & Chief Compliance Officer (appointed as Company Secretary w.e.f. October 08, 2022)	16,77,500	38,13,859	-

(iii) The percentage increase in the median remuneration of employees in the FY:

Median Annual Remuneration (In INR) of employees for the 2022-23	Median Annual Remuneration (In INR) of employees for the 2023-24	Percentage increase in Median Annual remuneration of employees
2,07,816	2,16,000	3.94%

(iv) Number of permanent employees on the rolls of the Company as at March 31, 2024 – **11,363**

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – **The average percentage increased in the remuneration of all employees (other than managerial personnel) for the FY24 stand at 2.04% whereas average percentile increase in the remuneration of managerial personnel stands at 0.24%. Further, there were no exceptional circumstances for increase in the managerial remuneration during the FY24.**

(vi) The Board hereby affirm and declare that the remuneration being paid to the employees(s), Director(s), key managerial personnel(s) is as per the Nomination & Remuneration policy for Directors, key managerial personnel (KMP) & senior management and other employees approved by the Board.

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Date: June 24, 2024
Place: Gurugram

ANNEXURE-IV

INFORMATION AS PER CLAUSE (M) OF SUB-SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH SUB-RULE (3) OF RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024:

(A) Conservation of Energy:	As a loan provider, the Company's operations involve low energy usage, primarily for operational purposes. Despite this, the Company maintains a steadfast commitment to energy conservation and technological advancement across its operations. This dedication is reflected in its ongoing efforts to enhance products, platforms, and processes continually. Additionally, the Company consistently invests in energy-efficient office equipment across all office locations, aligning with its sustainability goals. The Company's endeavors in energy conservation and technology absorption are highlighted in the Business Responsibility and Sustainability Report, as well as the Management Discussion and Analysis sections of its Annual Report, demonstrating transparency and accountability in its sustainable practices.
(i) the steps taken or impact on conservation of energy:	
(ii) the steps taken by the Company for utilizing alternate sources of energy:	
(iii) the capital investment on energy conservation equipment's:	
(B) Technology Absorption:	
(i) the efforts made towards technology absorption:	
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:	
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):	
(iv) the expenditure incurred on Research and Development:	
(C) Foreign Exchange Earnings and Outgo:	
(i) Foreign Exchange Earnings:	INR 33,609.31 Lakhs on account of Reimbursement of Expenditure and External Commercial Borrowing (previous year INR 19,775.90 Lakhs)
(ii) Foreign Exchange Outgo:	INR 6,330.36 Lakhs on account of Interest Payment, Sitting Fees, Processing Fees, etc. (Previous year INR 1,411.30 Lakhs).

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Date: June 24, 2024
Place: Gurugram

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Global Economic Overview

The global economy has showcased exceptional resilience and adaptability, maintaining a steady growth trajectory, while registering a swift deceleration in inflation rates – reminiscent of its previous rapid escalation. This buoyancy signifies the collective strength of the world, having navigated the initial post-pandemic supply chain disruptions, the consequential energy and food crises stemming from the geopolitical tensions, and the vigorous inflationary pressures that followed.

In 2023, the global economy grew at 3.2% as a testament to the underlying stability and potential for future prosperity. Although slightly below the long-term average, it reflects a prudent approach to monetary policy, a strategic reduction in fiscal stimulus, and a focus on sustainable productivity advancements. Further highlighting the inherent strength of the global economy, headline inflation is anticipated to fall from 6.8% in 2023 to 5.9% in 2024, and further down to 4.5% in 2025; thereby indicating a return to more stable economic conditions as inflationary pressures ease. The advanced economies, particularly the Euro Area, are poised for a resurgence, contributing to the global upturn, while emerging markets continue to display robust growth dynamics, despite regional disparities.

In the context of a gradual yet steady recovery, the global economy continues to chart its path forward with confidence and flexibility. Through vigilant and proactive policy interventions, there exists a robust framework to sustain this favorable momentum and foster inclusive growth across all regions. The future holds promise, and with continued collaboration and innovation, the global economy is well-positioned to thrive.

Growth of the Global Economy (in %)

	Year-on-Year		
	Estimate	Projections	
	2023	2024	2025
World	3.2%	3.2%	3.2%
Advanced Economies	1.6%	1.7%	1.8%
Emerging Markets and Developing Economies	4.3%	4.2%	4.2%

(Source: International Monetary Fund's World Economic Outlook – April 2024)

Outlook

Looking forward, the prospect of global economic growth remains on a steady trajectory, dotted with the diminishing influence of favorable factors and the emergence of tighter credit conditions. While there are expectations for a moderation in inflation, persistent supply chain disruptions and shifting inflation sentiment may hinder this trend. Moreover, pressure is likely to intensify within the business sector, potentially impacting profit margins, which in turn, has the potential to slowdown hiring and expenditure.

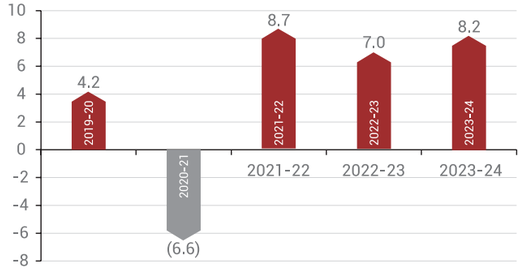
Going forward, the global growth outlook offers a promising yet diverse panorama. Advanced economies are anticipated to experience moderate growth, primarily driven by a rebound in the Euro Area following a subdued performance in 2023. Conversely, the emerging markets and developing economies are forecasted to sustain stable growth throughout 2024 and 2025, albeit with regional variations.

Indian Economic Overview

The Indian economy continues to shine as a torch bearer of consistent growth within the global economic landscape, delivering one stellar performance after another. Sustaining its upward trajectory, the Indian economy recorded a GDP growth of 8.2% in 2023-24, surpassing the 7.0% growth in the preceding fiscal. Improved performances in sectors such as mining and quarrying, manufacturing, and specific segments of the services sector are driving this growth spurt. The resilience of the Indian economy shines through, supported by a host of factors, including increased public sector investment, a robust financial sector, and notable growth in non-food credit.

The focal point of the Government's economic agenda is the strengthening of India's growth trajectory. This entails revitalizing the financial sector, streamlining business regulations to stimulate economic activity, and substantially improving both physical and digital infrastructure to enhance connectivity and elevate the competitiveness of the manufacturing sector. Aligned with this vision, the Government has introduced a range of economic reforms to cultivate a conducive environment for businesses, improve quality of life, and bolster governance structures and procedures.

Growth of the Indian Economy (in %)



(Source: Times of India)

Fueled by adept Government intervention and robust fundamentals, India continued its streak as the world's fastest-growing economy in 2023-24, witnessing notable advancements that have boosted foreign investors' confidence. India now transitions to a pivotal phase of the S-curve, characterized by accelerated urbanization, industrialization, rising household incomes and increased energy consumption.

The construction and manufacturing sector remained the driving force behind India's economic growth. The construction sector recorded strong growth, with gross value added at basic prices reaching 9.9% in 2023-24, compared to 9.4% in 2022-23. The manufacturing sector also witnessed a remarkable surge in gross value added, reaching 9.9% in 2023-24, compared to a decline of 2.2% in the previous fiscal year. However, the services sector witnessed a slight moderation in growth to 7.8% in 2023-24, down from 8.9% in 2022-23. Within the services sector, the largest component, which comprises trade, hotels, transport, and communication, expanded by 6.4% due to a higher base. Conversely, the agriculture sector grew by 1.4% in 2023-24, marking a seven-year low attributed to poor *Kharif* harvest and weak initial sowing of *Rabi* crops.

In recent years, India has made significant strides in terms of infrastructure development. The Government's dedication to this sector is evidenced by its expenditure of INR 23 Lakh Crores over the three-year period spanning from 2021-22 to 2023-24. This emphasis on infrastructure is highlighted by the nearly doubled capital spending to GDP ratio, which escalated from 1.6% in 2018-19 to 3.2% in 2023-24. Parallel to these advancements, the Indian banking and finance sector is experiencing a period of significant transformation and growth. This year has seen remarkable milestones, policy reforms, and technological advancements that have paved the way for a more inclusive, efficient, and resilient financial ecosystem. As the sector continues to adapt, innovate, and thrive in an increasingly digital world, its role in shaping India's economic future looks more promising than ever.

(Source: Press Information Bureau, Ministry of Statistics and Programme Implementation, Government of India)

Outlook

India demonstrated astounding resilience and progress in the face of global economic uncertainties, guided by adept and timely policy interventions aimed at ensuring macro-economic stability and revitalizing both financial and non-financial sectors. The country is expected to record a strong economic growth, registering 6.8% in 2024-25 and 6.5% in 2025-26, driven by sustained growth in domestic demand and a rising working-age population. As a sign of inherently strong fundamentals, India's consumer price inflation is anticipated to cool off from an average of 5.4% in 2023-24, to 4.6% in 2024-25, before further declining to 4.2% in 2025-26. Moreover, substantial investments in robust physical and digital public infrastructure have allowed the country to navigate challenges, both domestic and international, ensuring sustained economic progress. With existing and forthcoming Government policy reforms, optimism and confidence in India's economic trajectory remain significantly high. Embracing its 'Amrit Kaal' with assurance, the nation perceives growth challenges as opportunities for inclusive development rather than tagging them as hindrances. (*Source: Business Standard*)

INDUSTRY OVERVIEW

Indian BFSI Sector Review

In India, the Banking, Financial Services, and Insurance (BFSI) sector stands as a pivotal pillar of economic stability and growth, encapsulating a range of financial services, including banking, insurance, and other financial entities. Non-Banking Financial Companies (NBFCs) and Microfinance Institutions (MFIs) occupy a critical niche within this framework. With their unique ability to unlock economic potential within rural and underserved regions, these institutions play a crucial role within this ecosystem, facilitating capital formation and spurring economic activities in India's hinterlands, thereby stimulating inclusive growth and development.

The impact of the BFSI sector is etched beyond mere business transactions, delving into societal upliftment by promoting financial inclusion through digital banking and microfinance initiatives, reaching underserved and rural populations. Additionally, the sector supports economic growth by providing accessible credit to small and medium enterprises, fostering entrepreneurship and job creation. Moreover, the sector is driving innovation in financial literacy programs, ensuring more individuals can make informed financial decisions. Moreover, BFSI companies are increasingly involved in corporate social responsibility activities, investing in community development, education and healthcare projects.

Notably, Microfinance Institutions in India have undergone a significant transformation, emerging as key contributors to India's inclusive growth narrative. As of March 31, 2024, NBFC-MFIs are the largest providers of micro-credit with a loan amount outstanding of INR 1,70,903 Crores accounting for 39.4% to total industry portfolio. With a strong emphasis on fostering women's economic empowerment, the sector is instrumental in promoting capital formation, particularly through affinity-based lending in rural areas. Globally, India stands as one of the most advanced microfinance markets, buoyed by a multitude of factors. These include

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

robust regulations from the Reserve Bank of India (RBI), extensive digital infrastructure, comprehensive credit bureau information, priority sector lending recognition, and the presence of self-regulatory organizations within the industry. These enablers drive forward the agenda of financial inclusion in India. Moreover, this robust framework has attracted global Development Financial Institutions (DFIs) to invest capital, recognizing the sector's alignment with United Nations' Sustainable Development Goals (UN SDGs) and its adherence to strong Environmental, Social, and Governance (ESG) standards.

(Source: Micrometer, Invest India, Great Place to Work, Airtel)

INDIAN MICROFINANCE SECTOR REVIEW

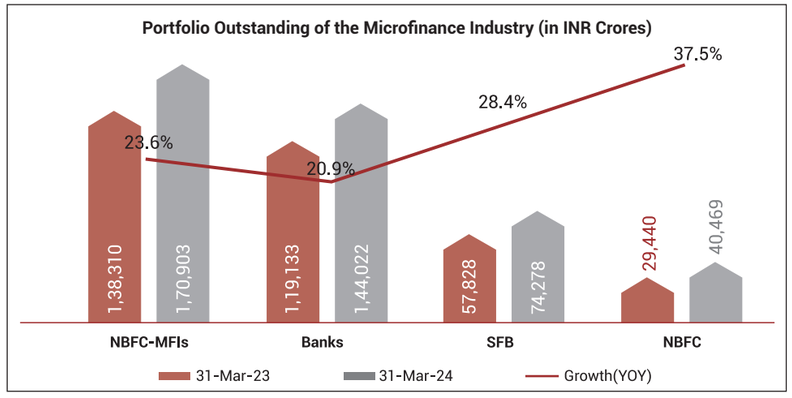
The evolution of microfinance in India is particularly striking, notably gaining momentum following the economic liberalization in 1991. Microfinance Institutions (MFIs), Self-Help Groups (SHGs), and even commercial banks have played pivotal roles in this transformative journey. The RBI has been instrumental in shaping regulatory frameworks for MFIs, ensuring their alignment with national economic objectives. Self-regulatory organizations (SROs) like Sa-Dhan and Mfin have also played crucial role in India's microfinance sector by monitoring member institutions for compliance, policy advocacy, developing industry standards, and providing capacity-building and grievance redressal mechanisms. SROs complement RBI's regulatory efforts by offering industry insights and ensuring customer protection. Furthermore, the microfinance sector in India extends credit and financial services to marginalized communities, serving as catalysts for financial inclusion and grassroot development. This concerted effort continues to yield significant dividends in poverty alleviation, women's empowerment, and the advancement of rural economies.

In the context of the microfinance industry's performance up to March 31, 2024, an analysis reveals a significant transformation characterized by robust loan portfolios and diversified credit provision across various financial entities. The industry boasts a total loan portfolio of INR 4,33,697 Crores in 2023-24. The sector comprises 14.9 Crores active loan accounts, serving 7.8 Crores unique borrowers, demonstrating an aggregate growth in gross loan portfolio of 24.5%. As of March 31, 2024, NBFC-MFIs stand as the primary drivers of micro-credit, holding a significant outstanding loan amount of INR 1,70,903 Crores, commanding a significant 39.4% share of the overall NBFC industry's portfolio. Following closely, the traditional banking institutions hold the second largest share, with a total outstanding loan portfolio of INR 1,44,022 Crores, constituting 33.2% of the overall micro-credit spectrum. Small Finance Banks (SFBs) hold a substantial share as well, with an outstanding loan aggregate of INR 74,728 Crores, accounting for 17.1% of the total micro-credit domain. Moreover, NBFCs contribute a further 9.3%, while other MFIs constitute 0.9% of the micro-credit landscape.

Additionally, in a move to enhance credit accessibility, the Government had introduced a revamped Credit Guarantee Scheme for small businesses, with an allocation of INR 9,000 Crores in the Union Budget of 2023-24. The announced infusion was targeted towards enablement of additional collateral-free guaranteed credit of INR 2 Lakh Crores to banks and other lending institutions, reducing cost of credit by 1%. Moreover, this initiative is expected to mitigate risk for lending institutions and encourage them to provide more loans to micro and small enterprises. This enhanced financial support, in turn, will help small businesses grow and create more job opportunities. *(Source: Micrometer and Press Information Bureau)*

Portfolio Outstanding of the Microfinance Industry

The microfinance industry has shown robust growth, with the total portfolio outstanding reaching new heights. This expansion reflects the increasing demand



for micro-credit services and the sector's critical role in promoting financial inclusion and economic development. The portfolio outstanding in the NBFC-MFIs segment grew by 23.6% from INR 1,38,310 Crores as of March 31, 2023 to INR 1,70,903 Crores as of March 31, 2024.

(Source: Issue 48 Micrometer Q4 FY 2023-24)

INDIAN NON-BANKING FINANCIAL INSTITUTION-MICROFINANCE INDUSTRY (NBFC-MFIs) REVIEW

The microfinance sector in India has emerged as a crucial instrument for financial inclusion, empowering marginalized segments of society. Microfinance Institutions (MFIs), particularly Non-Banking Financial Companies specializing in Microfinance (NBFC-MFIs), continue to play a significant role in this regard, capturing a notable portfolio share of 40%. Banks and Small Finance Banks hold a portfolio share of 33% and 17%, respectively.

These institutions have made remarkable strides, disbursing a substantial number of loans, totaling 223 Lakhs, representing substantial credit demand in rural areas. This emphasizes the pivotal role of the sector in addressing the credit needs of economically marginalized individuals, thereby promoting inclusive growth. Nevertheless, the sector is undergoing a significant transition towards offering larger loan amounts, seen as essential in response to rising inflation and the increased costs of running small businesses. This approach is considered more viable and profitable from an operational standpoint.

However, the Government has introduced various policies to support Microfinance Institutions (MFIs) and small businesses, aiming to sustain the sector's growth trajectory and its contribution to inclusive economic development.

(Source: Micrometer Report)

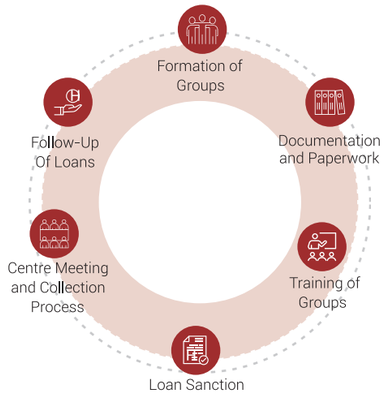
Numbers that Define the Sector

(as of March 31, 2024)

INR 1,70,903 Crores	**39.4%**	**720 Districts**
Total Loan Amount Outstanding	Share of Total Loan Portfolio	Portfolio Spread

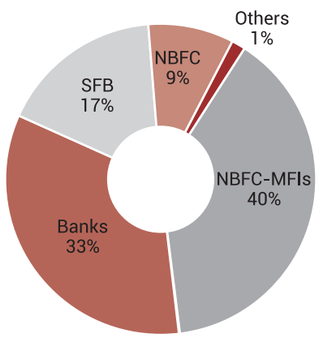
The Operational Model of the Indian Microfinance Industry

The microfinance industry predominantly operates on the Joint Liability Group (JLG) model, where individuals form

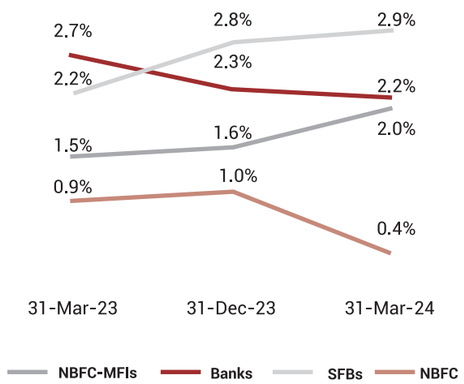


groups to access loans from banks or financial institutions. These groups consist of members engaged in similar economic activities, offering reciprocal assistance in loan repayment, thus mitigating risk for lenders. The procedural sequence entails group formation, documentation, and training, culminating in loan disbursements. Regular meetings are held to monitor progress, and loans are tracked closely. JLGs enable small-scale farmers and entrepreneurs to access financial aid without requiring traditional collateral, thereby cultivating economic inclusivity and enhancing livelihoods in rural and semi-urban areas.

Micro-Credit Loan Outstanding across Lenders
March 31, 2024



PAR 31-180 of the Various Enitites



SECTORAL CHALLENGES

Lack of Financial Services Awareness

Despite numerous Government initiatives, India's literacy rate continues to remain low, especially in rural areas. A significant portion of rural residents face a dearth of fundamental understanding regarding financial products and services. This lack of awareness presents obstacles for both clients and Microfinance Institutions operating in India.

Low Financial Literacy

Inadequate understanding of loan terms and conditions among borrowers poses significant risks for Microfinance Institutions. These risks encompass heightened credit risk stemming from potential over-borrowing and increased defaults, augmented operational expenses for debt recovery, and impediments to achieving financial inclusion objectives. Therefore, it is imperative for MFIs to prioritize the enhancement of financial literacy among borrowers to effectively mitigate these risks.

Technological Adoption

Despite the significant potential of technology to improve accessibility and reduce costs, many Microfinance Institutions face challenges in adopting technological solutions. These obstacles, stemming from factors such as limited resources, inadequate infrastructure, and a lack of technical expertise, are needed to be tackled to brighten the prospect of such MFIs.

Regulatory Compliance

Adopting regulatory compliance poses several challenges for Microfinance Institutions, primarily due to their unique operational characteristics and the diverse regulatory landscape they operate in. Addressing these challenges requires a proactive approach, strategic planning, and investment in resources and infrastructure.

High Operational Costs

Microfinance institutions encounter substantial operational costs that present hurdles to their sustainability. Tackling these challenges demands strategic planning, efficient resource allocation, and a commitment to innovation and technological advancement. By addressing operational inefficiencies and leveraging economies of scale, MFIs can improve their financial viability and better serve their target populations.

Geographical Risk

Microfinance institutions often operate within specific geographic clusters or communities. However, this localized focus exposes them to risks associated with regional, political, social, or environmental instability. These volatilities have the potential to severely disrupt their operations, hampering their ability to serve customers and meet obligations. To counteract these risks and fortify their growth and effectiveness, MFIs strategically pursue a wider geographical dispersal of their operations.

Interest Risk

Interest rate fluctuation is a significant concern for Microfinance Institutions, given their reliance on borrowed funds to finance their lending operations, particularly to low-income clients in countries like India. Therefore, effective management of interest rate risk assumes critical importance for ensuring the financial stability and sustainability of MFIs. This enables them to continue to provide essential financial services to underserved communities, while maintaining their own viability.

Liquidity Risk

Liquidity issues have the potential to pose significant challenges for Microfinance Institutions, affecting their ability to sustain lending activities, serve clients effectively, manage risks and maintain financial stability. Proactive liquidity management, diversified funding sources, prudent risk assessment, and effective regulatory compliance are essential for MFIs to navigate these challenges and safeguard their long-term viability.

Outreach Expenses

Microfinance institutions predominantly serve rural and semi-urban poor and underbanked populations in remote regions, necessitating significant logistical and field workforce investments to facilitate their outreach efforts. Therefore, there is a growing need to prioritize digitalization and process automation to enhance operational efficiency and optimize resource utilization.

OPPORTUNITIES: GROWTH DRIVERS

Financial Inclusion: The annual financial inclusion index of India stood at 60.1 according to the Reserve Bank of India, representing the large growth headroom of the microfinance sector. This highlights the potential for further expansion in the microfinance sector. The continued growth of digital financial services and government initiatives are expected to enhance financial access. Strengthening financial literacy and support for small enterprises will be crucial in driving this sector's future growth.

Portfolio Diversification: Microfinance institutions (MFIs) with their strong presence in rural areas, often serve as the only channels for customers to access affordable finance for various needs, including education, healthcare, infrastructure, and insurance, among others. This situation presents MFIs with opportunities to diversify their products and services while catering to a large customer base.

Technological Upgradation: Technology is crucial in making information, education, and governance, among others, accessible and affordable, even in remote areas. This technological revolution has particularly transformed the financial sector, promising long-term changes in product development and service delivery. For microfinance companies, technology automates routine tasks, making operations more convenient, faster, and secure.

Untapped MSME Sector: The Micro, Small, and Medium Enterprises (MSME) sector in India presents a significant untapped opportunity for growth and development. Despite being a key driving force in India's economic growth, many MSMEs face challenges in accessing adequate financing, with only 16% having access to formal sources of finance. This financing gap highlights the immense potential willing to cater to the financial needs of these enterprises. By providing tailored financial solutions, financial institutions positioned themselves as catalysts for the growth and stability of MSMEs.

Affordable Housing Demand: The demand for affordable housing in India is projected to reach 7.4 Million units by 2024. This surge is fueled by the expanding middle class and government initiatives such as the Pradhan Mantri Awas Yojana (PMAY). As the demand for affordable housing continues to rise, the role of Microfinance Institutions (MFIs) and Non-Banking Financial Companies (NBFCs) will expand, helping customers who face challenges with valid documentation and access to formal financing options.

TECHNOLOGY TRENDS FOR THE MICROFINANCE INDUSTRY

Digital-First for Financial Inclusion: In 2024, Indian MFIs find it imperative to embrace a digital-first approach to effectively serve a diverse and geographically dispersed customer base. With the number of cellular mobile connections in India reaching 1.40 Billion in 2024, compared to 1.12 Billion in 2020, equivalent to 78% of the total population; this widespread adoption of mobile phones presents a unique opportunity. By harnessing digital technologies, MFIs can provide convenient and efficient banking services to underserved communities. Mobile and online platforms play crucial roles in reaching remote areas, enabling seamless access to financial services and ensuring that even the most isolated customers are included in the financial ecosystem. This shift towards digitalization is driven by the need to meet the growing demands of a tech-savvy population and to enhance operational efficiency and customer satisfaction.

AI-Driven Data Analysis and Personalization: MFIs are witnessing a revolution in their operations as AI and data analysis take center stage. These technologies enhance customer experiences, streamline internal processes, and provide valuable insights through AI-driven algorithms. Personalized banking experiences tailored to individual needs are becoming standard practice, bolstering customer satisfaction and loyalty. Additionally, AI assists MFIs in risk assessment and ensures responsible lending practices.

UPI and Digital Payment Integration: MFIs are seamlessly integrating with the Unified Payments Interface (UPI) to expedite secure transactions, in tandem with the surge in digital payments in India. This integration echoes the Government's push towards a cashless economy and caters to the preferences of a tech-savvy population. By incorporating UPI into their systems, MFIs enhance financial accessibility, empowering clients to effortlessly execute payments, transfers, and repayments using the widely adopted digital payment infrastructure Nearly 100% of microfinance loans are being disbursed digitally directly to the borrower's bank account. At the same time, concerted efforts to make the borrowers comfortable with digital repayments have shown very good results.

Blockchain Technology for Transparent Transactions: MFIs are increasingly embracing blockchain technology in the microfinance sector, drawn by its capacity to deliver secure, transparent, and efficient transactions. Implementation of blockchain enhances security, reduces fraud, and synchronizes processes such as loan disbursement and repayment. Its decentralized nature ensures tamper-proof transactions that can be easily audited, fostering trust among MFIs and their customers.

Cybersecurity and Fraud Prevention: MFIs prioritize the security of financial transactions amid the proliferation of digital banking. Investments in advanced cybersecurity measures, including biometric authentication and AI-driven threat detection systems, are crucial to safeguard customer data and prevent fraudulent activities. This commitment to strengthening cybersecurity promotes trust and upholds the integrity of the microfinance ecosystem.

Rise of Contactless Payments and 'Pay Later' Market: MFIs are adapting to the evolving landscape of microfinance transactions, where contactless payments and the emerging 'Pay Later' market are reshaping microfinance transactions. These trends cater to the preferences of a diverse customer base. In response, MFIs are offering contactless payment options, thereby enhancing accessibility, and simplifying financial transactions for customers.

Regulatory Technology (RegTech): MFIs are experiencing a revolution in compliance thanks to RegTech, which is transforming the regulatory landscape for banks, NBFC-MFIs and fintechs alike. Leveraging AI-powered solutions, RegTech automates tasks, improves data analysis, and identifies risks, facilitating cost-effective operations within evolving regulatory frameworks. This trend ensures seamless adherence to regulatory requirements, promoting efficiency and positioning financial institutions for success in a dynamic regulatory landscape.

GOVERNMENT INITIATIVES ACROSS THE YEARS

The Government has undertaken various initiatives in the microfinance sector, including implementing regulatory frameworks to ensure transparency and protect borrowers' rights. Various schemes were also launched to promote financial inclusion and offer credit support to underserved populations. Additionally, the government has encouraged the adoption of digital technologies to enhance the accessibility and efficiency of microfinance services.

- As per the Interim Union Budget 2024-25, the government has allocated INR 5 Billion for SME support, reflecting an increase from previous allocations.
- The Udyam Assist Platform was launched on January 11, 2023, to formalize Informal Micro Enterprises (IMEs) within the MSME framework, facilitating their access to benefits under priority sector lending. Non-tax benefits are extended for a duration of three years in case of an upward change in the status of MSMEs. In 2019, the government had proposed to waive Merchant Discount Rate (MDR) charges on digital transactions for small businesses with a turnover of up to INR 50 Crores (USD 6.7 Million).
- Launched in 2012, the Credit Guarantee Scheme (CGS) aimed to fortify the credit delivery system and streamline credit flow to the Micro and Small Enterprise (MSEs) sector. It offers support without the requirement of collateral or third-party guarantees, with coverage extending up to a maximum of INR 5 Crores.
- The Prime Minister's Employment Generation Program (PMEGP) launched in 2008 by the Government offered significant credit-linked subsidy aimed at fostering self-employment opportunities.

OUTLOOK

Microfinance institutions find themselves at a crucial juncture characterized by technological breakthroughs, regulatory advancements, and a resolute push for financial inclusivity. Those embracing these trends are primed to streamline operations, bolster security measures, and significantly empower economically marginalized communities. As the microfinance sector absorbs transformative changes, it remains focused in its adherence to fundamental principles, with a commitment to delivering enhanced value, unparalleled service, and robust security measures. This collective effort charts a path towards a future that promises excitement, propels inclusion and inspire confidence among all stakeholders within the financial ecosystem.

COMPANY OVERVIEW

Satin Creditcare Network Limited (hereon referred to as 'SCNL' or 'the Company'), established in 1990, holds a prominent position in the Indian microfinance sector. SCNL was registered as a Non-Banking Financial Company (NBFC) with the RBI in 1998 and attained NBFC-MFI status in November 2013. Initially offering individual loans to small businesses, the Company's business model underwent a transition to predominantly emphasize on the Joint Liability Group (JLG) approach. This model enables SCNL to extend collateral-free micro-credit facilities to economically active women in rural and semi-urban areas.

In addition to micro-credit, SCNL extends financing for a range of consumer durable items, including solar products, bicycles, home appliances, consumer durables, and water and sanitation facilities. Moreover, the Company's clientele consists of women entrepreneurs – a resilient group historically underserved or excluded by traditional banking channels.

States and UTs	26
Villages	89,000
Districts	421
Branches	1,393
Clients	34.7 Lakhs

OUR SUBSIDIARIES

Satin Housing Finance Limited (SHFL)

Satin Housing Finance Limited (SHFL), founded in 2017, operates as a wholly owned subsidiary of SCNL. With a focus on delivering accessible home loans to middle and low-income individuals residing in the outskirts of tier-II and below cities, SHFL assists in house construction, purchase, repair, and upgrades, along with offering mortgage business loans.

Headquartered in Gurugram, Haryana, the primary operational landscape of SHFL spans Delhi-NCR, Haryana, Uttar Pradesh, and Rajasthan. With Assets Under Management (AUM) of INR 755.77 Crores, SHFL recorded a robust year-on-year growth rate of 49.58%. Moreover, disbursements aggregating INR 456.30 Crores was

registered, showcasing a remarkable year-on-year growth of 44.48%.

Operating across four states, SHFL has garnered a substantial customer base of 7,456 individuals. The Company exclusively maintains a retail book, constituting 100% of its portfolio. Its commitment to maintain portfolio quality is evident through a Gross Non-Performing Assets (GNPA) ratio of 0.84% as of March 31, 2024. The Company recorded a CRAR of 49.15% and credit rating of A- (Stable) from ICRA. Additionally, SHFL cultivated relationships with 26 active lenders, including NHB-Refinance.

Satin Finserv Limited (SFL)

Satin Finserv Limited (SFL), established in August 2018, functions as a wholly owned subsidiary of SCNL. The Company's corporate office is located in Gurugram, Haryana, with branches spanning eleven states across India.

SFL specializes in offering secured small ticket-size MSME/SME loans to its target market comprising traders, retail and wholesale merchants, manufacturers, service providers, self-employed professionals, education ventures, and agribusinesses. Following the successful merger of Taraashna Financial Services Limited (TFSL) with SFL, the subsidiary expanded its operations to include business correspondent activities with various banks. Currently, the Company is phasing out the business correspondent book and shifting its focus towards building a retail MSME book for future growth. SFL has achieved an impressive Assets Under Management (AUM) totaling INR 501.01 Crores as of the end of 2023-24, with disbursements reaching INR 401.77 Crores, indicating a favorable trajectory in the retail loan segment. The Gross Non-Performing Assets (GNPA) ratio stands at 4.32% as of the end of 2023-24, reflecting the proportion of non-performing loans relative to the total loan portfolio. Furthermore, the Capital to Risk-Weighted Assets Ratio (CRAR) is positioned at an impressive 48.00% as of March 31, 2024, signifying the Company's robust capital adequacy and resilience. The Company's credit rating stood at A- (Stable) from ICRA.

SCNL Group thrives on its reputation as a trusted brand dedicated to improving the quality of life for its customers, while upholding its commitment to financial inclusion. Through diversified financial solutions and services, the SCNL Group addresses the financial needs of individuals having limited access to formal financial services. The Group manages customer life cycle through its subsidiary offerings for clients that have graduated from micro-credit products to products with higher credit requirements. Moreover, SCNL's Group offerings are complemented by a top-notch digital customer experience, ensuring convenience and efficiency for its clients.

Product Range

	Loan Size (in INR)	Loan Tenure (in Months)
Income Generating Loans	10,000-80,000	12-30
Water and Sanitation (WASH) Loans	10,000-35,000	12-24
^MSME Loan	1,00,000-15,00,000	Max 120
^Lending to Corporate Institutions	1,00,00,000-10,00,00,000	Max 36
Social Impact Financing		
Solar	2,200-4,400	6-9
Cycle	5,600-7,000	6-12
Home Appliances	2,100-32,000	6-24
Mobile	11,499-21,499	12-24

^Earlier, the Company provided MSME loans and lent to corporate institutions, but the Company is currently running down these two areas to focus on smaller ticket loan size book.

PRODUCT RANGE OF OUR SUBSIDIARIES

Satin Housing Finance Limited

The Company's offerings encompass loans for home purchase/construction or refurbishment and expansion of an existing home.

Features	Urban Home Loan	Micro Home Loan
Loan Range	INR 5,00,000-40,00,000 *	INR 1,00,000-7,00,000 *
Repayment Time Period	Maximum loan tenure of 20 years *	Maximum loan tenure of 7 years *
Rate of Interest	Competitive ROI**	Competitive ROI**

** May vary on case basis.*

*** The ROI ranges between 9% to 25% for different products of the Company.*

The Company offers loan against property as the right product for urban business loans and micro home loans.

Features	Urban Business Loan	Micro Business Loan
Loan Range	INR 5,00,000-25,00,000 *	INR 1,00,000-7,00,000 *
Repayment Time Period	Maximum loan tenure of 15 years *	Maximum loan tenure of 7 years *
Rate of Interest	Competitive ROI**	Competitive ROI**

** May vary on case basis.*

*** The ROI ranges between 9% to 25% for different products of the Company.*

Satin Finserv Limited

Small Ticket Business Loan

Purpose	Ticket Size	Tenure	Collateral	Eligibility Criteria
Income Generation Activities Working Capital – Long Term loans (3-5 Years) – Short Term Loans (1 to <3 Years)	INR 1.5 Lakhs to INR 3.5 Lakhs	60 Months	Property	• Minimum age: 22 years • Business stability of minimum 3 years

^Large Ticket Business Loan

Purpose	Ticket size	Tenure	Collateral	Eligibility Criteria
Term Loans	Up to INR 5 Crore	60 Months	Secured/ Unsecured	The business must have a minimum stability of 3 years, and the Company needs to have been profitable as per the last audited financials.

^The Company is currently running down large ticket book as the focus is on small retail book.

SCNL'S CORE COMPETENCIES

Legacy to Turn Challenges into Opportunities

SCNL demonstrates a track record of turning challenges into opportunities, exemplifying resilience and innovation throughout its journey spanning over three decades.

Innovative Microfinance Products Portfolio

SCNL maintains a diversified product portfolio, comprising income generating loans, WASH loans along with social impact financing loans for solar lamps, and bicycles, among others. Through its subsidiaries, the Company extends its services to MSMEs and affordable housing segments. This broad-based product basket positions the Company to be industry leaders in the foreseeable future.

Wider Geographical Footprint SCNL leverages extensive geographical footprint spanning 26 states and 89,000 villages, reinforcing its commitment to inclusive financial access and empowerment. The Company has the most diversified geographic coverage compared to other peers in the industry.

Technological Expertise

SCNL derives strength from cutting-edge technology to craft seamless digital solutions, thereby strengthening operation efficiency, empowering clients and transforming the financial landscape.

Well-Diversified Liability Profile

SCNL prides itself on a well-diversified liability profile, exhibiting a robust risk management strategy that ensures stability and resilience amid dynamic market conditions.

Robust Underwriting Processes

SCNL demonstrates meticulous risk assessment and prudent lending practices through its robust underwriting profile, safeguarding both the institution and its clientele against financial volatility.

Strong Capital Adequacy

SCNL navigates challenges with resilience by harnessing its sound capital adequacy, consistently maintaining a CRAR of over 25% for the last five years, which serves as a pillar of strength. This robust capital foundation enables the institution to foster sustainable growth and ensure stability in its operations.

Adept and Experienced Board of Directors and Management Team

SCNL boasts a proficient Board of Directors and a seasoned Management Team, whose wealth of experience and strategic acumen drives the Company through dynamic market landscapes, fostering innovation, fueling growth and propelling sustainable value creation.

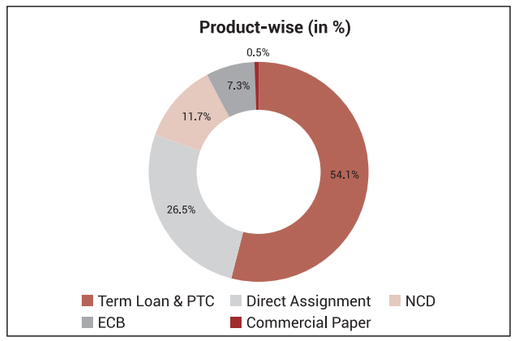
2023-24 SNAPSHOT

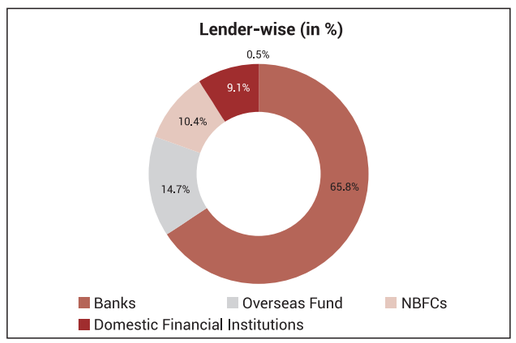
- SCNL's Assets under Management (AUM) grew by 34% to reach INR 10,593 Crores compared to INR 7,929 Crores in 2022-23. The Company recorded a 31% growth in disbursements in 2023-24 amounting to INR 9,691 Crores.
- During the year, added 7.8 Lakhs client taking the client base to 33.4 Lakhs as of March 2024.
- SCNL experienced significant improvement enhancements in its asset quality, as evidenced by the decline in Gross Non-Performing Assets (GNPA) from 3.28% in March 2023 to 2.49% in March 2024. The robust underwriting procedures and reinforced collection process implemented by SCNL play the pivotal roles in this betterment.
- SCNL's portfolio, originated from July 2021 onwards, performed better than the industry with remarkably low Portfolio at Risk (PAR) figures. PAR 1 stood at

2.5% as compared to industry numbers and PAR 90 stood at 1.5%, highlighting the Company's effective implementation of risk management and underwriting practices.

- SCNL's collections against write off pool for 2023-24 stood at INR 46 Crores, symbolizing its commitment towards recovering write-off loans.
- SCNL secured funding from a diverse pool of lenders and through multiple instruments. During the year, the Company raised INR 9,494 Crores; 39% YoY growth as compared to 2022-23.
- SCNL successfully completed equity infusion of INR 250 Crores via QIP.
- SCNL's Capital to Risk-Weighted Assets Ratio (CRAR) attained a healthy level of 27.7%, indicating a strong capital base to support growth momentum.
- SCNL's long-term credit rating got upgraded to A (Stable) by ICRA from A- (Stable) during the financial year.

FUNDING PROFILE





FINANCIAL OVERVIEW

SCNL recorded an annual revenue of INR 2,051 Crores, marking a 17% increase compared to the previous year. The profit after tax (PAT) for the period amounted to INR 423 Crores, registering a YoY growth of 60%. The Company reported a steady net interest margin of 13.2%. The credit cost reduced to 1.4%, leading to return on asset of 4.8% during the financial year. With operating leverage playing out, the Opex to Avg AUM ratio witnessed significant improvement, dropping to 5.6% as compared to 6.3% in the previous fiscal year. The cost-to-income ratio also reduced to 42.6%, while the return on equity (RoE) stood at 18.5%.

Key Financial Ratios

Particulars	March 31, 2024	March 31, 2023
Gross Yield	22.14%	19.55%^
Financial Cost Ratio	8.99%	8.04%
Net Interest Margin	13.15%	11.51%^
Operating Expenses Ratio	5.60%	6.25%
Loan Loss Ratio	1.44%	5.42%
RoA	4.77%	3.52%
RoE	18.46%	15.02%
Leverage (Total Debt/ Total Net Worth)	2.7 times	2.9 times
Cost-to-Income Ratio	42.59%	54.31%^

^Adjusted cost-to-income ratio (excluding extraordinary income of ~INR 350 Crores)

- Gross Yield represents the ratio of Total Income generated during the relevant period to the Average AUM. Gross Yield for 2022-23, including extraordinary income of ~INR 350 Crores, stands at 24.46%
- Financial Cost Ratio denotes the ratio of Interest Expense incurred during the relevant period to the Average AUM
- Net Interest Margin (NIM) signifies the difference between the Gross Yield and the Financial Cost Ratio. The adjusted NIM, including extraordinary income of ~INR 350 Crores for 2022-23 is calculated at 16.42%,
- Operating Expenses Ratio represents the ratio of the Operating Expenses (expenses including depreciation but excluding Credit Cost and Interest Expense) to the Average AUM
- Loan Loss Ratio denotes the ratio of Credit Cost (including FLDG on BC) to the Average AUM
- RoA represents ratio of PAT to the Average Total Assets
- RoE represents PAT to the Average Equity

HUMAN RESOURCES MANAGEMENT

SCNL acknowledges the pivotal role of its human resources in driving the Company's sustainable success. It adopts a holistic HR approach, encompassing initiatives focused on talent acquisition, diversity, learning and development, employee recognition, and well-being. Moreover, the Company prioritizes sourcing top talent to stimulate innovation and foster a positive workplace culture, evidenced by significant hiring initiatives resulting in the recruitment of new employees. Its proactive talent retention strategies include initiatives like Great Managers, 360-degree feedback mechanisms, and internal job postings, were envisaged to promote employee engagement and satisfaction.

Diversity and women's empowerment are integral to SCNL's culture, demonstrated through programs focused on training, mentorship, and flexible work arrangements. Elevating women to leadership positions and implementing initiatives to promote gender equality, the Company achieved global recognition. Moreover, the unique Satin Ease Leave policy reflects its commitment to inclusivity by offering menstrual leave, thereby advocating equality and dignity at workplace. Additionally, the Company remains committed to promote learning and development, with initiatives like university-recognized courses and the buddy program for practical training taking center stage, along with IT-focused learning initiatives. Our efforts have enabled us to bag a Great Place to Work recognition for the fifth consecutive time. This achievement is testament to our efforts toward creating a happier and conducive work place.

The performance management system of SCNL fosters continuous improvement, while talent development programs identify and nurture future leaders, exemplified by initiatives like The Leaders Club. Meritocracy guides career progression within the Company, with transparent evaluations and recognition programs rewarding outstanding performance. Employee health, safety, and sustainability remain the priorities for SCNL, with various initiatives and wellness programs ensuring a safe and healthy work environment. Employee well-being is prioritized through health camps, stress management workshops, and cultural celebrations, fostering unity and inclusivity. Awareness campaigns and workplace surveys are conducted to gather feedback, enabling continuous upgradation of HR practices, thereby nurturing an engaged, energetic and future-ready workforce.

11,363 Total Employees

28 Years Average Age of Employees

56% Retention Rate

TECHNOLOGICAL UPGRADATIONS

SCNL initiated a transformative journey in 2016-17, by developing its own Enterprise Resource Planning (ERP) system. This decision was driven by the limitations of the legacy application (BIJLI) previously utilized by the Company which lacked scalability due to constraints in its architecture.

The in-house ERP development has yielded significant advancements as listed below:

Transition to Centralized Architecture: Previously, operating on a decentralized architecture, the Company's processes were time-consuming, taking up to 15-20 days. However, with the implementation of the new ERP, the architecture shifted to a centralized model. This centralized setup enables real-time data capture and generates dashboards on real time basis, providing management with comprehensive insights. Furthermore, leveraging the centralized architecture, field personnel now conduct real-time transactions via synchronized tablets, enhancing operational efficiency. Additionally, the Company migrated to Oracle as its database, utilizing its advanced capabilities, while upgrading its hardware infrastructure with state-of-the-art technology and faster storage. To address network instability in rural areas, the proposed Android application functions offline and online, automatically syncing with the server.

Real-Time Data Processing: SCNL enhanced its data processing capabilities, facilitating real-time updates of captured data. Detailed analytics and business dashboards enable management at all levels to access minute details and track key performance indicators (KPIs) promptly.

GEO Fencing-Based Solutions: SCNL incorporates geofencing technology in its application, mapping customer locations using GPS. This feature aids in tracking the field force based on customer location, providing insights into business density in specific geographical areas.

AI and ML Integration: SCNL seamlessly integrates AI and ML technologies into its application. The AI/ML engine ensures the capture and upload of clean and readable KYC documents by field personnel, ensuring regulatory compliance and enhancing KYC quality.

Cashless Collection: SCNL's application offers multiple cashless collection modes, including NEFT, IMPS, Debit Card, QR Code-based payment, AEPS and UPI 2.0, facilitating hassle-free and secure transactions for customers.

AWS Implementation: SCNL's adoption of Amazon Web Services (AWS) ushered in numerous benefits and ample growth opportunities for the Company. AWS provides scalability, cost efficiency through a pay-as-you-go model,

in addition to offering robust security measures, enhanced reliability and resilience. Leveraging AWS's data analytics and machine learning services, SCNL extracts valuable insights for data-driven decision-making and operational efficiency. Moreover, AWS supports the Company's digital transformation journey, facilitating the adoption of advanced technologies to elevate customer experience and operational efficiency.

Cybersecurity Framework: SCNL has adopted an all-encompassing cybersecurity framework to fortify the security of the Company's systems and data. This framework incorporates robust firewalls, Window Application Firewall (WAF) and advanced intrusion detection/prevention systems to vigilantly monitor network activities. Additionally, it encompasses SOC, SIEM and endpoint security software to shield devices from potential threats and ensures timely software updates are applied to address vulnerabilities effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The policies and procedures adopted by SCNL takes into account the design, implementation and maintenance of adequate internal financial controls, keeping in view the size and nature of the business. The internal financial controls ensure the efficient conduct of its business. The controls encompass safeguarding of assets, strict adherence to policies and prevention and detection of frauds and errors against any unauthorized use or disposition of assets and misappropriation of funds. These controls help to keep a check on the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Audit Committee ensures that all procedures are properly authorized, documented, described and monitored. SCNL has in place technologically advanced infrastructure with computerization in all its operations, including accounts and MIS.

SCNL has in place strong internal audit processes and systems and designs annual risk-based audit plan to ensure optimum portfolio quality and keep risks at bay. There is a risk-based audit methodology for field audits and corporate functions audits which are planned based on various risk-based parameters. There is a full-fledged in-house Internal Audit department. The branch and regional office audits take place generally thrice a year and corporate function audits takes place as per periodicity defined in the approved internal audit plan.

The Audit Committee of the Board of Directors, comprising Non-Executive Directors, periodically reviews the internal audit reports, covering findings, adequacy of internal controls, and ensure compliances. The Audit Committee also meets SCNL's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, adequacy and effectiveness of the internal controls and systems followed by the Company. Information system security controls enable SCNL to keep a check on technology-related risks and also improve business efficiency and distribution capabilities. SCNL is committed to invest in IT systems, including back-up systems, to improve the operational efficiency, customer service and decision-making process.

High standards of SCNL's internal control systems are adequately reflected in it receiving ISO 27001:2022 Certification post qualifying two stages of audit by third-party certification body - Documentation audit and Control Testing audit. There is also an annual Surveillance Audit conducted by third-party ISO Auditors to retain the certification. By implementing ISO 27001 standards, organizations identify and mitigate potential security threats to financial data. This enhances the integrity, confidentiality, and availability of financial information, reducing the risk of fraud, unauthorized access, and data breaches. SCNL demonstrates its commitment to safeguarding sensitive financial information, thereby enhancing trust and credibility within investors and stakeholders.

IT security controls are essential measures implemented to protect digital assets from unauthorized access, alteration, or destruction. These controls encompass a range of technologies, processes and policies designed to safeguard information systems, networks and data from cyber threats and vulnerabilities. There are robust cloud systems which are implemented efficiently, ensuring scalability, security and reliability for seamless operations and data management.

SCNL has been using 'Centralized Shared Services Centre' to be more vigilant in authentic onboarding of customers. Centralized Shared Services (CSS), an outsourced Process unit helps in verification of Loan Application and KYC documents by verifying the authenticity of the clients being disbursed. This has helped in filtering adverse customer selection & sanctioning.

RISK MANAGEMENT

SCNL acknowledges the presence of various risks that could potentially impact its operations, given the dynamic and challenging environment it operates in. To address these challenges, the Company has developed a robust risk management structure, including policy, framework and risk monitoring tools, aimed at early identification and timely mitigation of these risks.

SCNL deploys an intricately designed risk management framework to identify, assess, and mitigate risks across

different levels of the organization. Through this holistic approach, the Company puts in place proactive measures to address potential threats and uncertainties.

The Company's risk management process considers several key factors, while assessing the risk of exposure on a case-to-case basis. These include reputation risk, the inherent nature of the product, credit risk, and historical performance of similar clients, among others. Additionally, the tenure of the borrower relationship, repayment track record, future potential, and competitor rates are also taken into account in assessing the risk premium. By comprehensively evaluating these factors, the Company strives to make informed decisions that strike a balance between risk and return, ultimately safeguarding its interests and ensuring sustainable growth in the face of evolving market dynamics. Detailed information about the Company's risk mitigation measures is provided on page no.54 of the Annual Report.

CORPORATE GOVERNANCE

SCNL actively strives to promote financial inclusion and empower individuals from economically and socially underserved segments of society. The Company upholds its reputation as a responsible player in the finance industry, operating with a robust commitment to fairness, transparency, integrity, and ethics. Its framework is meticulously detailed to create a strong sense of responsibility towards the broader community. This principled approach has enabled the Company to navigate challenges that have periodically beset the microfinance industry.

Governance standards, initiated by the Board and senior management of SCNL, permeate throughout the organization to ensure uniformity and equity. Internal stakeholders are carefully educated to understand that adherence to Corporate Governance principles extends beyond mere compliance with regulations; it reflects the Company's commitment to ethical business practices. The Company maintains a vigilant oversight of its organizational governance structure, practices, and processes, regularly revising them to align with the highest ethical standards. Adherence to applicable regulations and provisions issued by regulatory bodies, including the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), and the Ministry of Corporate Affairs (MCA) is held in supreme importance. The regulatory frameworks outlined by these authorities significantly influence the corporate governance structures and practices of SCNL.

The Company has adopted a policy on Internal Guidelines on Corporate Governance in accordance with RBI's Scale Based Regulations, outlining the Governance Philosophy and detailing the composition and terms of reference of the Company's Committees in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Regular Board meetings are conducted to assess SCNL's adherence to corporate governance standards, including committee composition, functions, meeting frequency and compliance. The Board, at its March 22, 2024 meeting, approved an Anti-Bribery and Anti-Corruption Policy, clarifying stakeholder responsibilities in the event of such instances within the Company. This policy is designed to uphold legitimate business practices, prevent corruption and bribery, and is binding on all employees as part of SCNL's Code of Conduct.

RESERVE BANK OF INDIA (RBI): COMPLIANCE

A circular on 'Scale-Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' (the 'SBR Framework') was released by the Reserve Bank of India on October 22, 2021. The SBR Framework divides NBFCs into four tiers: NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL), and NBFC - Top Layer (NBFC-TL). These layers are determined by factors such as size, activity, and perceived risk. The Company has been classified as NBFC – ML under the aforementioned framework as of October 1, 2022.

The Company strictly adheres to the major gudielines issued by the RBI viz. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022, Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, 2023, Master Direction on Outsourcing of Information Technology Services, 2023.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is a business approach that fosters sustainable development by providing economic, social, and environmental benefits for all stakeholders. In light of the aforementioned context, the Corporate Social Responsibility (CSR) policy of SCNL is broadly structured around the following key measures:

- Implementing welfare initiatives for the community at large, with a focus on maximizing benefits for the poorer sections of society.
- Contributing to the broader society through social and cultural development, providing education and training, and raising social awareness, particularly targeting the economically disadvantaged to aid in their development and income generation, thereby reducing employment-related liabilities.
- Protecting and safeguarding the environment while maintaining ecological balance.

Over the years, through strategic partnerships and initiatives, the Company has made significant strides in enhancing its vision to drive 'holistic empowerment' of the community by partnering with a trust/foundation, qualified to undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013.

With the aim of promoting education and empowering children, the Company forged a strategic partnership with GNA University in 2021-22, with plans for a long-term collaboration. Leveraging the CSR grant, the Company has supported various impactful projects, including sponsoring the education of underprivileged children, construction of girls' hostel to provide safe and secure accommodation and to enhance the future employability of students. These initiatives reflect the Company's commitment to creating sustainable and inclusive growth for the community.



In 2023-24, the Company supported GNA University by funding towards the development of a computer lab, installing elevators and construction a girls' hostel, demostrating our dedication to societal upliftment. With a CSR expenditure of INR 150 Lakhs, the Company has partnered with agency, Sardar Amar Singh Educational Charitable Trust to further impact on community development. This trust has been selected based on the Company's CSR policies and objectives.

Our community engagement initiatives revolve around the core principles of the Sustainable Development Goals (SDGs).

INR150 Lakhs
CSR Expenditure

2,929
Number of Lives Touched



The detailed information on the Company's corporate social responsibility initiatives is covered on page no. 107 in the Social & Relationship Capital section of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



SECTION A GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L65991DL1990PLC041796
2.	Name of the listed entity	Satin Creditcare Network Limited
3.	Year of incorporation	October 16,1990
4.	Registered office address	5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033
5.	Corporate address	Plot No. 492, Udyog Vihar, Phase – III, Gurugram, Haryana – 122016, India
6.	E-mail	info@satincreditcare.com
7.	Telephone	+91 124 471 5400
8.	Website	www.satincreditcare.com
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited (NSE) – NSE Ticker: SATIN • BSE Limited (BSE) – BSE Ticker: 539404
11.	Paid-up capital	INR 110.47 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	• Name: Ms. Aditi Singh • Designation: Chief Strategy Officer • Telephone number: +91 124 471 5400 • E-mail Id: Aditi.Singh@satincreditcare.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under the report are made on a standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. DETAILS OF BUSINESS ACTIVITIES (ACCOUNTING FOR 90% OF THE TURNOVER)

Description of main activity	Description of Business activity	% of turnover of the entity
Microfinance Services	Our business operates on the Joint Liability Group model to offer collateral free micro-credit to economically active women in rural and semi-urban areas, thereby expanding access to financial services.	96.58%

17. PRODUCTS/SERVICES SOLD BY THE ENTITY (ACCOUNTING FOR 90% OF THE ENTITY'S TURNOVER)

Product/Service	NIC Code	% of total turnover contributed
Microfinance Services	64990	96.58%

III. Operations

18. NUMBER OF LOCATIONS WHERE PLANTS AND/OR OPERATIONS/OFFICES OF THE ENTITY ARE SITUATED

National

Offices	**1,324**
Total	**1,324**

International

The company does not have any international offices.



19. MARKETS SERVED BY THE ENTITY:

a. Number of locations

National (No. of States)

26

International (No. of Countries)

-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Data Not Applicable

c. A brief on types of customers

Our clients are economically active women who reside in rural and semi-urban areas, engaging in activities like agriculture, allied services and trading, thus bridging the gap left by conventional banking institutions and other financial channels. Of the over 3 Million clients we serve across 26 states, 70% are from below the poverty line as per reporting financial year. This underscores our commitment to providing inclusive financial access and empowerment to marginalized communities.

IV. Employees

20. DETAILS AS AT THE END OF FINANCIAL YEAR

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	11,363	10,991	97%	372	3%
2.	Other than Permanent (E)	273	245	90%	28	10%
3.	**Total employees (D + E)**	**11,636**	**11,236**	**97%**	**400**	**3%**

b. Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	5	5	100%	NA	
2.	Other than Permanent (E)	0	0	0%		
3.	**Total differently abled employees (D + E)**	**5**	**5**	**100%**		

21. PARTICIPATION/INCLUSION/REPRESENTATION OF WOMEN

	Total (A)	No. and percentage of females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	5	0	0

22. TURNOVER RATE FOR PERMANENT EMPLOYEES AND WORKERS

(Disclose trends for the past 3 years)

Permanent Employees

2023-24

Male	Female	Total
65%	60%	61%

2022-23

Male	Female	Total
54%	58%	51%

2021-22

Male	Female	Total
43%	51%	45%

The nature of the industry is such that attrition rates are higher. As per Micrometer report, the industry is currently experiencing a turnover rate of approximately 55% to 60%, which places us well within the standard parameters.



V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (A) NAMES OF HOLDING / SUBSIDIARY / ASSOCIATE COMPANIES / JOINT VENTURES

Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/ associate/joint venture	% of shares held |by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Satin Housing Finance Limited	Subsidiary Company	100%	Yes
Satin Finserv Limited	Subsidiary Company	100%	Yes

VI CSR Details

24.

i Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes, the Company's Corporate Social Responsibility (CSR) is widely defined, taking into consideration the following factors:

- Welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits.
- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development and generation of income to avoid any liability of employment.
- Protection and safeguard of environment and maintaining ecological balance

₹ 2,050.65

Turnover (in INR Crores)

₹ 2,680.35

Net worth (in INR Crores)



VII. Transparency and disclosures compliances

25. COMPLAINTS/GRIEVANCES ON ANY OF THE PRINCIPLES (PRINCIPLES 1 TO 9) UNDER THE NATIONAL GUIDELINES ON RESPONSIBLE BUSINESS CONDUCT

Stakeholder group from whom complaint was received	Grievance Redressal Mechanism in Place (Yes/No)	2023-24			2022-23		
	(If yes, then provide a weblink to the grievance redress policy)	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	Yes	Nil	Nil		Nil	Nil	
Investors (other than shareholders)	Yes	2	Nil		Nil	Nil	
Shareholders	Yes	Nil	Nil		4	Nil	
Employees and workers	Yes	389	Nil	-	771	10^	-
Customers	Yes	6,100	35^		7,528	55^	
Value Chain Partners	Yes	Nil	Nil		Nil	Nil	
Other (please specify)	Yes	Nil	Nil		Nil	Nil	

All outstanding complaints logged in the final week of financial year have been subsequently resolved as of the date of the report, resulting in zero pending cases to date. The web link for grievance redress policy https://satincreditcare.com/wp-content/uploads/2024/04/Client-Grievance-Redressal-Mechanism-V_5.2-Signed-Copy.pdf

26. OVERVIEW OF THE ENTITY'S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format

Risk **Opportunity**

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Sustainable Finance		Financing has an important role to play in enabling businesses and economies to transition to a sustainable economy. The NBFC-MFI sector in India is one of the key drivers of the economy and significantly contributes to the country's GDP as well as employment. As a financial services company, we recognize that directing capital towards such small businesses presents a substantial opportunity for us to make a meaningful impact. We firmly believe that achieving financial success should be intricately linked with our contribution to the greater good of society	Being an NBFC-MFI, focusing on providing loans to income generating businesses in the rural and semi-urban areas that are underserved, we are addressing a major financing gap, thus, enabling such businesses and entrepreneurs to obtain loans to scale up their operations, improve efficiency and for other business expansion related purposes. Our efforts involve placing a heightened focus on providing loans to women entrepreneurs with a focus on sustainability and inclusive growth.	**Positive:** Attracting impact investors, improving reputation and promoting sustainability in lending helps in identifying risk and opportunities.
2	Untapped Market		Under penetration and untapped market presents a huge opportunity for growth for NBFC-MFIs. Millions of individuals, especially in rural and semi-urban areas, remain excluded from the formal credit system. This credit gap results from a lack of access to traditional banking services, limited credit history, and various other socio-economic factors, etc. With increasing focus of the government towards financial inclusion, rising financial awareness, and increasing smartphone and internet penetration, there is a significant potential for expanding the reach of NBFC-MFIs.	We have a presence in 26 states and union territories. To adapt to and mitigate risks while tapping into underpenetrated markets, we implement comprehensive risk management strategies. These strategies include developing robust credit scoring models using alternative data sources, leveraging advanced technologies for predictive analytics and fraud detection, and diversifying our portfolio across regions and sectors. Establishing strong governance and compliance practices, along with regular audits, ensures operational stability and adherence to regulations. We invest in staff training and educate our clients on responsible borrowing to further reduce default risks.	**Positive**: More Market expansion. Demonstrating a commitment to financial inclusion aligns with evolving consumer preferences and enhances our reputation as a socially responsible financial institution.
3	Liquidity		A skewed asset-liability profile could lead to a liquidity crunch, resulting in significantly higher funding costs. The company has a diversified funding profile in terms of products, institutions, and countries, with a base of 76 lenders comprising a healthy mix of banks, non-banks, and global impact lenders.	The Company employs prudent asset-liquidity management and maintains a well-diversified liability profile to minimize market turbulence impacts. A rating upgrade to A (Stable) may provide easier credit and liquidity terms. We continuously monitor market liquidity conditions.	**Negative**: Financial loss **Positive:** Strong Financial Position. Strengthened Impact Parameters. Enabling last mile reach.
4	Client Experience		Customer experience is a significant opportunity to enhance our competitiveness and build lasting relationships with our clients. By delivering exceptional services and products, we can increase customer satisfaction, retention, and loyalty. Given that the company provides financial products and services to millions of customers, any undesirable customer experience could result in loss of customers or even reputational loss.	To maximize the opportunity of customer experience, we have adopted the following approach: **Digital Innovation:** Embracing new age, cutting edge technologies and leveraging innovative technologies through our "PhyGital" model which uses technology and authentic in -person service to create loans which support the ambitions of our customers. We engage directly with our clients and work through loan applications together, in person, at the customer's pace. **Grievance Redressal Mechanisms:** We have a dedicated grievance redressal mechanism "Sparsh" to promptly address customer related complaints and grievances through multiple channels. Each complaint is thoroughly reviewed, monitored, and resolved to achieve complete customer satisfaction. We monitor customer queries and grievances on various social media channels and provide quick resolution.	**Negative:** Loss of reputation can result in loss of customers thereby adversely impacting business. **Positive:** By providing superior customer experience, we can differentiate ourselves from competitors and attract new customers seeking exceptional financial services.
5	Data Privacy and Cyber Security		Dependence on technology platforms and associated vendors heightens the system's vulnerability. In the event of a security breach, sensitive customer information could be exposed, leading to regulatory fines, legal liabilities, loss of customer trust, and damage to the company's brand image.Ensuring robust data protection measures is essential to safeguard the interests of both - the institution and its client.	We have enhanced our IT infrastructure and Information Security team to effectively monitor and address these challenges on an ongoing basis. We have a well-defined framework and policy on cyber security and data privacy. This policy assures users that all personal information provided through the website is treated with the utmost confidentiality and is not shared with third parties in most circumstances, unless explicitly solicited and permitted by the user.	**Negative:** Business and reputation loss

SECTION B MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Weblink of the policies, if available	https://satincreditcare.com/policies-practices/								
2	Whether the entity has translated the policy into procedures. (Ye/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company is fully complaint with applicable rules and regulations. Moreover, SCNL is compliant with the ISO 27001: 2022 Information security management system.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is dedicated to its mission of serving marginalized communities by offering a diverse array of products and services. We place a strong emphasis on promoting gender empowerment and harness the power of technology and innovation to establish enduring strategic alliances. Through these efforts, the Company aims to create a lasting impact and foster inclusive growth for underserved and unserved segments of society.								
6	Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	The Company diligently monitors progress against its action plan. Approximately 99% of our clients are women entrepreneurs, underscoring our commitment to gender empowerment. Additionally, about 76% of our portfolio exposure comes from rural areas, and around 72% of our portfolio supports minority, OBC and SC & ST communities.								

	Governance, leadership and oversight	
7	Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Refer to page 18 of this Annual Report	
8	Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies).	Mr Harvinder Pal Singh, Chairman cum Managing Director
9	Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.	Mr Harvinder Pal Singh, Chairman cum Managing Director, Chairman of the CSR Committee

10 DETAILS OF REVIEW OF NGRBCS BY THE COMPANY:

Subject for Review	Indicate whether the review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

11. HAS THE ENTITY CARRIED OUT AN INDEPENDENT ASSESSMENT / EVALUATION OF THE WORKING OF ITS POLICIES BY AN EXTERNAL AGENCY? (YES/NO). IF YES, PROVIDE THE NAME OF THE AGENCY.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Y	N	Y	N	N	N	N	N	Y
SMERA		GPTW						CPC

12 IF THE ANSWER TO QUESTION (1) ABOVE IS 'NO' I.E. NOT ALL PRINCIPLES ARE COVERED BY A POLICY, REASONS TO BE STATED

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	All nine principles are integral to the Company's operations; therefore, these questions are not applicable.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity mandated to file this report, the leadership indicators may be voluntarily disclosed by entities that aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1:

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. PERCENTAGE COVERAGE BY TRAINING AND AWARENESS PROGRAMMES ON ANY OF THE PRINCIPLES DURING FINANCIAL YEAR

Segment	Total no of training and awareness programmes held	Topics / principals covered under the training and impact	% age of persons in respective category covered by the awareness programme
Board of Directors	1	Familiarization Programme for the Newly Appointed Director*	12.5
Key Managerial Personnel	Nil	Nil	Nil
Employees other than BOD & KMPs	• ^Total training sessions : 1,949 • Training sessions delivered digitally through video conferencing : 978 • Training sessions conducted in Regional Offices : 490	• Stakeholders received training covering organizational fundamentals, microfinance insights, policies, products, and processes, alongside skill development sessions, including awareness of policies like POSH, ESG, anti-money laundering policy, anti-corruption & bribery policy. • Refresher and software training sessions ensure all employees are up-to-date with processes and policies, boosting operational efficiency. • Branch Managers receive promotional training encompassing leadership, behavioral, and soft skills, alongside functional training, followed by assessments and on-the-job support.	94.27%
Workers	• Training sessions at Branches : 481	• Community Service Officers (CSOs) and Deputy Regional Managers (DRMs)/ Territory Managers undergo standard practice training to maintain service quality and operational standards. • Corrective training is provided post-branch audits, addressing identified gaps. Regular assessments identify knowledge gaps among field staff, guiding the customization of training content for better policy comprehension and operational excellence. • Train the Trainer (TTT) sessions are conducted for DRMs and territory Managers (TMs), empowering them to deliver branch-level training on updates and processes effectively.	



The Independent Directors undergo a structured familiarization program to acquaint themselves with their roles, rights, and responsibilities within the Company, as well as the nature of the industry, the Company's business model, legal updates, and other essential aspects. The details of the familiarization program for the Independent Directors are available on the Company's website at the below link: https://satincreditcare.com/policies-practices/#1611050197222-fdc295ab-84a2

On an ongoing basis, the Company's Board conducts meetings and updates regarding Code of Conduct for Prevention of Insider Trading, Code of Conduct for Directors and Senior Management, Corporate Governance, Risk Management, IT & Cybersecurity, changes in the regulatory environment as applicable were made at the Board/Committee meeting.

During the reporting year, Mr Anil Kaul, Independent Director, underwent the familiarization program upon his appointment to the Board of Directors.

^This year, the Company has increased the number of man-hours dedicated to training, thereby enhancing overall efficiency.

2. DETAILS OF FINES / PENALTIES / PUNISHMENT / AWARD / COMPOUNDING FEES / SETTLEMENT AMOUNT PAID IN PROCEEDINGS (BY THE ENTITY OR BY DIRECTORS / KMPS) WITH REGULATORS/ LAW ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTIONS, IN THE FINANCIAL YEAR, IN THE FOLLOWING FORMAT (NOTE: THE ENTITY SHALL MAKE DISCLOSURES ON THE BASIS OF MATERIALITY AS SPECIFIED IN REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE OBLIGATIONS) REGULATIONS, 2015 AND AS DISCLOSED ON THE ENTITY'S WEBSITE):

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/Fine					
Settlement					
Compounding Fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred (Yes/No)
Imprisonment	Nil			
Punishment				

3. OF THE INSTANCES DISCLOSED IN QUESTION 2 ABOVE, DETAILS OF THE APPEAL/ REVISION PREFERRED IN CASES WHERE MONETARY OR NON-MONETARY ACTION HAS BEEN APPEALED.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Since the Company has not recorded any instances mentioned in question 2, this question is not applicable	

4. DOES THE ENTITY HAVE AN ANTI-CORRUPTION OR ANTI-BRIBERY POLICY? IF YES, PROVIDE DETAILS IN BRIEF AND IF AVAILABLE, PROVIDE A WEB-LINK TO THE POLICY.

Yes.

The objective of the Anti-Bribery & Anti-Corruption Policy is to uphold and promote lawful business practices across the organization while preventing and prohibiting corruption, bribery, and related misconduct. The Audit Committee oversees policy compliance, while the HR Department is responsible for reporting any issues or concerns. Any queries or concerns raised by individuals or sources regarding suspected violations of this policy are thoroughly investigated with the approval of authorities two levels higher than the positions involved.

Web Link : https://satincreditcare.com/wp-content/uploads/2024/04/2.-Anti-Bribery-and-Anti-Corruption-Policy.pdf

5. NUMBER OF DIRECTORS/KMPS/EMPLOYEES/WORKERS AGAINST WHOM DISCIPLINARY ACTION WAS TAKEN BY ANY LAW ENFORCEMENT AGENCY FOR THE CHARGES OF BRIBERY/ CORRUPTION:

	2023-24	2022-23
Directors	Nil	
KMPs	Nil	
Employees	Nil	

6. DETAILS OF COMPLAINTS WITH REGARD TO CONFLICT OF INTEREST:

	2023-24	2022-23
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	

7. PROVIDE DETAILS OF ANY CORRECTIVE ACTION TAKEN OR UNDERWAY ON ISSUES RELATED TO FINES / PENALTIES / ACTION TAKEN BY REGULATORS/ LAW ENFORCEMENT AGENCIES/ JUDICIAL INSTITUTIONS, ON CASES OF CORRUPTION AND CONFLICTS OF INTEREST.

No corrective actions pertaining to above mentioned parameter was necessitated by the Company during the year under view.

8. NUMBER OF DAYS OF ACCOUNTS PAYABLES ((ACCOUNTS PAYABLE *365) / COST OF GOODS/ SERVICES PROCURED) IN THE FOLLOWING FORMAT:

	2023-24	2022-23
No. of days of accounts payable	Not Applicable	

9. OPEN-NESS OF BUSINESS.

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2023-24	2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Data Not applicable	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers / distributors as % of total sales		
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Data Not applicable	
	b. Sales (Sales to related parties / Total Sales)		
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.28%	0.66%
	d. Investments (Investments in related parties / Total Investments made)	0.66%	0.75%

For more information on the RPT disclosures, refer to page 98 of the Annual Report

Leadership Indicators

1. AWARENESS PROGRAMMES CONDUCTED FOR VALUE CHAIN PARTNERS ON ANY OF THE PRINCIPLES DURING THE FINANCIAL YEAR:

Total no of awareness campaign held	Topics / Principals covered under the training	% age of value chain programme partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

2. DOES THE ENTITY HAVE PROCESSES IN PLACE TO AVOID/ MANAGE CONFLICT OF INTERESTS INVOLVING MEMBERS OF THE BOARD? (YES/NO) IF YES, PROVIDE DETAILS OF THE SAME.

Yes.

The Company has implemented various codes and policies to effectively handle conflicts of interest involving members of the Board. SCNL requires all the Board members to submit a mandatory declaration, ensuring their compliance with the Code of Conduct. This requirement applies to all directors, senior management and employees across the group. By adhering to these standards, we aim to uphold and enforce proper business conduct. The Code serves as a deterrent against misconduct and promotes ethical behavior within the organization.

In case, if there is any interest of any Directors then he/she is not allowed to participate in that particular proposal. Further, the Company also and has a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions to take care of Related Party Transactions which can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. The said Policy is available on the website of the Company at

https://satincreditcare.com/wp-content/uploads/2022/03/Policy-on-Materiality-of-RPT-and-Dealing-with-RPT.pdf



PRINCIPLE 2:

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. PERCENTAGE OF R&D AND CAPITAL EXPENDITURE (CAPEX) INVESTMENTS IN SPECIFIC TECHNOLOGIES TO IMPROVE THE ENVIRONMENTAL AND SOCIAL IMPACTS OF PRODUCT AND PROCESSES TO TOTAL R&D AND CAPEX INVESTMENTS MADE BY THE ENTITY, RESPECTIVELY.

	2023-24 (INR)	2022-23 (INR)	Details of improvements in environmental and social impacts
R&D	8,22,34,444	34,37,500	
Capex	6,56,49,100	1,72,92,574	

2. a. Does the entity have procedures in place for sustainable sourcing (Yes/No)

As the nature of the business of the Company is providing loans, the consumption of resources is limited to running the operations. The Company endeavors to engage with suppliers who integrate environmental and social considerations into their products and services. The Company conducts majority of its branch procurement from local businesses/suppliers.

b. If yes, what percentage of inputs were sourced sustainably?

Not Material

3. DESCRIBE THE PROCESSES IN PLACE TO SAFELY RECLAIM YOUR PRODUCTS FOR REUSING, RECYCLING AND DISPOSING AT THE END OF LIFE, FOR (A) PLASTICS (INCLUDING PACKAGING) (B) E-WASTE (C) HAZARDOUS WASTE AND (D) OTHER WASTE.

- E-waste - The Company engages with certified e-waste handlers (vendors) for disposal of the e-waste. The Company has received an e-waste disposal certificate from its vendor certifying disposal in an environmentally friendly manner.
- The Company does not generate any hazardous waste.
- Other waste - The Company has a sewage treatment plant situtated in its head office wherein waste water is treated and reused for sanitation purposes.

4. WHETHER EXTENDED PRODUCER RESPONSIBILITY (EPR) IS APPLICABLE TO THE ENTITY'S ACTIVITIES (YES / NO). IF YES, WHETHER THE WASTE COLLECTION PLAN IS IN LINE WITH THE EXTENDED PRODUCER RESPONSIBILITY (EPR) PLAN SUBMITTED TO POLLUTION CONTROL BOARDS? IF NOT, PROVIDE STEPS TAKEN TO ADDRESS THE SAME.

Given the nature of our business, the above is not applicable to us.

Leadership Indicators



1. HAS THE ENTITY CONDUCTED LIFE CYCLE PERSPECTIVE / ASSESSMENTS (LCA) FOR ANY OF ITS PRODUCTS (FOR MANUFACTURING INDUSTRY) OR FOR ITS SERVICES (FOR SERVICE INDUSTRY)? IF YES, PROVIDE DETAILS IN THE FOLLOWING FORMAT?

The primary business activity of the Company is providing financial services to the marginalized community. The loan cycle is a sequential process ranging from sourcing of the loan to loan approval, disbursement, servicing and repayment of the loan. For more information, refer page 114 of this Annual Report.

2. IF THERE ARE ANY SIGNIFICANT SOCIAL OR ENVIRONMENTAL CONCERNS AND/OR RISKS ARISING FROM PRODUCTION OR DISPOSAL OF YOUR PRODUCTS / SERVICES, AS IDENTIFIED IN THE LIFE CYCLE PERSPECTIVE / ASSESSMENTS (LCA) OR THROUGH ANY OTHER MEANS, BRIEFLY DESCRIBE THE SAME ALONG-WITH ACTION TAKEN TO MITIGATE THE SAME.

None other than those identified in S. No. 26 of Section A (General Disclosures) above.

3. PERCENTAGE OF RECYCLED OR REUSED INPUT MATERIAL TO TOTAL MATERIAL (BY VALUE) USED IN PRODUCTION (FOR MANUFACTURING INDUSTRY) OR PROVIDING SERVICES (FOR SERVICE INDUSTRY).

Indicate Input Material	Recycled or reused input material to total material	
	2023-24	2022-23
SCNL provides financial solutions to its customers and does not manufacture any products, hence, this is not applicable to us.		

4. OF THE PRODUCTS AND PACKAGING RECLAIMED AT END OF LIFE OF PRODUCTS, AMOUNT (IN METRIC TONNES) REUSED, RECYCLED, AND SAFELY DISPOSED, AS PER THE FOLLOWING FORMAT:

	2023-24			2022-23		
	Reused	Recycle	Safely Disposed	Reused	Recycle	Safely Disposed
Plastics (including packaging)	Given the business operations of our Company, the same is not applicable					
E-waste						
Hazardous waste						
Other waste						

5. RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS (AS PERCENTAGE OF PRODUCTS SOLD) FOR EACH PRODUCT CATEGORY.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
Given the business operations of our Company, the same is not applicable.	

PRINCIPLE 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	10,991	2,261	21%	10,991	100%	-	0%	10,991	100%	-	0%
Female	372	97	26%	372	100%	372	100%	-	0%	-	0%
Total	11,363	2,358	21%	11,363	100%	372	3%	10,991	97%	-	0%
Other than permanent employees											
Male	245	245	100%	245	100%	0	0%	245	100%	0	0%
Female	28	28	100%	28	100%	28	100%	0	0%	0	0%
Total	273	273	100%	273	100%	28	10%	245	90%	0	0%

The majority of the Company's staff is related to field operations and as per statutory compliance, the said are covered by ESIC social security. The rest of the employees are covered under Mediclaim.

b. Details of measures for the well-being of workers.

Data Not Applicable

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

2023-24	2022-23
0.18%	**0.20%**
Cost incurred on well- being measures as a % of total revenue of the Company	Cost incurred on well- being measures as a % of total revenue of the Company

2. DETAILS OF RETIREMENT BENEFITS, FOR CURRENT FINANCIAL YEAR AND PREVIOUS FINANCIAL YEAR

a. Details of measures for the well-being of employees

Category	% of employees covered by					
	2023-24			2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)
PF	99%	NA	Y	99%	NA	Y
Gratuity	100%		NA	100%		NA
ESI	77%		Y	77%		Y
Others – please specify	-		-	-		-

The majority of the Company's staff is related to field operations and as per statutory compliance, the said are covered by ESIC social security. The rest of the employees are covered under Mediclaim.

3. ACCESSIBILITY OF WORKPLACES

ARE THE PREMISES / OFFICES OF THE ENTITY ACCESSIBLE TO DIFFERENTLY ABLED EMPLOYEES AND WORKERS, AS PER THE REQUIREMENTS OF THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016? IF NOT, WHETHER ANY STEPS ARE BEING TAKEN BY THE ENTITY IN THIS REGARD.

Yes, the Company prioritizes safety and accessibility for differently abled individuals. Our corporate office is equipped with ramps and elevators to facilitate easy movement, while the majority of our branches are situated on the ground floor for enhanced accessibility.

4. DOES THE ENTITY HAVE AN EQUAL OPPORTUNITY POLICY AS PER THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016? IF SO, PROVIDE A WEB-LINK TO THE POLICY.

Our Company's Diversity & Inclusion Policy enshrines that SCNL hires through a neutral lens, without any discrimination on the basis of sex, disability, race, religion, age, or any other characteristic protected by applicable laws and regulations.
Web Link - https://satincreditcare.com/wp-content/uploads/2024/06/Diversity-Equity-and-Inclusion-Policy.pdf

5. RETURN TO WORK AND RETENTION RATES OF PERMANENT EMPLOYEES AND WORKERS THAT TOOK PARENTAL LEAVE.

Permanent employees – Return to work rate	Gender	Permanent employees – Retention rate
100%	Male	96%
100%	Female	100%
100%	Total	97%

6. IS THERE A MECHANISM AVAILABLE TO RECEIVE AND REDRESS GRIEVANCES FOR THE FOLLOWING CATEGORIES OF EMPLOYEES AND WORKER? IF YES, GIVE DETAILS OF THE MECHANISM IN BRIEF.

		Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes	
Other than Permanent Employees		

Yes, the Company has an employee grievance mechanism in place called "Atoot Bandhan", where employees can raise any issue with full anonymity and action is taken accordingly.

The Company also has an Alumni Portol wherein the ex-employees can check the status of their F&F and related issues.

The Company follows an open door policy where any employee irrespective of hierarchy has access to the senior management.

7. MEMBERSHIP OF EMPLOYEES AND WORKERS IN ASSOCIATION(S) OR UNIONS RECOGNIZED BY THE LISTED ENTITY:

Data Not Applicable

8. DETAILS OF TRAINING GIVEN TO EMPLOYEES AND WORKERS:

Category	2023-24 (Current Financial Year)					2022-23 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		Number (E)	% (E / A)	Number (F)	% (F / A)
Employees										
Male	11,236	10,323	92%	6,838	61%	9,728	8,326	86%	5,112	53%
Female	400	314	79%	217	54%	305	222	73%	136	45%
Total	11,636	10,637	91%	7,055	61%	10,033	8,548	85%	5,248	52%

9. DETAILS OF PERFORMANCE AND CAREER DEVELOPMENT REVIEWS OF EMPLOYEES AND WORKERS:

Category	2023-24			2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
			Employees			
Male	10,991	7,157	65%	8,950	5,981	67%
Female	372	219	59%	272	148	54%
Total	**11,363**	**7,376**	**65%**	**9,222**	**6,129**	**66%**

At SCNL, the career development and appraisal process is designed to align individual growth with organizational goals. This structured process encompasses several pivotal stages. Initially, employees establish annual performance objectives that harmonize with their job responsibilities and career aspirations. Throughout the year, managers provide regular feedback and mentoring to help employees achieve these goals. At the end of the performance period, a formal appraisal is conducted to review achievements and identify future development needs.

At Satin, career advancement avenues are diverse, encompassing job rotations, cross-functional projects, and tailored training initiatives aimed at honing skills and readying employees for elevated roles. The appraisal process factors in performance metrics, potential evaluations, and adherence to organizational ethos. Based on this assessment, employees may receive promotions, salary enhancements, or other forms of commendation, accompanied by a personalized roadmap for the ensuing year's development.

This multifaceted process not only serves as a catalyst for employee motivation but also serves as a robust mechanism for talent retention and cultivation within the organization.

10. HEALTH AND SAFETY MANAGEMENT SYSTEM:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company is commited towards health and safety of its employees and has undertaken various awareness programmes on safety protocols by conducting periodic trainings on fire safety and evacuation drills, internal communication and alerts are sent out to employees, etc.

The Company provides advisory to manage occupational safety risks for field personnel who frequently travel long distances to engage with customers. This is achieved through regular training sessions and email updates on road safety. These training sessions aim to raise awareness about occupational health and safety

The Company strongly pays its emphasis on both, the physical and mental well-being of its employees and has organized various workshops and discussions with well-being experts and medical practitioners. At the workplace, training programmes on the safety of women employees is mandatory for all employees.

Additionally, we are in the process of installing fire extinguishers in all the branches of SCNL to ensure the safety of our employees in case of a fire emergency.



Further, the employees are covered under the following policies:

- Group Mediclaim Policy
- Group Term Life Policy
- Personal Accident Policy
- Employee State & Insurance policy

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company provides financial solutions and does not engage in manufacturing activities and hence the above is not applicable for us. However, the Company has proper health and safety management system in place as specified above in 10 (a).

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

The Company does not employ any worker and hence not applicable.

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company has the following non-occupational medical and healthcare services for its employees:

- Group Mediclaim Policy
- Group Term Life Policy
- Personal Accident Policy

11. DETAILS OF SAFETY RELATED INCIDENTS, IN THE FOLLOWING FORMAT:

Category	Category	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	NA	NA
Total recordable work-related injuries	Employees	27	43
No. of fatalities	Employees	4	8
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA

12. DESCRIBE THE MEASURES TAKEN BY THE ENTITY TO ENSURE A SAFE AND HEALTHY WORK PLACE.

Refer to 10 (a) above

13. NUMBER OF COMPLAINTS ON THE FOLLOWING MADE BY EMPLOYEES AND WORKERS:

Category	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil					
Health & Safety						

10. ASSESSMENTS FOR THE YEAR:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Company strives to keep the workplace environment safe, hygienic and humane, upholding the dignity of the employee. The head office of the Company is internally assessed periodically through audits for various aspects of health & safety.
Working conditions	NA

15. PROVIDE DETAILS OF ANY CORRECTIVE ACTION TAKEN OR UNDERWAY TO ADDRESS SAFETY-RELATED INCIDENTS (IF ANY) AND ON SIGNIFICANT RISKS / CONCERNS ARISING FROM ASSESSMENTS OF HEALTH & SAFETY PRACTICES AND WORKING CONDITIONS.

Yes, the Company addresses safety-related incidents and significant risks by implementing corrective actions. During the training program, employees are provided with detailed guidelines on safety practices, including mandatory road safety measures such as wearing helmets and possessing a valid driving license. Continuous assessments of health and safety practices help identify risks and concerns, which are then promptly addressed through appropriate corrective measures.

Leadership Indicators

1. DOES THE ENTITY EXTEND ANY LIFE INSURANCE OR ANY COMPENSATORY PACKAGE IN THE EVENT OF THE DEATH OF (A) EMPLOYEES (Y/N) (B) WORKERS (Y/N).

Yes, the Company extends life insurance and EDLI benefits in the event of death of its employees. The Company offers three distinct types of coverage to its employees: Group Term Life (GTL), Employee Deposit Linked Insurance (EDLI), and Group Personal Accident Policy (GPAP).

a. Group Term Life (GTL): GTL coverage varies according to the employee's grade within the organization, ranging from 8 Lakhs to 1 Crore. This tailored approach ensures that employees and their families receive adequate financial support in the unfortunate event of the employee's demise.

b. Employee Deposit Linked Insurance (EDLI): EDLI provides a fixed coverage of 7 Lakhs, serving as an additional layer of financial security for the employee's family, irrespective of any other life insurance coverage the employee may hold.

c. Group Personal Accident Policy (GPAP): GPAP offers a flat coverage of 10 Lakhs, extending financial assistance in the event of an accident leading to death or disability.

Additionally, the Company provides the Satin Sahyog policy, aimed at providing support to the families of employees who have lost their lives while on duty. Eligible dependents, including spouses, children under 21 years, and parents without other means of support, benefit from this policy. The scheme entails a monthly payout of INR 10,000 to the nominee or guardian for minor nominees, offer time life insurance, including pension, education assistance and a job for family member and Mediclaim cover for the entire family, as applicable. Furthermore, the Compassionate Education Assistance Scheme under Satin Sahyog facilitates the education of dependent children under 18 years, with a maximum of two children per deceased employee. Each eligible child receives INR 2,500 per month in their guardian's account until they reach the age of 18 years, or complete their 12th grade, whichever comes earlier.

2. PROVIDE THE MEASURES UNDERTAKEN BY THE ENTITY TO ENSURE THAT STATUTORY DUES HAVE BEEN DEDUCTED AND DEPOSITED BY THE VALUE CHAIN PARTNERS.

The Company makes sure that taxes applicable in accordance with the regulations to the transactions of the Company are deducted and deposited on a timely manner. This is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold the values of tranparency and accountability.

3. PROVIDE THE NUMBER OF EMPLOYEES / WORKERS HAVING SUFFERED HIGH CONSEQUENCE WORK-RELATED INJURY / ILL-HEALTH / FATALITIES (AS REPORTED IN Q11 OF ESSENTIAL INDICATORS ABOVE), WHO HAVE BEEN REHABILITATED AND PLACED IN SUITABLE EMPLOYMENT OR WHOSE FAMILY MEMBERS HAVE BEEN PLACED IN SUITABLE EMPLOYMENT

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24	2022-23	2023-24	2022-23
Employees	Refer to 11 above			

4. DOES THE ENTITY PROVIDE TRANSITION ASSISTANCE PROGRAMMES TO FACILITATE CONTINUED EMPLOYABILITY AND THE MANAGEMENT OF CAREER ENDINGS RESULTING FROM RETIREMENT OR TERMINATION OF EMPLOYMENT? (YES/ NO)

Yes, the Company invests in learning of employees. For instance, courses have been sponsored by the organization for the skill enhancement of employees.

5. DETAILS ON ASSESSMENT OF VALUE CHAIN PARTNERS:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Corporation expects all its value chain partners to follow extant regulations, including health and safety practices.
Working conditions	NA

6. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS / CONCERNS ARISING FROM ASSESSMENTS OF HEALTH AND SAFETY PRACTICES AND WORKING CONDITIONS OF VALUE CHAIN PARTNERS.

No corrective action plan has been necessitated on the above mentioned parameters.

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all their stakeholders.

Essential Indicators



1. DESCRIBE THE PROCESSES FOR IDENTIFYING KEY STAKEHOLDER GROUPS OF THE ENTITY

The Company defines core stakeholders as individuals, groups, or institutions that contribute value to its business chain. The key stakeholder groups include:

--> Customers
--> Employees
--> Investors
--> Government & Regulatory Bodies
--> Communities
--> Lenders
--> Media
--> Rating Agencies
--> Analysts
--> Other Business Partners

2. LIST STAKEHOLDER GROUPS IDENTIFIED AS KEY FOR YOUR ENTITY AND THE FREQUENCY OF ENGAGEMENT WITH EACH STAKEHOLDER GROUP.

Sr. No	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
1	Customers	Yes	• Customer care channels – Telephone, Email, Website • Centre meeting • Customer relationship managers • Financial literacy program • Engagement through business correspondent network • Customer satisfaction surveys	Ongoing and need based engagement	• To provide affordable financial services • Quality and convenience of access to our products and services • To promote digital literacy • World-class customer service • To address the issues of the customers • Transparency in process and the operations
2	Stakeholders & Investors	No	• Investor meets and calls • Investor grievance channels • Dissemination of information through - financial results, investor presentations and press releases • Annual general meeting • Website • Various media channels	Annual, Quarterly, Need based and Ongoing	• Updating on business performance and developments in the Company and its subsidiaries • To ensure ethical business practices • Transparent and timely reporting
3	Government and Regulatory Bodies	No	• Engagement at industry platforms and meetings • Presentations • regulatory reporting practices • E-mail and postal communications	Periodic and need based engagement	• Compliance with all legal and regulatory requirements • Effective governance • Responsible tax payment • Discussion in regard to various regulations and amendments • Inspections
4	Employees	No	• Leadership connect • Performance reviews • Town halls • Training and development programs • E-learning modules • Employee grievance redressal platform • Employee engagement Initiative • Management VC's • Emails/Calls	Need based and ongoing engagement	• Career advancement opportunities • Job security • Adequate training to match new business requirements • Transparent feedback • Fair remuneration and incentives • Recognition Alignment of Company's objectives
5	Communities	Yes	• Financial empowerment Programs • Disaster relief initiatives • Education initiatives • Medical insurance & health Camps • Employee volunteering through our CSR activities viz (Financial empowerment Programs, disaster relief & education initiatives and medical insurance & health camps	Need based and ongoing engagement	• Advancing lives • Community investment development • Environment preservation

Sr. No	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
6	Lenders, Media, Rating Agencies, Analysts and Other Business Partners	No	• Meetings • Calls • Website • Newspaper • Email	Need based and ongoing engagement	• Updating on business performance and outlook • Financial results • Industry developments • Addressing key issues & concern

Leadership Indicators

1. PROVIDE THE PROCESSES FOR CONSULTATION BETWEEN STAKEHOLDERS AND THE BOARD ON ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS OR IF CONSULTATION IS DELEGATED, HOW IS FEEDBACK FROM SUCH CONSULTATIONS PROVIDED TO THE BOARD.

The Company's business activities include a constant process of engagement with its stakeholders. According to the requirements, the top management also participates in discussions with stakeholders, driven by the responsible business functions. Any material feedback received from the stakeholders is communicated to the Board on an ongoing basis and the Board offers its advice and comments on such matters.

2. WHETHER STAKEHOLDER CONSULTATION IS USED TO SUPPORT IDENTIFYING AND MANAGING ENVIRONMENTAL AND SOCIAL TOPICS (YES / NO). IF SO, PROVIDE DETAILS OF INSTANCES AS TO HOW THE INPUTS RECEIVED FROM STAKEHOLDERS ON THESE TOPICS WERE INCORPORATED INTO POLICIES AND ACTIVITIES OF THE ENTITY.

Constant interaction with stakeholders helps to improve the Company's ability to better serve its stakeholders. Hence, the Company is open to acting upon and incorporating any relevant suggestions. Over the last few years, the Company has enhanced its reporting on business responsibility and started certain initiatives. For example, following a key stakeholder's suggestion, we have implemented a Diversity & Inclusion Policy and a Worker's Accommodation Policy, and we are in the process of installing fire extinguishers in all our branches. Additionally, at the suggestion of our stakeholders, we have calculated our Company's GHG emissions.

3. PROVIDE DETAILS OF INSTANCES OF ENGAGEMENT WITH, AND ACTIONS TAKEN TO, ADDRESS THE CONCERNS OF VULNERABLE/ MARGINALIZED STAKEHOLDER GROUPS.

Understanding the needs of our clients

The Company specializes in providing essential financial services to low-income rural communities in India. All of the Company's products are designed in a way that covers and specializes needs of our customers. Primarily, IGL loans are provided for purposes like agriculture, transportation, trading, and production related business activities, that cater to uplifting the weaker sections of society economically. We also give clean energy loans, water loans, sanitation loans, pressure cooker loans, and facilitates health to improve the quality of life of our borrowers and their families.

Dedicated to Development and Empowerment

We hold financial and leadership empowerment workshops for our borrowers, as well as free health-checkup camps for the community, support for local government schools, plantation campaigns, flood relief assistance, and enterprise skill development training.

Focused on Well Being of Community

The Company undertakes variety of initiatives through its CSR activities for the benefit of many segments of society, with a particular emphasis on the marginalized, underprivileged, needy and disadvantaged.

PRINCIPLE 5:

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. EMPLOYEES AND WORKERS WHO HAVE BEEN PROVIDED TRAINING ON HUMAN RIGHTS ISSUES AND POLICY (IES) OF THE ENTITY IN THE FOLLOWING FORMAT

Category	2023-24			2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	11,363	11,363	100%	9,222	9,222	100%
Other than permanent	273	273	100%	811	811	100%
Total employees	**11,636**	**11,636**	**100%**	**10,033**	**10,033**	**100%**

2. DETAILS OF MINIMUM WAGES PAID TO EMPLOYEES AND WORKERS IN THE FOLLOWING FORMAT:

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	11,363	534	5%	10,829	95%	9,222	730	8%	8,492	92%
Male	10,991	509	5%	10,482	95%	8,950	685	8%	8,265	92%
Female	372	25	7%	347	93%	272	45	17%	227	83%
Other than permanent	273	0	0%	273	100%	811	0	0%	811	100%
Male	245	0	0%	245	100%	778	0	0%	778	100%
Female	28	0	0%	28	100%	33	0	0%	33	100%

3. DETAILS OF REMUNERATION/SALARY/WAGES, IN THE FOLLOWING FORMAT:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of the respective category	Number	Median remuneration/ salary/ wages of the respective category
Board of Directors (BoD)	1	155.08 Lakhs	Nil	Nil
Key Managerial Personnel (other than BoD)	4	72.99 Lakhs	Nil	Nil
Employees other than BoD and KMP	10,987	2.70 Lakhs	372	3.48 Lakhs

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2023-24	2022-23
Gross wages paid to females as % of total wages	3.64%	3.76%

4. DO YOU HAVE A FOCAL POINT (INDIVIDUAL/ COMMITTEE) RESPONSIBLE FOR ADDRESSING HUMAN RIGHTS IMPACTS OR ISSUES CAUSED OR CONTRIBUTED TO BY THE BUSINESS? (YES/NO)

Yes. In all of its actions and dealings with all of its stakeholders, the Company is committed to being fair and objective. The Company's fabric is infused with justice and fairness to ensure procedural fairness, impartiality, and consistency in its operations. Customers should be treated fairly and transparently as per the Company's ethos. The Company's Code of Conduct applies to all of the Company's employees' interactions with one another, as well as with customers, regulators, investors, and other government agencies.



5. DESCRIBE THE INTERNAL MECHANISMS IN PLACE TO REDRESS GRIEVANCES RELATED TO HUMAN RIGHTS ISSUES.

The employee grievance redressal mechanism, Atoot Bandhan is designed for swift resolution and effective communication. Employees can voice their grievances by calling a toll-free number or emailing, ensuring accessibility and ease of reporting. These grievances are promptly addressed in real-time or formally registered and escalated to the relevant department for further action. Feedback and suggestions gathered during the redressal process are systematically shared with department heads, fostering a culture of continuous improvement.

The grievance redressal committee operates with the primary objective of resolving disputes within a timeframe of 30 days. If an employee remains dissatisfied with the decision, provisions allow for appeals to be made to the employer within one month.

Regularly prepared reports, presented to the senior management and the board, serve to enhance grievance redressal practices and bolster employee satisfaction. This proactive approach underscores the Company's commitment to fostering a harmonious work environment where grievances are swiftly and fairly addressed.

6. NUMBER OF COMPLAINTS ON THE FOLLOWING MADE BY EMPLOYEES AND WORKERS:

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1*	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

*The Company reported one case of sexual harassment, which was properly addressed.

7. COMPLAINTS FILED UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013, IN THE FOLLOWING FORMAT:

	2023-24	2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	Nil
Complaints on POSH as a % of female employees / workers	0.3%	Nil
Complaints on POSH upheld	Nil	Nil

8. MECHANISMS TO PREVENT ADVERSE CONSEQUENCES TO THE COMPLAINANT IN DISCRIMINATION AND HARASSMENT CASES.

The Company is dedicated to providing equal opportunities to all individuals and is intolerant of discrimination and harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identification and language as protected by applicable laws.

Our Company has a written policy in place to protect its employees against sexual harassment at work. The Company is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, and on August 14, 2017 adopted a revised policy on Sexual Harassment (which is part of the Company's HR Policy) to prohibit, prevent, or deter any acts of sexual harassment at work.

9. DO HUMAN RIGHTS REQUIREMENTS FORM PART OF YOUR BUSINESS AGREEMENTS AND CONTRACTS? (YES/NO)

The Company expects all its business partners to adhere to all applicable regulations including human rights.

10. ASSESSMENTS FOR THE YEAR:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	The Company has compiled and assessed the minimum wages of all the 26 states of operation.
Others – please specify	-

11. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS / CONCERNS ARISING FROM THE ASSESSMENTS AT QUESTION 9 ABOVE.

No corrective action was required

Leadership Indicators

1. DETAILS OF A BUSINESS PROCESS BEING MODIFIED / INTRODUCED AS A RESULT OF ADDRESSING HUMAN RIGHTS GRIEVANCES/COMPLAINTS.

There have been no significant human rights grievances/complaints warranting modification/introduction of business processes.

2. DETAILS OF THE SCOPE AND COVERAGE OF ANY HUMAN RIGHTS DUE-DILIGENCE CONDUCTED.

Data not applicable

3. IS THE PREMISE/OFFICE OF THE ENTITY ACCESSIBLE TO DIFFERENTLY ABLED VISITORS, AS PER THE REQUIREMENTS OF THE RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016?

Yes, the Company does not discriminate against any person with disability in any Matter related to employment as per the Right of Person with Disabilities Act, 2016. The corporate office of the Company has ramps and elevators for easy movement for specially abled people.

4. DETAILS ON ASSESSMENT OF VALUE CHAIN PARTNERS:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the organization in all their dealings. No specific assessment in respect of value chain partners has been carried out.
Discrimination at Workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – Please Specify	

5. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY TO ADDRESS SIGNIFICANT RISKS / CONCERNS ARISING FROM THE ASSESSMENTS AT QUESTION 4 ABOVE.

No corrective actions pertaining to Question 4 was necessitated.

PRINCIPLE 6:

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. DETAILS OF TOTAL ENERGY CONSUMPTION (IN JOULES OR MULTIPLES) AND ENERGY INTENSITY IN THE FOLLOWING FORMAT:

Parameter	2023-24 (In kWh)	2022-23 (In kWh)
From renewable sources		
Total electricity consumption (A)	99,615	97,256
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	99,615	97,256
From non-renewable sources (In kWH)		
Total electricity consumption (D)	5,14,832	5,22,805
Total fuel consumption (E)	8,454	12,288
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	5,23,286	5,35,093
Total energy consumed (A+B+C+D+E+F)(kWh)	6,22,901	6,32,349
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	-	-
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

The above data pertains to the head office.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.: No

2. DOES THE ENTITY HAVE ANY SITES/FACILITIES IDENTIFIED AS DESIGNATED CONSUMERS (DCS) UNDER THE PERFORMANCE, ACHIEVE AND TRADE (PAT) SCHEME OF THE GOVERNMENT OF INDIA? (Y/N) IF YES, DISCLOSE WHETHER TARGETS SET UNDER THE PAT SCHEME HAVE BEEN ACHIEVED. IN CASE TARGETS HAVE NOT BEEN ACHIEVED, PROVIDE THE REMEDIAL ACTION TAKEN, IF ANY.

Data not applicable

3. PROVIDE DETAILS OF THE FOLLOWING DISCLOSURES RELATED TO WATER IN THE FOLLOWING FORMAT:

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	4,685	4,775
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,685	4,775

The Company's usage of water is restricted to human use only. Efforts have been made to ensure that water is consumed judiciously in the office premises. In our corporate office, sensor taps are installed in office washrooms to economise on water consumption.

Sewage treatment plant, recycles 1 kiloliter water per day, which is reused for gardening and sanitation purposes.

The data above pertains to the head office.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: No

4. PROVIDE THE FOLLOWING DETAILS RELATED TO WATER DISCHARGED:

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Data not applicable	
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No such assessment has been carried out.

5. HAS THE ENTITY IMPLEMENTED A MECHANISM FOR ZERO LIQUID DISCHARGE? IF YES, PROVIDE DETAILS OF ITS COVERAGE AND IMPLEMENTATION.

No

6. PLEASE PROVIDE DETAILS OF AIR EMISSIONS (OTHER THAN GHG EMISSIONS) BY THE ENTITY IN THE FOLLOWING FORMAT

Parameter	Please specify unit	2023-24	2022-23
NOx	Data not applicable		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.



7. PROVIDE DETAILS OF GREENHOUSE GAS EMISSIONS (SCOPE 1 AND SCOPE 2 EMISSIONS) & THEIR INTENSITY IN THE FOLLOWING FORMAT:

Parameter	Unit	2023-24	2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	225.12	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of Co2 equivalent	3,036.86	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of Co2 equivalent/ Rs.	0.00000016	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No such assessment has been carried out.

8. DOES THE ENTITY HAVE ANY PROJECT RELATED TO REDUCING GREEN HOUSE GAS EMISSION? IF YES, THEN PROVIDE DETAILS.

No such project has been undertaken by the Company.

9. PROVIDE DETAILS RELATED TO WASTE MANAGEMENT BY THE ENTITY, IN THE FOLLOWING FORMAT:

Parameter	2023-24	2022-23
Total Waste generated (in Kilogram)		
Plastic waste **(A)**	1,560	1,301
E-waste **(B)**	3,950	4,397
Other Non-hazardous waste generated **(C)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	6,911	9,651
Total (A+B+C)	**12,421**	**15,349**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

E-waste recycling is carried out by various e-waste vendors across all offices of the Company. For maintaining records of e-waste handled/generated, green certificates and disposal and recycling reports have been received by the Company.

This data pertains exclusively to the head office, with the exception of E-waste.

10. BRIEFLY DESCRIBE THE WASTE MANAGEMENT PRACTICES ADOPTED IN YOUR ESTABLISHMENTS. DESCRIBE THE STRATEGY ADOPTED BY YOUR COMPANY TO REDUCE USAGE OF HAZARDOUS AND TOXIC CHEMICALS IN YOUR PRODUCTS AND PROCESSES AND THE PRACTICES ADOPTED TO MANAGE SUCH WASTES.

The Company does not generate any hazardous waste.

11. IF THE ENTITY HAS OPERATIONS/OFFICES IN/AROUND ECOLOGICALLY SENSITIVE AREAS (SUCH AS NATIONAL PARKS, WILDLIFE SANCTUARIES, BIOSPHERE RESERVES, WETLANDS, BIODIVERSITY HOTSPOTS, FORESTS, COASTAL REGULATION ZONES ETC.) WHERE ENVIRONMENTAL APPROVALS / CLEARANCES ARE REQUIRED, PLEASE SPECIFY DETAILS IN THE FOLLOWING FORMAT:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of the Company's offices are in such locations			

12. DETAILS OF ENVIRONMENTAL IMPACT ASSESSMENTS OF PROJECTS UNDERTAKEN BY THE ENTITY BASED ON APPLICABLE LAWS IN THE CURRENT FINANCIAL YEAR

Name and brief details of project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes / No)	Results communicated in the public domain (Yes / No)	Relevant Weblink
Data not applicable					

13. IS THE ENTITY COMPLIANT WITH THE APPLICABLE ENVIRONMENTAL LAW/ REGULATIONS/ GUIDELINES IN INDIA; SUCH AS THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, ENVIRONMENT PROTECTION ACT AND RULES THEREUNDER (Y/N). IF NOT, PROVIDE DETAILS OF ALL SUCH NON-COMPLIANCES, IN THE FOLLOWING FORMAT:

Sr. No.	Specify the law/regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties /action taken by regulatory agencies such as Pollution Control Boards or by courts	Corrective action taken, if any
Based on the nature of business, the Company is in compliance with applicable environmental norms.				

Leadership Indicators

1. WATER WITHDRAWAL, CONSUMPTION AND DISCHARGE IN AREAS OF WATER STRESS (IN KILOLITRES):

Data Not Applicable

Note: Indicate if any independent assessment/evaluation/assurance carried out by an external agency? (Y/N) If yes, the name of the external agency.

2. PLEASE PROVIDE DETAILS OF TOTAL SCOPE 3 EMISSIONS & THEIR INTENSITY IN THE FOLLOWING FORMAT:

Parameter	Unit	2023-24	2023-23
Total Scope 3 emissions (Break-up of the GHG into Co2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of Co2 Equivalent	4,591.03	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of Co2 equivalent/Rs.	0.00000022	-
Total Scope 3 emission intensity (optional) – the entity may select the relevant metric	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.
No such assessment has been carried out.

3. WITH RESPECT TO THE ECOLOGICALLY SENSITIVE AREAS REPORTED AT QUESTION 10 OF ESSENTIAL INDICATORS ABOVE, PROVIDE DETAILS OF SIGNIFICANT DIRECT & INDIRECT IMPACT OF THE ENTITY ON BIODIVERSITY IN SUCH AREAS ALONG-WITH PREVENTION AND REMEDIATION ACTIVITIES.

Data not applicable

4. IF THE ENTITY HAS UNDERTAKEN ANY SPECIFIC INITIATIVES OR USED INNOVATIVE TECHNOLOGY OR SOLUTIONS TO IMPROVE RESOURCE EFFICIENCY, OR REDUCE IMPACT DUE TO EMISSIONS / EFFLUENT DISCHARGE / WASTE GENERATED, PLEASE PROVIDE DETAILS OF THE SAME AS WELL AS OUTCOME OF SUCH INITIATIVES, AS PER THE FOLLOWING FORMAT:

Sr. No	Initiative undertaken	Details of the initiative (Weblink, if any, may be provided alongwith summary)	Outcome of the initiative
1	Going Paperless. Growing Sustainable.	We promote and encourage extensive use of technology in our everyday lives. As a responsible organization, we have adopted electronic document management and other digital tools to go paperless. We have continuously increased our usage of tablets for our fieldwork to onboard new clients and manage the end-to-end loan processing.	The Company's operations in almost 100 percent branches has gone completely paperless.
2	Clean Energy Solution	Partnered with leading solar providers to facilitate access to solar power driven home lighting systems and enable customers to engage in productive activities. Installed solar panels on the rooftop of our new corporate office building to harness solar power and reduce electricity consumption.	Reduction of 1,53,414 tonnes of Co2 emission & 10,45,255 households provided with green energy till date.



5. DOES THE ENTITY HAVE A BUSINESS CONTINUITY AND DISASTER MANAGEMENT PLAN? GIVE DETAILS IN 100 WORDS/ WEBLINK.

Yes, the Company has a Board approved Business Continuity Plan (BCP) in place. A Business Continuity Plan is essential for ensuring a Company's resilience against disruptions. It outlines procedures to maintain operations during unforeseen events such as natural disasters, cyber-attacks, or pandemics. The plan includes risk assessments, recovery strategies, and communication protocols, focusing on key components like data backup, alternate work sites, and emergency contacts. Regular testing and updates ensure the plan's effectiveness.

Satin maintains two availability zones (AZs) where data resides, ensuring seamless operations during disruptions. Key elements include data redundancy, automated failover, and regular backups across both AZs. The plan involves real-time data replication to maintain consistency and minimize data loss. Regular testing of disaster recovery protocols ensures readiness. Clear communication channels and defined roles for staff during incidents are crucial. By leveraging the geographic separation of AZs, the Company can mitigate risks from localized events, ensuring resilience and maintaining critical services for clients with minimal downtime.

6. DISCLOSE ANY SIGNIFICANT ADVERSE IMPACT TO THE ENVIRONMENT, ARISING FROM THE VALUE CHAIN OF THE ENTITY. WHAT MITIGATION OR ADAPTATION MEASURES HAVE BEEN TAKEN BY THE ENTITY IN THIS REGARD.

Given the nature of the business, there has been no adverse impact to the environment.

7. PERCENTAGE OF VALUE CHAIN PARTNERS (BY VALUE OF BUSINESS DONE WITH SUCH PARTNERS) THAT WERE ASSESSED FOR ENVIRONMENTAL IMPACTS.

Data not recorded

PRINCIPLE 7:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. NUMBER OF AFFILIATIONS WITH TRADE AND INDUSTRY CHAMBERS/ASSOCIATIONS : 8

   b. LIST THE TOP 10 TRADE AND INDUSTRY CHAMBERS/ASSOCIATIONS (DETERMINED BASED ON THE TOTAL MEMBERS OF SUCH BODY) THE ENTITY IS A MEMBER OF/AFFILIATED TO.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Sa-Dhan	National
2.	Microfinance Institutions Network (MFIN)	National
3.	Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
4.	Association of Microfinance Institution – West Bengal (AMFI-WB)	State
5.	Uttar Pradesh Microfinance Association (UPMA)	State
6.	Association of Karnataka Microfinance	State
7.	Odisha State Association of Financial Inclusion Institutions (OSAFII)	State
8.	Finance Industry Development Council (FIDC)	National

2. PROVIDE DETAILS OF CORRECTIVE ACTION TAKEN OR UNDERWAY ON ANY ISSUES RELATED TO ANTI-COMPETITIVE CONDUCT BY THE ENTITY, BASED ON ADVERSE ORDERS FROM REGULATORY AUTHORITIES

Name of authority	Brief of the case	Corrective action taken
No such case has been filed so far.		

Leadership Indicators

1. DETAILS OF PUBLIC POLICY POSITIONS ADVOCATED BY THE ENTITY

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/Half yearly/Quarterly / Others – please specify)	Weblink, if available
The Company maintains regular engagement with Government agencies and regulators and stands committed to providing timely and accurate information, suggestions and recommendations, feedback on draft policies, etc., as and when required. The authorized officials of the Company engage with the RBI and SEBI and other regulators on a periodic basis or as and when required. The Company is a member of various trade and industry associations and proactively contributes to the discussions and resolutions within the scope of these forums. The CMD of the Company, Mr HP Singh, is associated with Sa-Dhan as Chairman and with FICCI as a member of the NBFC committee. Through these roles, he advocates for policies and regulations beneficial to the microfinance industry. Moreover, Mr Singh serves as the Trade Commissioner at ASEAN, furthering our engagement with international stakeholders.					

PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. DETAILS OF SOCIAL IMPACT ASSESSMENTS (SIA) OF PROJECTS UNDERTAKEN BY THE ENTITY BASED ON APPLICABLE LAWS, IN THE CURRENT FINANCIAL YEAR.FORMAT:

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant Weblink
Client Protection Certification	Satin has been awarded the prestigious 'Gold' level of achievement in client protection, as certified by the global rating agency, Microfinanza Ratings. This esteemed recognition signifies that Satin consistently upholds the highest standards of client protection, as outlined in the Universal Standards for Social and Environmental Performance Management.				

2. PROVIDE INFORMATION ON PROJECT(S) FOR WHICH ONGOING REHABILITATION AND RESETTLEMENT (R&R) IS BEING UNDERTAKEN BY YOUR ENTITY, IN THE FOLLOWING FORMAT

Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Data not applicable					

3. DESCRIBE THE MECHANISMS TO RECEIVE AND REDRESS GRIEVANCES OF THE COMMUNITY

The Company has several channels for addressing the complaints of different stakeholders. Details of such mechanisms and policy is detailed elsewhere in this report.

4. PERCENTAGE OF INPUT MATERIAL (INPUTS TO TOTAL INPUTS BY VALUE) SOURCED FROM SUPPLIERS:

	2023-24	2022-23
Directly sourced from MSMEs/ small producers	The Company conducts all its branch procurement from local business/suppliers.	
Sourced directly from within India		

5. JOB CREATION IN SMALLER TOWNS – DISCLOSE WAGES PAID TO PERSONS EMPLOYED (INCLUDING EMPLOYEES OR WORKERS EMPLOYED ON A PERMANENT OR NON-PERMANENT / ON CONTRACT BASIS) IN THE FOLLOWING LOCATIONS, AS % OF TOTAL WAGE COST

Location	2023-24 (Current Financial Year)	2022-23 (Previous Financial Year)
Rural	6,184	2,522
Semi-Urban	1,953	797
Urban	292	266
Metropolitan	5	3

Leadership Indicators

1. PROVIDE DETAILS OF ACTIONS TAKEN TO MITIGATE ANY NEGATIVE SOCIAL IMPACTS IDENTIFIED IN THE SOCIAL IMPACT ASSESSMENTS (REFERENCE: QUESTION 1 OF ESSENTIAL INDICATORS ABOVE)

Details of negative social impact identified	Corrective action taken
None	NA

2. PROVIDE THE FOLLOWING INFORMATION ON CSR PROJECTS UNDERTAKEN BY YOUR ENTITY IN DESIGNATED ASPIRATIONAL DISTRICTS AS IDENTIFIED BY GOVERNMENT BODIES

S. No.	State	Aspirational district	Amount spent (In INR)
During the year, the Company has not undertaken any CSR projects in aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

Data not applicable

(b) From which marginalized/vulnerable groups do you procure?

Data not applicable

(c) What percentage of total procurement (by value) does it constitute?

Data not applicable

4. DETAILS OF THE BENEFITS DERIVED AND SHARED FROM THE INTELLECTUAL PROPERTIES OWNED OR ACQUIRED BY YOUR ENTITY (IN THE CURRENT FINANCIAL YEAR), BASED ON TRADITIONAL KNOWLEDGE

During the reporting year, the Company did not develop any new intellectual property. However, it possesses complete in-house technology. SCNL embarked on a transformative journey in the fiscal year 2016-17 by developing its own Enterprise Resource Planning (ERP) system. This decision was driven by the limitations of the legacy application (BIJLI) the Company previously utilized, which lacked scalability due to constraints in its architecture. The in-house ERP development has yielded significant advancements like transition to centralized architecture from decenterlized, real time data processing, geo fencing based solutions and AI and MI Integration.

5. DETAILS OF CORRECTIVE ACTIONS TAKEN OR UNDERWAY BASED ON ANY ADVERSE ORDER IN INTELLECTUAL PROPERTY RELATED DISPUTES WHEREIN TRADITIONAL KNOWLEDGE IS USED.

Name of authority	Brief of the Case	Corrective action taken
Data not applicable		

6. DETAILS OF BENEFICIARIES OF CSR PROJECTS

S. No.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Supporting educational initiative for less privileged students - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	2,929	95%

PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. DESCRIBE THE MECHANISMS IN PLACE TO RECEIVE AND RESPOND TO CONSUMER COMPLAINTS AND FEEDBACK.

The Company has developed the redressal mechanism to solve its customer' grievances/ complaints on the basis of priority. Various channels are available for customers to register their complaints:

- Toll-Free Number: Customers can call a toll-free number to register complaints without incurring any additional charges.
- Complaint Section in Center Meeting Register: Each center maintains a dedicated section in the meeting register for customers to formally note down their complaints.
- Complaint Registers/Boxes: Complaint registers and boxes are strategically placed at branches and regional offices, providing customers with an offline option to submit complaints.
- Direct Escalation to Head Office: Customers have the option to escalate their complaints directly to the head office through formal letters addressed to the Grievance Redressal Officer by calling a dedicated landline number, or by using the official email address for client grievances: clientgrievance@satincreditcare.com.

These channels ensure that complaints are received promptly and handled with care, underscoring the Company's commitment to excellent customer service and trust-building. We maintain a proper log of complaints and ensure that they are shared with regional and head office level operations team. Internal audit procedures are in place to verify customer satisfaction and service quality.

2. TURNOVER OF PRODUCTS AND/SERVICES AS A PERCENTAGE OF TURNOVER FROM ALL PRODUCTS/SERVICES THAT CARRY INFORMATION ABOUT

	As a percentage of total turnover
Environmental and social parameters relevant to the product	96.58%
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. NUMBER OF CONSUMER COMPLAINTS IN RESPECT OF THE FOLLOWING

	2023-24		Remarks	2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services			Nil			
Restrictive Trade Practices						
Unfair Trade Practices						

	2023-24		Remarks	2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Other	6,491	35	All outstanding complaints logged in the final week of March have been resolved within the allotted timeframe, resulting in zero pending cases to date.	8,303	65	All pending complaints were resolved within the specified turnaround time (TAT).

4. DETAILS OF INSTANCES OF PRODUCT RECALLS ON ACCOUNT OF SAFETY ISSUES

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. DOES THE ENTITY HAVE A FRAMEWORK/POLICY ON CYBER SECURITY AND RISKS RELATED TO DATA PRIVACY? (YES/NO) IF AVAILABLE, PROVIDE A WEBLINK TO THE POLICY.

SCNL prioritizes cybersecurity and data privacy as integral aspects of protecting sensitive information and maintaining trust with stakeholders. The Company has robust cybersecurity protocols, including encryption, access controls, and regular security assessments, to prevent unauthorized access or data breaches. Additionally, the Company adheres to data privacy regulations by implementing policies for data collection, storage, and sharing, as well as obtaining consent from customers. By prioritizing cybersecurity and data privacy, SCNL mitigates risks and safeguards sensitive information. Moreover, a proactive approach to cybersecurity and data privacy demonstrates a commitment to ethical practices and enhances customer trust and loyalty. This ultimately ensures compliance with regulations and fosters a culture of responsibility and accountability within the organization.

6. PROVIDE DETAILS OF ANY CORRECTIVE ACTIONS TAKEN OR UNDERWAY ON ISSUES RELATING TO ADVERTISING, AND DELIVERY OF ESSENTIAL SERVICES; CYBER SECURITY AND DATA PRIVACY OF CUSTOMERS; RE-OCCURRENCE OF INSTANCES OF PRODUCT RECALLS; PENALTY/ACTION TAKEN BY REGULATORY AUTHORITIES ON THE SAFETY OF PRODUCTS/SERVICES.

No penalties/ regulatory action has been levied or taken on the above-mentioned parameters.



7. PROVIDE THE FOLLOWING INFORMATION RELATING TO DATA BREACHES:

Number of instances of data breaches alongwith impact : Nil

Percentage of data breaches involving personally identifiable information of customers: NIl

Impact, if any, of the data breaches : Nil

Leadership Indicators

1. CHANNELS/PLATFORMS WHERE INFORMATION ON PRODUCTS AND SERVICES OF THE ENTITY CAN BE ACCESSED (PROVIDE WEBLINK, IF AVAILABLE).

Information regarding the various of financial services offered by the organization can be accessed on the Company's website at: https://satincreditcare.com/product-portfolio/

2. STEPS TAKEN TO INFORM AND EDUCATE CONSUMERS ABOUT SAFE AND RESPONSIBLE USAGE OF PRODUCTS AND/OR SERVICES.

Customers receive comprehensive training and assistance during onboarding to ensure they understand and appropriately utilize the available loan products to meet their various lifecycle needs. This includes mandatory two-day group training sessions focused on responsible product usage. Subsequently, a group recognition test and direct engagement with the branch manager reinforce understanding and clarify any queries. Moreover, at the time of loan disbursement, the branch manager reiterates the importance of credit discipline and responsible usage of loan to the customers. Furthermore, the minutes book captures the details of every center meeting and in case of any deviations identified, corrective steps are taken to educate the customer.

3. MECHANISMS IN PLACE TO INFORM CONSUMERS OF ANY RISK OF DISRUPTION/ DISCONTINUATION OF ESSENTIAL SERVICES.

We inform consumers of any risk of disruption/discontinuation of essential services through SMS.

4. DOES THE ENTITY DISPLAY PRODUCT INFORMATION ON THE PRODUCT OVER AND ABOVE WHAT IS MANDATED AS PER LOCAL LAWS? (YES/NO/NOT APPLICABLE) IF YES, PROVIDE DETAILS IN BRIEF. DID YOUR ENTITY CARRY OUT ANY SURVEY WITH REGARD TO CONSUMER SATISFACTION RELATING TO THE MAJOR PRODUCTS / SERVICES OF THE ENTITY, SIGNIFICANT LOCATIONS OF OPERATION OF THE ENTITY OR THE ENTITY AS A WHOLE? (YES/NO)

Yes. The Company fully complies with display regulations, ensuring transparency in all aspects of our loan products. All the terms and conditions related to the loan products are mentioned in our loan acknowledgement receipt, sanction letter and loan card. Details of different loan products and ticket sizes are also displayed in all our offices and uploaded on the Company's website as well. Loan card mention details about the rate of interest, loan tenure, repayment cycle and repayment instalement, processing fees, insurance and other terms and conditions for all loan products.

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

Good corporate governance, which encompasses our culture, policies and interactions with stakeholders are core values of Satin Creditcare Network Limited ("**the Company**" or "**SCNL**"). Our corporate governance policies and performance depends heavily on integrity and openness, which also help us to maintain the trust of our stakeholders. Corporate governance, in the eyes of SCNL, is the process of using morally motivated business practices to create and improve long-term sustainable value for all of our stakeholders, including investors, consumers, vendors, workers, and regulators.

The Company strives to attain optimal levels of legal and regulatory compliances, while also ensuring effective management via its corporate decision-making. The fair and open management of our company's affairs is essential to SCNL. We support systems that are performance-focused. We defend the interests of all shareholders, especially the minority shareholders, and give these systems the utmost attention.

Over time, your organization has adhered to the Corporate Governance guidelines set forth by the Companies Act, 2013 **("Act")**, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022, Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, 2023, Master Direction on Outsourcing of Information Technology Services, 2023 (*hereinafter collectively called* "**RBI Master Directions**"), IND-AS (Indian Accounting Standards), Secretarial Standards etc. In order to meet the highest standards of governance, the Company is dedicated to defining, upholding, and implementing the highest degree of corporate governance across all of its business processes.

The Company sincerely beleives that corporate governance is a process rather than a final goal which requires constant evolution. This is a continuous process as the business keeps trying to be the best at producing long-term value. This report, which outlines the Company's numerous endeavours to uphold the highest standards of governance, reflects your company's efforts in this respect.

2. BOARD OF DIRECTORS

In keeping with the principles of good corporate governance, which include integrity and transparency in business operations, the Company intends to have a suitable mix of Non-Independent and Independent Directors to preserve the independence of the Board and keep the board's governance functions apart from the Company's management.

(a) Composition and category of the Board of Directors:

A professional body of directors, consisting of distinguished individuals with significant professional competence and experience in a range of sectors, oversees and manages the Company. They effectively participate in the development of the Company and the formulation of its policies. The composition of Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors and is in conformity with the applicable provisions of the Act, SEBI LODR Regulations and RBI Master Directions & Circulars. The Chairman of the Board is an Executive Director.

The category-wise composition of Board of Directors under Regulation 17 of SEBI LODR Regulations, as on March 31, 2024 is as under:

S. No.	Category	No. of Directors
1.	Executive Director	1
2.	Non-Executive & Non-Independent Director	1
3.	Non-Executive & Independent Director (including a Woman Director)	6
Total		**8**

All the Directors in their individual capacity have confirmed that they are not debarred or disqualified by SEBI/Ministry of Corporate Affairs or any other statutory authority to continue as Director of the Company. The Company has also obtained a certificate from a Practicing Company Secretary in this regard.

(b) Board Meetings & Attendance:

There are at least four scheduled Board meetings each year that adhere to the Act's requirements. In order to address the particular needs of the Company, further Board meetings are called with the proper notice. After taking into account the convenience of each Director, the dates for the Board meetings are decided upon, and each Director is provided the proper notice in accordance with the applicable legislation. Unless the meeting is called with a shorter notice period and all directors agree, all agenda documents are distributed

electronically and in real time by email to all directors at least seven days before the scheduled date of the meeting. For the purpose of encouraging insightful and targeted conversations during the meeting, pertinent background information is included for each agenda item and also included in the agenda papers in a detailed manner.

At the Board meetings, the Executive Director(s) and Senior Management make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory environment, compliance, investors' perceptions etc. The Company actively uses the facility of video conferencing as permitted under Section 173(2) of the Act read with rules made thereunder, thereby saving resources– cost to the Company and valued time of the Directors. All the information required for decision making are incorporated in the agenda. The Board reviews the performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the Company on all its decisions periodically.

The Board minutes of both listed subsidiaries are posted quarterly during the Company's Board meetings, serving as an example of good corporate governance. The Board periodically reviews the compliance report pertaining to all the laws applicable to the Company. The Board members can express their opinions in a supportive environment, and decisions are made following careful consideration of all relevant factors.

Furthermore, towards digitization, the Company has been using Board PAC Software, a paperless meeting solution that offers the highest standards of confidentiality and security for ease of Board members to access agenda documents properly through a web/phone-based application.

(c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies as on March 31, 2024 are herein given below:

Name of the Director (DIN)	Category	Designation	Director since	No. of Board meetings		Whether Attended the last AGM held on August 09, 2023	Total Number of other Directorship held*	Number of Chairmanship/ Membership held in other Public Companies^	
				Held	Attended			Chairman	Member
Mr. Harvinder Pal Singh (00333754)	Promoter, Executive Director	Chairman cum Managing Director	October 16, 1990	10	10	Yes	2	-	2
Mr. Satvinder Singh (00332521)	Promoter, Non-Executive & Non-Independent Director	Director	October 16, 1990	10	10	Yes	-	-	1
Mr. Sundeep Kumar Mehta (00840544)	Non-Executive & Independent Director	Director	September 05, 2014	10	10	Yes	2	2	4
Mrs. Sangeeta Khorana (06674198)	Non-Executive & Independent Director	Director	September 05, 2014	10	10	Yes	-	-	-
Mr. Goh Colin (06963178)	Non-Executive & Independent Director	Director	November 12, 2014	10	10	Yes	-	-	1
Mr. Sanjay Kumar Bhatia (07033027)	Non-Executive & Independent Director	Director	December 06, 2014	10	10	Yes	-	1	2
Mr. Anil Kumar Kalra (07361739)	Non-Executive & Independent Director	Director	December 08, 2015	10	10	No	2	1	3

CORPORATE GOVERNANCE REPORT (Contd.)

Name of the Director (DIN)	Category	Designation	Director since	No. of Board meetings		Whether Attended the last AGM held on August 09, 2023	Total Number of other Directorship held*	Number of Chairmanship/ Membership held in other Public Companies^	
				Held	Attended			Chairman	Member
Mr. Anil Kaul (00644761)	Non-Executive & Independent Director	Director	January 15, 2024	2	2	NA	2	-	1
@Mr. Joydeep Dutta Gupta (00176737)	Non-Executive & Independent Director	Director	June 24, 2024	-	-	NA	-	-	-

@ Based on recommendation of Nomination and Renumeration Committee, pursuant to the provisions of Sections 149, 161 & other applicable provisions of the Act and SEBI LODR Regulations, Mr. Joydeep Datta Gupta (DIN: 00176737) was appointed as Additional Director (Non-Executive & Independent) for a period of 3 years w.e.f. June 24, 2024, subject to the approval of Members at the ensuing Annual General Meeting.

Notes:

1. **The Directorships held by Directors as mentioned above, do not include Alternative Directorship, Directorships in Foreign Companies, high value debt listed entities, Companies registered under Section 8 of the Act and Private Limited Companies.*
2. *^In terms of Regulation 26 of the SEBI LODR Regulations, Membership(s) / Chairmanship(s) of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies (including the Company) have been considered.*
3. *None of the Director on the Board is a Director in any other listed entity.*

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities;
- who are Executive Director(s) serves as IDs in more than three listed entities;
- are a Member of more than ten committees or Chairman of more than five Committees across all the public limited companies in which he/she is a Director;
- are on Board of more than three NBFCs excluding base layer;
- has attained the age of seventy-five years as on March 31, 2024; and
- has been debarred from accessing the capital market and/or restrained from holding position of Director in any listed company by virtue of any SEBI Order or any such authority.

(d) Number and Dates of Board meetings:

During the year under review, the Board met 10 (Ten) times on April 29, 2023, June 12, 2023, July 10, 2023, July 28, 2023, August 10, 2023, October 19, 2023, October 27, 2023, January 15, 2024, February 02, 2024 and March 22, 2024. The maximum gap between any two consecutive meetings was less than 120 (one hundred and twenty days), as stipulated under Section 173 of the Act, Regulation 17 of the SEBI LODR Regulations and Secretarial Standard - 1 as issued by the Institute of Company Secretaries of India (ICSI). As per applicable laws, minimum 4 (four) Board meetings are required to be held every year. The Company has convened additional Board meetings to address specific needs of the business. In case of any exigency/ emergency, resolutions are passed by circulation also. For the resolution to be approved through circulation, all the requisite inputs/ documents etc., are circulated over email which assists the Board to take informed decision. Further, the resolutions approved through circulation are taken on record by the Board in the next Board Meeting.

During the year under review, two meetings of the Board were convened at shorter notice as per the consent of all Board Members and all the Independent Directors were present in the meeting.

(e) Disclosure of relationship between Directors inter-se:

Mr. Harvinder Pal Singh, Chairman cum Managing Director of the Company, is related to Mr. Satvinder Singh. Mr. Satvinder Singh is a Promoter, Non-Executive & Non-Independent Director and is brother of Mr. Harvinder Pal Singh. Otherwise as disclosed, there are no inter-se relationships between Board of Directors of the Company.

CORPORATE GOVERNANCE REPORT (Contd.)

(f) Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2024:

Name of the Director	Category	Number of Equity Shares held	Number of Convertible Instruments held
Mr. Satvinder Singh	Promoter, Non-Executive & Non-Independent Director	3,85,703	Nil
Mr. Sanjay Kumar Bhatia	Non-Executive & Independent Director	1,000	Nil

(g) Training and Familiarization Programme for Independent Directors:

The Independent Directors are familiarized about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates, etc. In this regard, the Company follows a structured familiarization programme for the Independent Directors. The details of the familiarization programme of the Independent Directors are available on the website of the Company at https://satincreditcare.com/wp-content/uploads/2024/03/Details-of-Familirization-Program.pdf

(h) Skills/expertise/competence of the Board of Directors:

In the table below, the specific areas of focus or expertise of individual Board Members as on March 31, 2024 have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill:

Name of Director	Area of expertise						
	Financial	Global Business	Leadership	Technology	Mergers & Acquisitions	Board service & Governance	Sales & Marketing
Mr. Harvinder Pal Singh	✓	✓	✓	✓	✓	✓	-
Mr. Satvinder Singh	✓	✓	✓	✓	✓	✓	✓
Mr. Sundeep Kumar Mehta	✓	✓	✓	✓	✓	✓	-
Mrs. Sangeeta Khorana	✓	✓	✓	✓	✓	✓	-
Mr. Goh Colin	✓	✓	✓	✓	✓	✓	-
Mr. Sanjay Kumar Bhatia	✓	✓	✓	✓	✓	✓	-
Mr. Anil Kumar Kalra	✓	✓	✓	✓	✓	✓	-
Mr. Anil Kaul	✓	✓	✓	✓	✓	✓	✓
Mr. Joydeep Datta Gupta (*Note 1*)	✓	✓	✓	✓	✓	✓	✓

***Note 1:** Based on recommendation of Nomination and Renumeration Committee, pursuant to the provisions of Sections 149, 161 & other applicable provisions of the Act and SEBI LODR Regulations, Mr. Joydeep Datta Gupta (DIN: 00176737) was appointed as Additional Director (Non-Executive & Independent) for a period of 3 years w.e.f. June 24, 2024, subject to the approval of Members at the ensuing Annual General Meeting.*

(i) Declaration by the Independent Directors:

All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Regulation 16(1)(b) of the SEBI LODR Regulations & Section 149 (6) of the Act. Further, in terms of Regulation 25(8) of the SEBI LODR Regulations, the Independent Directors have submitted a declaration that they are not aware of any circumstances or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

The Independent Directors do not have any pecuniary relationship or transactions with the Company, Promoters or Promoter group and Management, which may affect the independence or judgement of such Directors in any manner.

Further, in the opinion of the Board, the Independent Directors are persons of integrity and fulfils the conditions specified in these regulations and other applicable laws and are independent of the management. The terms and conditions of appointment of Independent Directors are available on the website of the Company at www.satincreditcare.com.

(j) Detailed reasons for the resignation of an Independent Director:

During the financial year 2023-24, none of the Independent Directors have resigned from the Board of the Company.

(k) Independent Directors Meeting:

In accordance with the requirement of Schedule IV of the Act and Regulation 25 of the SEBI LODR Regulations, during the year under review, one separate meeting of the Independent Directors was held on March 22, 2024 without the presence of Non-Independent Directors and members of the management. Along with other matters, Independent Directors discussed the below mentioned matters specified in Schedule IV of the Act and Regulation 25(4) of SEBI LODR Regulations -

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors; and
- assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that was necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

(l) Performance evaluation of the Board, its Committees and individual Directors:

Pursuant to the provisions of Section 134(3)(p) of the Act, read with Regulations 17(10) and 25 of the SEBI LODR Regulations and relevant Schedules, the annual performance evaluation has been made of all individual Directors, the Board, Chairman of the Board and the working of mandatory committees of the Board in accordance with the guidelines prescribed under SEBI Guidance Note dated January 5, 2017.

The Company has devised a process and criteria for the performance evaluation, which has been recommended by the Board approved Nomination and Remuneration Policy, framed in terms of applicable provisions in this regard. The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings etc. Similarly, the Director's evaluation was carried out on the basis of questionnaire containing criteria such as level of participation by individual Directors, independent judgement by the Director, understanding of the Company's business etc.

The performance evaluation of the Board and its mandatory Committees were done by all the Directors and the respective members of the committee as the case may be. The performance evaluation of each Independent Director was carried out by the entire Board excluding the Independent Director being evaluated. The performance evaluation of the Chairman and Non-Executive Directors was carried out by the Independent Directors.

(m) Code of Conduct:

The Company has adopted the Code of Conduct as per Regulation 17(5) of the SEBI LODR Regulations and is applicable to all its Board Members and Senior Management Personnel. Pursuant to Regulation 26(3) of the SEBI LODR Regulations, all the Board members and Senior Management Personnel of the Company as on March 31, 2024 have affirmed compliance with their respective codes of conduct. Pursuant to Regulation 26(5) of the SEBI LODR Regulations, all members of Senior Management Personnel have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large.

A declaration signed by the Chairman cum Managing Director of the Company is enclosed as **Annexure - 1**.

The copy of Code of Conduct is also available on the website of the Company on web link: https://satincreditcare.com/wp-content/uploads/2024/03/Code-of-conduct-for-Board-of-Directors-Senior-Management.pdf

3. COMMITTEES OF THE BOARD/MANAGEMENT

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. The Committees operate as empowered agents of the Board as per their terms of reference. Target set/actions directed by them as agreed with the Management are reviewed periodically and mid-course corrections are also carried out. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

There was no instance during the year, where the Board of Directors of the Company did not accept the recommendation of any of the Committees of the Board, which was mandatorily required.

The composition and functioning of these Committees are in compliance with the applicable provisions of the Act, SEBI LODR Regulations and also in consonance with the Corporate Governance Master Directions issued by the Reserve Bank of India as applicable to the Company.

As on March 31, 2024, the following Committees were in operation:

(A) Audit Committee;
(B) Risk Management Committee;
(C) Stakeholders Relationship Committee;
(D) Corporate Social Responsibility Committee;
(E) Nomination and Remuneration Committee;
(F) Asset Liability Management Committee;
(G) IT Strategy Committee;
(H) Working Committee; and
(I) NCD Public Issuance Committee.

During the year under review, Fund Raising Committee was constituted on October 19, 2023 for the purpose of raising funds through QIP and thereafter, got dissolved on February 2, 2024.

Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

(A) Audit Committee

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the SEBI LODR Regulations, Section 177 of the Act and the RBI Master Directions, as amended from time to time.

The Audit Committee oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the law. The Audit Committee also reviews performance of Statutory Auditors, Internal Auditors, adequacy of internal control system and whistle-blower mechanism.

i. Composition and Meetings

As on March 31, 2024, the Audit Committee comprised of 4 (four) Directors, out of which 3 (three) are Independent Directors and 1 (one) is Promoter, Non-Executive & Non-Independent Director. The Chairman of the Audit Committee is a Non-Executive & Independent Director. The Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. All Committee Members are financially literate and have accounting or related financial management expertise, relevant finance and/or audit exposure. The quorum of the Audit Committee meeting is two members or one-third of its members, whichever is higher with atleast two Independent Directors.

The composition of Audit Committee is also available on the website of the Company at https://satincreditcare.com/board-of-Directors/

During the year under review, the Audit Committee met 6 (Six) times on April 29, 2023, July 28, 2023, August 10, 2023, October 27, 2023, December 14, 2023 and February 02, 2024. The maximum gap between any two Committee meetings was less than 120 days. Generally, the Chairman cum Managing Director, Statutory Auditors, Group Controller, Chief Financial Officer, Deputy Chief Financial Officer, Chief Audit Officer, Head - Accounts, Head - Finance and Head - Strategy of the Company, were invitees to the meetings of the Audit Committee.

The composition of Audit Committee and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Sanjay Kumar Bhatia	Chairman (Non-Executive & Independent Director)	November 14, 2018	6	6	100
Mr. Goh Colin	Member (Non-Executive & Independent Director)	November 13, 2020	6	6	100
Mr. Sundeep Kumar Mehta	Member (Non-Executive & Independent Director)	November 12, 2013	6	6	100
Mr. Satvinder Singh	Member (Promoter, Non-Executive & Non-Independent Director)	February 12, 2011	6	5	83

The Chairman of Audit Committee, Mr. Sanjay Kumar Bhatia, Independent Director, attended the last Annual General Meeting held on August 09, 2023 to answer the shareholders' queries.

ii. Terms of Reference

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the SEBI LODR Regulations, as amended.

Terms of reference for the Audit Committee includes:

- Oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: (a) matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Act; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transaction; (g) modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualification, experience and background etc., of the candidate;

- To carry out any other function as is mentioned in the terms of reference of the audit committee, in terms of any other applicable guidelines or any other applicable law, as amended from time to time;
- Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding INR 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Any other matters as delegated by the Board of Directors from time to time in terms of the applicable guidelines or any other applicable law, as amended from time to time;

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Management letters/ letters of internal control weaknesses issued by the statutory auditors;

c) Internal audit reports relating to internal control weaknesses;

d) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee; and

e) Statement of deviations:
   - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
   - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(B) Risk Management Committee

The Risk Management Committee ("**RMC**") of the Company has been constituted in line with the provisions of Regulation 21 of the SEBI LODR Regulations and RBI Master Directions, as amended. The Company especially focuses on improving its sensitivity to the assessment of risks and improving methods of computation of risk. The functions of RMC include monitoring and reviewing risk management plan, Operational risk, Credit risk, Integrity risk etc., and taking strategic actions in mitigating risk associated with the business.

i. Composition and Meetings

As on March 31, 2024, RMC comprised of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Promoter, Non-Executive & Non-Independent Director. The Chairman of the RMC is a Non-Executive & Independent Director and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. The quorum of the RMC meeting is 3 (three) members.

The composition of the RMC is also available on the website of the Company at https://satincreditcare.com/board-of-directors/

During the year under review, the RMC met 4 (four) times on June 28, 2023, September 26, 2023, December 22, 2023 and March 05, 2024.

The composition of RMC and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Anil Kumar Kalra	Chairman (Non-Executive & Independent Director)	May 08, 2019	4	4	100
Mr. Sundeep Kumar Mehta	Member (Non-Executive & Independent Director)	November 13, 2020	4	4	100
Mr. Satvinder Singh	Member (Promoter, Non-Executive & Non-Independent Director)	November 12, 2014	4	4	100

ii. Terms of Reference

The terms of reference of RMC are wide enough to cover the matters specified for RMC under Regulation 21 of the SEBI LODR Regulations and in terms of RBI Master Directions.

Terms of reference for RMC includes:

- Approve/ recommend to the Board for its approval/ review of the policies, strategies and associated frameworks for the management of risk;
- Approve the risk appetite and any revisions to it;
- Sub-delegate its powers and discretions to executives of the SCNL;
- Ensure appropriate risk organization structure with authority and responsibility clearly defined, adequate staffing, and the independence of Risk Management functions;
- Provide appropriate and prompt reporting to the Board of Directors in order to fulfil the oversight responsibilities of the Board of Directors;
- Review reports from management concerning the SCNL's risk management framework (i.e. principles, policies, strategies, process and controls) and also discretions conferred on executive management, in order to oversee the effectiveness of them;
- Review reports from management concerning changes in the factors relevant to the SCNL's projected strategy, business performance or capital adequacy;
- Review reports from management concerning implications of new and emerging risks, legislative or regulatory initiatives and changes, organizational change and major initiatives, in order to monitor them;
- Ensure adherence of the extant internal risk policy guidelines and also regulatory guidelines;
- The appointment, removal and terms of remuneration and review performance and set objectives for the SCNL's Chief Risk Officer (CRO) and ensure he has unfettered access to the Board;
- Oversee statutory/regulatory reporting requirements related to risk management;
- Monitor and review capital adequacy computation with an understanding of methodology, systems and data;
- Approve the stress testing results/analysis and monitor the action plans and corrective measures periodically;
- Monitor and review of non-compliance, limit breaches, audit/regulatory findings, and policy exceptions with respect to risk management;
- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- Measures for risk mitigation including systems and processes for internal control of identified risks;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; and
- Any other matters as delegated by the Board of Directors from time to time in terms of the applicable guidelines or any other applicable law, as amended from time to time.

(C) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee ("**SRC**") of the Company has been constituted in line with the provisions of Section 178(5) of the Act and Regulation 20 of the SEBI LODR Regulations. The purpose of the SRC is to specifically look into various aspects of interest of shareholders, debenture holders and security holders.

i. Composition and Meetings

During the year under review, SRC comprised of 3 (three) Directors, all of them are Independent Directors. The Chairman of SRC is a Non-Executive & Independent Director and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. The quorum of the SRC meeting is two members or one-third of its members, whichever is higher.

The composition of the SRC is also available on the website of the Company at https://satincreditcare.com/board-of-Directors/

Further, grievances relating to Stakeholders/Investors may also be forwarded to the Company Secretary & Chief Compliance Officer of the Company at secretarial@satincreditcare.com.

During the year under review, 1 (one) meeting of the SRC was held on March 22, 2024.

The composition of SRC and details of meeting attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Sundeep Kumar Mehta	Chairman (Non-Executive & Independent Director)	February 09, 2015	1	1	100
Mr. Sanjay Kumar Bhatia	Member (Non-Executive & Independent Director)	February 09, 2015	1	1	100
Mr. Anil Kumar Kalra	Member (Non-Executive & Independent Director)	November 14, 2018	1	1	100

The Chairman of SRC, Mr. Sundeep Kumar Mehta attended the last Annual General Meeting held on August 09, 2023, to answer the shareholders' queries.

ii. Terms of Reference

The terms of reference of SRC are wide enough to cover the matters specified under Regulation 20 read with Part D of Schedule II of the SEBI LODR Regulations, as amended.

Terms of reference for SRC includes:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

iii. Name and designation of Compliance Officer:

Mr. Vikas Gupta, Company Secretary & Chief Compliance Officer.

iv. Investors Complaints

During the period from April 1, 2023 to March 31, 2024, the Company had received 2 (two) complaints from debenture holders (as reported under Regulation 13 of SEBI LODR Regulations) and the same were resolved and disposed-off within the stipulated timelines.

There was no complaint pending as on March 31, 2024.

(D) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee ("**CSR Committee**") of the Company has been constituted in accordance with the provisions of Section 135 of the Act and the rules made thereunder, with powers, inter alia, to make contributions to various corporate foundation or other reputed non-governmental organization, of at least two percent of the Company's average net profit during the three immediately preceding financial years in pursuance of its Board approved Corporate Social Responsibility Policy ("**CSR Policy**") of the Company. The functions of the CSR Committee include formulation and monitoring of CSR Policy, recommending CSR Projects and budgets thereof, review of CSR initiatives undertaken/to be undertaken by the Company and to do such other things as directed by the Board, and in compliance with the applicable laws.

The Company also has in place a CSR Policy as required under the provisions of Section 135 of the Act and rules

made thereunder indicating therein the activities to be undertaken by the Company as specified in Schedule VII of the Act.

The CSR Policy is uploaded on the Company's website and can be accessed at https://satincreditcare.com/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf

i. Composition and Meetings

As on March 31, 2024, the CSR Committee comprised of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Promoter, Executive & Non-Independent Director of the Company. Mr. Harvinder Pal Singh, Promoter, Executive & Non-Independent Director is the Chairman of the CSR Committee and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the CSR Committee. The quorum of the CSR Committee meeting is two members or one-third of its members, whichever is higher. Ms Aditi Singh is designated CSR – Nodal Officer of the Company.

The aforesaid composition of the CSR Committee is also available on the website of the Company at https://satincreditcare.com/board-of-Directors/.

During the year under review, 1 (one) meeting of the CSR Committee was held on July 25, 2023.

The composition of CSR Committee and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Harvinder Pal Singh	Chairman (Promoter, Executive & Non- Independent Director)	May 26, 2014	1	1	100
Mr. Goh Colin	Member (Non-Executive & Independent Director)	November 14, 2018	1	1	100
Mrs. Sangeeta Khorana	Member (Non-Executive & Independent Director)	May 26, 2014	1	1	100

ii. Terms of Reference

The terms of reference of the CSR Committee are wide enough to cover the matters specified under Section 135(3) of the Act.

Terms of reference for CSR Committee includes:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in area or subject, specified in Schedule VII;
- recommend the amount of expenditure to be incurred on the activities referred to in above clause; and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

(E) Nomination and Remuneration Committee

The Nomination and Remuneration Committee (**"NRC"**) of the Company has been constituted in line with the provisions of Section 178 of the Act read with Regulation 19 of the SEBI LODR Regulations and RBI Master Directions, as amended from time to time.

NRC identifies and recommend persons who are qualified to become directors or appointed as part of Senior Management and ensures/determines fit and proper attributes/qualifications of proposed/existing Directors.

NRC under the guidance of the Board has formulated the criteria and framework for the performance evaluation of every Director on the Board, including the Executive and Independent Directors.

i. Composition and Meetings

As on March 31, 2024, NRC comprised of 5 (five) Directors, out of which 4 (four) are Independent Directors and 1 (one) is Promoter, Executive and Non-Independent Director. Mr. Sundeep Kumar Mehta, Non-Executive & Independent Director is the Chairman of the NRC and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to NRC. The quorum of the NRC meeting is two members or one-third of its members, whichever is higher with at least one Independent Director.

The composition of NRC is also available on the website of the Company at https://satincreditcare.com/board-of-Directors/.

During the year under review, the NRC met 5 (five) times on April 28, 2023, July 10, 2023, August 10, 2023, January 15, 2024, and March 22, 2024.

The composition of NRC and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Sundeep Kumar Mehta	Chairman (Non-Executive & Independent Director)	May 26, 2014	5	4	80
Mr. Harvinder Pal Singh	Member (Promoter, Executive & Non- Independent Director)	November 12, 2014	5	5	100
Mr. Sanjay Kumar Bhatia	Member (Non-Executive & Independent Director)	November 13, 2020	5	5	100
Mr. Goh Colin	Member (Non-Executive & Independent Director)	October 29, 2021	5	5	100
Mrs. Sangeeta Khorana	Member (Non-Executive & Independent Director)	November 12, 2014	5	5	100

The Chairman of the Committee, Mr. Sundeep Kumar Mehta attended the last Annual General Meeting held on August 09, 2023, to answer the shareholders' queries.

ii. Terms of Reference

The terms of references of NRC are wide enough to cover the matters specified under Regulation 19(4) read with Part D of Schedule II of the SEBI LODR Regulations, as amended.

Terms of reference for NRC includes:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- For every appointment of an independent director, evaluate balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  a. use the services of an external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
- Ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors and also the Independent Directors and size of the Board and its diversity;
- Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability and ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and other employees of the Company and reviewing its effectiveness;
- Oversee the formulation and implementation of ESOP Schemes, its administration, supervision and formulating detailed terms and conditions in accordance with SEBI Guidelines;
- Decide/approve details of fixed components and performance linked incentives (if any) along with the performance criteria;
- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their Service contract;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend necessary changes to the Board;
- Considering any other matter as may be requested by the Board and to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;
- Recommend to extend or continue the term of appointment of Independent Directors;
- To approve the remuneration of Senior Management including Key Managerial Personnel of the Company; maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines;
- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievements relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To devise a policy on Board diversity;
- To develop a succession plan for the Board and to regularly review the plan;
- Formulation of criteria for evaluation of Independent Director and the Board;
- To retain, motivate and promote talent and ensure long term sustainability of talented managerial persons and create competitive advantage;
- To implement and monitor policies and processes regarding principles of corporate governance; and
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

Policy laid down by Nomination and Remuneration Committee for remuneration of Directors, Key Managerial Personnel, Senior Management & Other Employees and the criteria formulated by the Committee for determining Qualifications, Positive Attributes, Independence of Director

Pursuant to Section 178 of the Act read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended, the Board of Directors of the Company has put in place the Policy on Nomination & Remuneration for Directors, Key Managerial Personal (KMP), Senior Management and other Employees ("**NRC Policy**").

The NRC Policy also includes the Board Diversity policy which was framed under the applicable provisions of the SEBI LODR Regulations.

In addition to the above, it also includes the framework which governs the compensation of Key Managerial Personnel (KMP) and members of Senior Management Personnel (SMP) in accordance to the guidelines issued by Reserve Bank of India vide its circular DOR.GOV.REC. No.29/18.10.002/2022-23 dated April 29, 2022.

The policy is also available on the website of the Company at https://satincreditcare.com/wp-content/uploads/2023/05/9.-Nomination-and-Remuneration-Policy.pdf

(F) Asset Liability Management Committee

The Asset Liability Management Committee ("**ALM Committee**") of the Company has been constituted in accordance with the guidelines issued by Reserve Bank of India (RBI) on Asset Liability Management (ALM) System for NBFCs on June 27, 2001 as amended from time to time.

The functions of ALM Committee include addressing concerns regarding asset liability mismatches, interest rate risk exposure and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulation.

i. Composition and Meetings

As on March 31, 2024, the ALM Committee comprised of 7 (seven) Members out of which 1 (one) is Promoter, Executive and Non-Independent Director and remaining 6 (six) Members are senior officials of the Company. Mr. Harvinder Pal Singh, Promoter, Executive & Non-Independent Director is the Chairman of the ALM Committee and the Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. The quorum of the ALM Committee meeting is 3 (three) members.

The composition of ALM Committee is also available on the website of the Company at https://satincreditcare.com/board-of-directors/

During the year under review, the ALM Committee met 4 (four) times on June 01, 2023, August 29, 2023, December 21, 2023 and March 13, 2024.

The composition of ALM Committee and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Harvinder Pal Singh	Chairman (Promoter, Executive & Non-Independent Director)	August 12, 2010	4	2	50
Mr. Jugal Kataria	Member (Group Controller)	August 12, 2010	4	4	100
Mr. Rakesh Sachdeva	Member (Chief Financial Officer)	December 13, 2020	4	4	100
Mr. Amit Kumar Gupta	Member (Head-Accounts)	August 12, 2010	4	4	100
Mr. Manish Kumar Mittal	Member (Head-Finance)	October 29, 2021	4	4	100
Mr. Dhiraj Jha	Member (Chief Risk Officer)	May 04, 2022	4	4	100
Mr. Manoj Agrawal	Member (Deputy Chief Financial Officer)	October 27, 2023	4	2*	50

**Mr. Manoj Agrawal was appointed as Member of the ALM Committee w.e.f. October 27, 2023, hence, he was eligible to attend only 2 Committee meetings held post his appointment during the financial year 2023-24.*

(G) IT Strategy Committee

The IT Strategy Committee of the Company had been constituted in terms of "Master Direction – Information Technology Framework for NBFC Sector" issued by RBI on June 08, 2017, as amended from time to time.

Further, pursuant to RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023, the functions of the IT Strategy Committee have been aligned to focus on areas that include, among other things, adequate oversight mechanisms to ensure accountability and mitigation of IT and cyber/information security risks. Further, the IT Strategy Committee also ensures the effectiveness of business continuity planning and disaster recovery management and carry out any other function in terms of any other applicable guidelines or in any other applicable laws.

Pursuant to the said Directions, the Company has appointed Mr. Ashok Rawat as Chief Information Security Officer (**"CISO"**) who shall be responsible for driving cyber security strategy and ensuring compliance to the extant regulatory/statutory instructions on information/cyber security and other roles and responsibilities as stipulated therein.

In accordance with IT Governance framework, the Company has put in place policies which, inter alia, includes Business Continuity Policy, Information Security Policy, Information Technology Policy, Cyber Security Policy, IT Outsourcing Policy, Cyber Crisis Management Plan and Information Security Incident Management Policy.

i. Composition and Meetings

As on March 31, 2024, the IT Strategy Committee comprised of 6 (six) Members out of which 1 (one) is Promoter, Executive and Non-Independent Director, 1 (one) Non-Executive & Non-Independent Director, 1 (one) is Independent Director and remaining 3 (three) Members are senior officials of the Company. Mr. Harvinder Pal Singh, Promoter, Executive and Non-Independent Director is the Chairman of the IT Strategy Committee and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the Committee.

The composition of IT Strategy Committee is also available on the website of the Company at https://satincreditcare.com/board-of-directors/

During the year under review, the IT Strategy Committee met 4 (four) times on June 28, 2023, September 26, 2023, December 22, 2023 and March 05, 2024.

The composition of IT Strategy Committee and details of meetings attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Anil Kumar Kalra	Chairman (Non-Executive & Independent Director)	November 13, 2020	4	4	100
Mr. Harvinder Pal Singh	Member (Promoter, Executive & Non-Independent Director)	May 30, 2018	4	3	75
Mr. Satvinder Singh*	Member (Promoter, Non- Executive & Non-Independent Director)	March 22, 2024	4	-	NA
Mr. Jugal Kataria	Member (Group Controller)	May 30, 2018	4	4	100
Mr. Rakesh Sachdeva	Member (Chief Financial Officer)	February 12, 2021	4	4	100
Mr. Sunil Yadav	Member (Head-IT)	February 01, 2022	4	4	100

**Mr. Satvinder Singh,* Promoter, Non-Executive & Non-Independent Director *was appointed as Member of the IT Strategy Committee w.e.f. March 22, 2024.*

(H) Working Committee

The Working Committee of the Company broadly consider, review and approve routine matters of the Company which includes but not limited to evaluation and approval of various proposals for borrowings, issue of securities and investments etc. in ordinary course of business within the limits authorised by the Board/Shareholder. Moreover, the Working Committee also consider and approve various banking operations for smooth functioning and other general purposes of the Company as may be authorised/delegated by the Board from time to time.

The Working Committee comprised of 7 (seven) Members, out of which 1 (one) is Promoter, Executive and Non-Independent Director, 1 (one) is Promoter, Non-Executive & Non-Independent Director and remaining 5 (five) members are senior officials of the Company. Mr. Harvinder Pal Singh, Promoter, Executive and Non-Independent Director is the Chairman of the Working Committee and the Company Secretary & Chief Compliance Officer of the Company, officiates as the Secretary to the Working Committee. The quorum of the Working Committee meeting is 4 (Four) members.

The composition of Working Committee is also available on the website of the Company at https://satincreditcare.com/board-of-directors/

During the year under review, the Working Committee met 56 (fifty-six) times.

(I) NCD Public Issuance Committee

The Board of Directors at its meeting held on January 15, 2024, had constituted NCD Public Issuance Committee of the Company, as a specialized Committee to ensure a well-organized, compliant, and successful execution of the public issuance of Non-Convertible Debentures.

The NCD Public Issuance Committee comprised of 3 (three) Members, out of which 1 (one) was Promoter, Executive and Non-Independent Director, 2 (two) Members were Independent Directors. The quorum of the NCD Public Issuance Committee meeting is 2 (Two) members.

During the year under review, 1 (one) meeting of the NCD Public Issuance Committee was held on January 24, 2024.

The composition of NCD Public Issuance Committee and detail of meeting attended by its members are given below:

Name of Member	Designation/Category	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Harvinder Pal Singh	Chairman (Promoter, Executive & Non- Independent Director)	January 15, 2024	1	1	100
Mr. Sanjay Kumar Bhatia	Member (Non-Executive & Independent Director)	January 15, 2024	1	1	100
Mr. Sundeep Kumar Mehta	Member (Non-Executive & Independent Director)	January 15, 2024	1	1	100

4. REMUNERATION OF DIRECTORS

As per the Company's Policy on Nomination & Remuneration for Directors, Key Managerial Personnel, Senior Management and other Employees, remuneration to Executive (Non-Independent Director) shall be paid in terms of the Act and other applicable laws. The Managing Director/Whole Time Director shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.

The remuneration paid to Executive Director is commensurate with his roles and responsibilities. Remuneration payable to Executive Director, subject to applicable provisions of the Schedule V to the Act, consists of fixed salary, perquisites including employer's contribution to P.F., pension scheme, medical expenses etc. shall be decided by the Board on the recommendation of the Nomination and Remuneration Committee and approved by the Shareholders, wherever required.

i. Remuneration of Executive Directors

Remuneration of Executive Directors is decided by the Board based on recommendation of Nomination and Remuneration Committee within the ceiling fixed by the Shareholders and as permissible under the Act and other relevant applicable laws and regulations.

The disclosure in respect of remuneration paid/ payable to Managing Director/Whole Time Director of the Company for the financial year 2023-24 is given below:

(Amount in INR)

Particulars	Mr. Harvinder Pal Singh, Chairman cum Managing Director
Salary	1,20,30,713
Provident Fund	14,39,208
Gratuity	0
Leave Encashment	0
ESOPs	0
Pensions	0
Approximate value of perquisites	20,38,500
Total	**1,55,08,421**
Present period of agreement for remuneration	October 01, 2020 to September 30, 2025
Present period of agreement of appointment	October 01, 2020 to September 30, 2025

ii. Remuneration of Non-Executive Directors

Considering the time and efforts made by the Non-Executive Directors, it is necessary that appropriate sitting fees are paid to the Non-Executive Directors for attending the meetings of the Board and its Committees.

During the year under review, the Non-Executive Directors are paid remuneration in form of sitting fees for attending meetings of the Board of Directors and its Committees. The sitting fees paid is within the ceiling of INR 1,00,000 per meeting as prescribed under the Act and the rules made thereunder.

Further, the Members of the Company through postal ballot e-voting process dated March 6, 2024 had approved the payment of remuneration, by way of commission, to Mr. Anil Kaul (DIN: 00644761), Non-Executive & Independent Director, up to INR 24,00,000 (Indian Rupees Twenty-Four Lakhs only) plus applicable taxes, for a period commencing from January 15, 2024 to January 14, 2025.

In accordance with the applicable provisions of Articles of Association of the Company and in terms of Act read with rules made thereunder and SEBI LODR Regulations, the Board of Directors at its meeting held on January 15, 2024, had approved the revision in the structure of sitting fees payable to Non-Executive & Non-Independent and Independent Directors of the Company for attending meetings of the Board of Directors and its Committees.

The revised structure for payment of sitting fees for attending Board and Committee Meetings are as follows:

Sl. No	Type of Meeting	Sitting Fees
1	Board	INR 50,000 (Indian Rupees Fifty Thousand) per meeting
2	Audit Committee and Risk Management Committee	INR 35,000 (Indian Rupees Thirty Five Thousand) per meeting
3	Other Statutory Committee(s) (except Working Committee)	INR 25,000 (Indian Rupees Twenty Five Thousand) per meeting

Detail of remuneration paid to Non-Executive Directors towards sitting fees during the financial year 2023-24 is as under:

(Amount in INR)

Sl. No.	Name of Non-Executive Directors	Sitting Fees		Commission	Total
		Board Meeting	Committee Meeting		
1	Mr. Sundeep Kumar Mehta	3,60,000	5,15,000	Nil	8,75,000
2	Mr. Satvinder Singh	3,60,000	2,45,000	Nil	6,05,000
3	Mr. Anil Kumar Kalra	3,60,000	2,45,000	Nil	6,05,000
4	Mr. Goh Colin	3,60,000	3,15,000	Nil	6,75,000
5	Mrs. Sangeeta Khorana	3,60,000	1,55,000	Nil	5,15,000
6	Mr. Sanjay Kumar Bhatia	3,60,000	4,25,000	Nil	7,85,000
7	Mr. Anil Kaul*	1,00,000	25,000	5,00,000	6,25,000
Total		**22,60,000**	**19,25,000**	**5,00,000**	**41,85,000**

**Mr. Anil Kaul was appointed as Non-Executive & Independent Director w.e.f. January 15, 2024. Hence, he was eligible to attend only two Board meetings held post his appointment during the financial year 2023-24.*

In addition, the Non-Executive Directors are paid travelling expenses including air fare, hotel stay and car on rental basis for attending the meetings of the Board/Committee and such other expenses incurred, if any, by the Non-Executive Directors and allowed to be reimbursed as per the applicable provisions of the Act. There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company during the financial year ended March 31, 2024 other than those disclosed in the Financial Statements.

None of the Non-Executive Directors of the Company is taking any salary, benefit, bonuses, stock options & pension from the Company. Further, no fixed component and performance linked incentives involved therein, also the Company has not signed any service contracts, notice period or severance fees contract with any of the Directors.

During the financial year 2024-25, based on the recommendation of Nomination and Remuneration Committee and subject to approval of the shareholders at the ensuing Annual General Meeting, the Board in its meeting held on June 24, 2024, approved the following(s):

i. Appointed Mr. Joydeep Datta Gupta (DIN: 00176737) as an Additional Director (Non-Executive & Independent), for a period of 3 (three) years w.e.f. June 24, 2024 till June 23, 2027, on such terms and conditions including remuneration, by way of commission, for an amount of INR 24,00,000 per annum in addition to the sitting fees paid for attending Board/Committee(s) meetings;

ii. Approved the payment of remuneration, by way of commission, to all Non-Executive Directors (Including Independent Directors), subject to the overall maximum permissible limit as prescribed under the Act, in addition to the sitting fees paid for attending Board/Committee(s) meetings; and approved the revision in payment of remuneration of Mr. Harvinder Pal Singh, Chairman cum managing Director, subject to approval of Members at the ensuing Annual General Meeting.

5. SENIOR MANAGEMENT PERSONNEL

As on March 31, 2024, the following officials are categorised under Senior Management Personnel category:

S. No.	Name	Designation
1	Mr. Jugal Kataria	Group Controller
2	Mr. Rakesh Sachdeva*	Chief Financial Officer
3	Mr. Manoj Agarwal	Deputy Chief Financial Officer
4	Mr. Anil Gupta	Business Head – Products
5	Mr. Amarjit Singh	Chief Audit Officer
6	Ms. Aditi Singh	Head – Strategy (changed to Chief Strategy Officer)
7	Mr. Anil Kwatra	Head – Operational Excellence & Innovation (changed to Chief Business Officer)
8	Mr. Sunil Yadav	Head – Information Technology (changed to Chief Information Officer)
9	Mr. Dhiraj Jha	Chief Risk Officer
10	Mr. Vikas Gupta	Company Secretary & Chief Compliance Officer

* Due to superannuation, Mr. Rakesh Sachdeva, Chief Financial Officer, ceased to Senior Management Personnel w.e.f. June 30, 2024.

Following change(s) took place in the Senior Management Personnel of the Company during the year under review:

Name	Designation	Change
Mr. Manoj Agrawal*	Deputy Chief Financial Officer	Appointed w.e.f. August 11, 2023
Mr. Subir Roy Chowdhury	Chief Human Resource Officer	Resigned w.e.f. January 12, 2024

* Mr. Manoj Agarwal was appointed as Chief Financial Officer w.e.f July 01, 2024.

6. GENERAL MEETINGS

The details of the Annual General Meeting held in the last three years are as follows:

a) Annual General Meetings (AGMs):

Year	Location	Date	Time	Whether any Special Resolution(s) passed
2022-23	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 09, 2023	11:00 A.M.	1. Issuance of Non-Convertible Debentures (NCDs), in one or more series/tranches on private placement basis; 2. Amendment of Articles of Association of the Company.
2021-22	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 10, 2022	11:00 A.M.	1. Issue of Non-Convertible Debentures (NCDs), in one or more series/tranches on Private Placement basis.
2020-21	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 11, 2021	11:00 A.M.	1. Issue of Non-Convertible Debentures (NCDs), in one or more series/tranches on Private Placement basis; 2. Provision of money by the Company for Purchase / Subscription made or to be made of its own shares by the Trust / Trustees for the benefit of employees under Satin Employees Stock Option Scheme – 2017.

All resolutions placed at the last AGM were passed by means of electronic voting only by the requisite majority of members.

b) Extra Ordinary General Meetings:

During the period under review, 1 (One) Extra-Ordinary General Meeting ("**EGM"**) was held on November 27, 2023.

Year	Location	Day & Date	Time	Particulars of the Resolutions passed
2023-24	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	Monday, November 27, 2023	11:00 A.M.	1. Increase in authorised share capital of the Company and consequential alteration of the capital clause in the memorandum of association of the Company (Ordinary resolution); 2. Amendment of articles of association of the Company (Special resolution); 3. Approval of raising of funds in one or more tranches, by issuance of Equity Shares and/or other eligible securities (Special resolution).

The above resolutions were passed with requisite majority.

c) Postal Ballot:

During the year under review, the Company has conducted 1 (one) Postal Ballot in compliance with Regulation 44 of the SEBI LODR Regulations and in pursuance of Section 108 read with Section 110 and other applicable provisions of the Act read with Companies (Management and Administration) Rules, 2014.

i. Details of Voting Pattern of Postal Ballot:

Two Special Resolutions were passed by way of Postal Ballot (through remote e-voting), detail of which is mentioned below:

Special Resolution - 1: Appointment of Mr. Anil Kaul (DIN: 00644761) as Non-Executive & Independent Director of the Company for first term of 3 (three) years.

After scrutinizing all votes received, the scrutinizer reported as under:

Item No. 1 of the Notice (i)	Votes in favour of the resolution		Votes against the resolution		Invalid votes
	No. of valid Votes (ii)	As a % of total number of valid votes (in Favour and Against) (iii=ii/ (ii+iv)* 100)	No. of valid Votes (iv)	As a % of total number of valid votes (in Favour and Against) (v =iv/ (ii+iv)* 100)	
Appointment of Mr. Anil Kaul (DIN: 00644761) as Non-Executive & Independent Director of the Company for First Term of 3 (three) years (Special Resolution)	7,64,22,197	100.00%	1,036	0.00%	3,95,599

Special Resolution - 2: Payment of remuneration, by way of commission, to Mr. Anil Kaul (DIN: 00644761), Non-Executive & Independent Director.

After scrutinizing all votes received, the scrutinizer reported as under:

Item No. 2 of the Notice (i)	Votes in favour of the resolution		Votes against the resolution		Invalid votes
	No. of valid Votes (ii)	As a % of total number of valid; votes (in Favour and Against) (iii=ii/ (ii+iv)* 100)	No. of valid Votes (iv)	As a % of total number of valid votes (in Favour and Against) (v =iv/ (ii+iv)* 100)	
Payment of remuneration, by way of commission, to Mr. Anil Kaul (DIN: 00644761), Non-Executive & Independent Director	7,64,20,839	100.00%	2,339	0.00%	3,95,599

The above two Special Resolutions were passed on March 06, 2024 result of which was declared on March 07, 2024.

ii. Persons responsible for conducting the postal ballot exercises:

The Board of Directors had appointed Mr. Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) of M/s Rajeev Bhatia & Associates as Scrutinizer, for conducting the Postal Ballot process through electronic voting only, in a fair and transparent manner. Accordingly, Mr. Rajeev Bhatia conducted the process and submitted his report to the Chairman cum Managing Director of the Company.

iii. Procedure adopted for Postal Ballot:

- The Postal Ballot notice together with explanatory statement, dated February 02, 2024 was sent only through electronic mode to those Members whose names appeared in the Register of Members or in the Register of Beneficial Owners maintained by Depositories and whose e-mail addresses were registered with the Company or Depository or Depository Participant as on Cut-off Date i.e. January 25, 2024.
- The Company had availed the services of Central Depository Services (India) Limited ("**CDSL**") to provide the e-voting facilities to the Members to enable them to cast their votes electronically. The remote e-voting period commenced on Tuesday, February 06, 2024 at 9:00 a.m. (IST) and ended on Wednesday, March 06, 2024 at 5:00 p.m. (IST), both days inclusive.
- The Company had published newspaper advertisement in Business Standard (both in English and Hindi edition) on February 06, 2024 regarding completion of dispatch of Notice and also specifying therein the matters prescribed in the Rules with regard to remote e-voting.
- The remote e-voting was unblocked by the scrutinizer on Wednesday, March 06, 2024, in the presence of two witnesses who were not in employment of the Company.
- The Scrutinizer submitted his report dated March 07, 2024, addressed to the Chairman cum Managing Director of the Company in the prescribed format. Based on the scrutinizer's report, the resolutions set out in the Postal Ballot Notice were deemed to have been passed as special resolutions on Wednesday, March 06, 2024.
- The result of the Postal Ballot was declared on Thursday, March 07, 2024 and displayed on the notice board at the registered office and corporate office of the Company.
- Voting results along with scrutinizer's report is placed on the website of the Company and can be accessed at https://satincreditcare.com/investor-relations-satin-creditcare/#AgmEgmPostalBallots

As on date of this report, no special resolution is proposed to be conducted through postal ballot.

7. SHAREHOLDERS' COMMUNICATION

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. The Company has its website (www.satincreditcare.com) that contains required information for the shareholders.

Means of Communication

Quarterly results and other relevant information: The quarterly financial results are regularly submitted to the Stock Exchanges and are generally published in Business Standard (both English and Hindi edition) in compliance with the SEBI LODR Regulations and are also displayed along with other relevant information viz., notices, shareholder communications, policies, Director's profile, Annual Report, other official news etc. on its website i.e. https://satincreditcare.com/investor-relations-satin-creditcare/#FinancialStatements

News releases, presentations, among others: Official news releases, corporate presentations, press release and official media releases are sent to Stock Exchanges regularly and also available on website of the Company at https://satincreditcare.com/investor-relations-satin-creditcare/#Notifications. Further, the investors presentations made were available on website of the Company at https://satincreditcare.com/investor-presentation/

Website: The Company`s website www.satincreditcare.com contains a separate section '*INVESTOR RELATIONS*' for use of investors. The quarterly, half yearly and annual financial results and official news releases are promptly and prominently displayed on the website. Annual Reports, Shareholding Patterns and other Corporate Communications made to the Stock Exchanges are also available on the website.

All the corporate communication to the Stock Exchanges are filed electronically on BSE's on-line portal i.e. BSE Listing Centre and with NSE through NSE's NSE Electronic Application Processing System (NEAPS) portal. The Stock Exchange filings are also made available on the website of the Company and can be accessed at https://satincreditcare.com/investor-relations-satin-creditcare/#Notifications

Communication to shareholders on email: In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company had during 2023-24 sent various communications including Documents like Notices and Annual Report to the members at their email address, as registered with their Depository Participants/ Company/ Registrar & Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

The Company proposes to send documents like shareholders meeting notice/other notices, audited financial statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the Registrar & Transfer Agent of the Company, to receive soft copies of the Annual Reports, Postal Ballot Notices and other information disseminated by the Company, on a real-time basis without any delay.

Further, pursuant to SEBI Circular bearing reference nos. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 & SEBI/HO/MIRSD/MIRSD-PoD-1 / P/ CIR/ 2023 / 37 dated March 16, 2023 (now rescinded due to issuance of Master Circular dated May 17, 2023) and SEBI directive vide e-mail to RTA on January 17, 2024, has sent intimation/reminder through post to shareholders' holding shares in physical form, to update their KYC details along with "Choice of Nomination" with M/s Link Intime India Pvt. Ltd. (Registrar and Share Transfer Agent).

Online Dispute Resolution: SEBI vide circular nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, provided guidelines for online resolution of disputes through establishment of a common ODR Portal which harnesses online conciliation and arbitration for resolution of disputes arising between investors/clients and listed companies or specified intermediaries/regulated entities in the securities market. The investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate the same through the SCORES Portal i.e. https://scores.gov.in/scores/Welcome.html.

After exhausting the above options, if the investor is not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal. The SMART ODR Portal can be accessed at: https://smartodr.in/login.

8. GENERAL SHAREHOLDER INFORMATION

(a) Company Registration Details:

The Company is registered in New Delhi, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs is L65991DL1990PLC041796. The Company being Systemically Important Non-Deposit taking NBFC is registered with Reserve Bank of India as NBFC-MFI and further categorized as Middle Layer in accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

(b) Ensuing Annual General Meeting (AGM):

Date and Time	August 09, 2024 at 11:00 A.M (IST).
Venue/Mode of AGM	The Company will conduct the AGM through Video Conference and Other Audio-Visual Means in accordance to the circulars issued by Ministry of Corporate Affairs and other regulatory authority, relevant details of which have been provided in the notice of the AGM.

(c) Financial Year: April 01, 2023 to March 31, 2024

(d) Dividend payment:

In order to undertake and carry on future plans, it is necessary to conserve the resources. Your Directors are of the opinion of retaining the profits for the year within the Company and thus, have not recommended any dividend on Equity Shares for the financial year ended March 31, 2024.

(e) Listing of Shares:

As on March 31, 2024, the Company has fully paid-up Equity Shares which are listed on BSE Limited and National Stock Exchange of India Limited.

Stock Exchanges	ISIN	Stock Code / Symbol
National Stock Exchange of India Limited ('**NSE**') Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India	INE836B01017	SATIN
BSE Limited ('**BSE**') 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, Maharashtra, India	INE836B01017	539404

The Annual Listing Fee for the financial year 2024-25 has been paid by the Company to both NSE and BSE where the Company's Equity Shares are listed.

The Non-Convertible Debentures of the Company are listed on Bombay Stock Exchange. The outstanding details of Non-Convertible Debentures (NCDs) as on March 31, 2024 are mentioned in the Financial Statements.

CORPORATE GOVERNANCE REPORT (Contd.)

(f) Market Price Data– High, Low (based on daily closing price) and volume (no. of shares traded) during each month in the Financial Year 2023-24 of Equity Shares of the Company, on BSE and NSE:

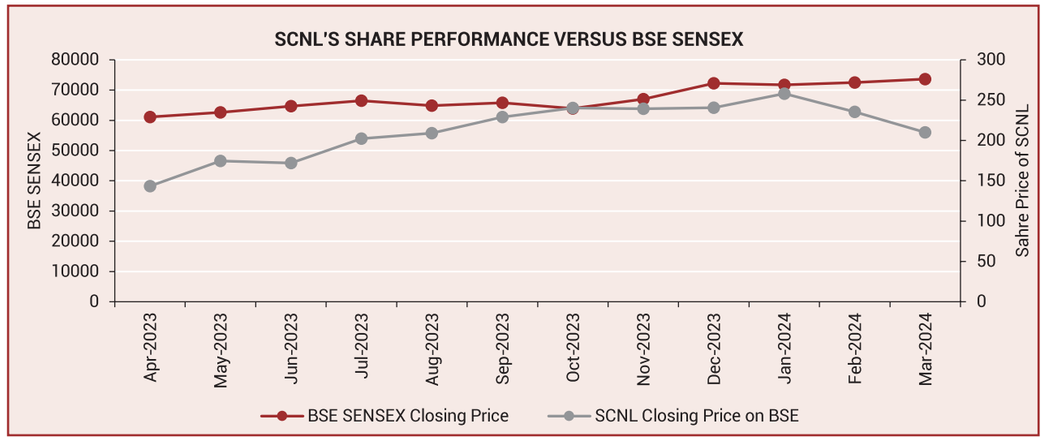
(Amount in INR)

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High	Low	Total number of Equity Shares traded	High	Low	Total number of Equity Shares traded
Apr-23	**150.00**	**127.00**	**1,21,523**	152.00	126.95	**14,55,990**
May-23	**177.15**	**151.10**	**6,82,776**	177.20	151.05	**90,21,998**
Jun-23	**193.55**	**163.30**	**11,93,516**	193.50	163.50	**1,29,69,206**
Jul-23	**221.50**	**168.30**	**27,21,124**	221.85	168.50	**3,66,90,855**
Aug-23	**231.70**	**205.25**	**11,19,583**	231.90	204.70	**1,13,94,779**
Sep-23	**254.65**	**193.50**	**11,87,056**	254.60	192.15	**1,49,17,076**
Oct-23	**249.75**	**205.95**	**7,86,560**	249.80	203.80	**1,07,37,732**
Nov-23	**274.20**	**237.00**	**10,09,096**	274.40	236.20	**1,35,31,286**
Dec-23	**276.80**	**236.10**	**14,10,180**	276.85	235.90	**1,73,66,515**
Jan-24	**283.65**	**241.60**	**18,48,006**	283.55	241.60	**2,27,91,017**
Feb-24	**278.75**	**228.05**	**18,23,108**	277.90	229.05	**1,75,46,644**
Mar-24	**245.55**	**182.95**	**12,31,405**	241.05	183.05	**1,28,01,774**

(g) Performance in comparison to broad-based indices such as BSE Sensex, NSE Nifty etc.

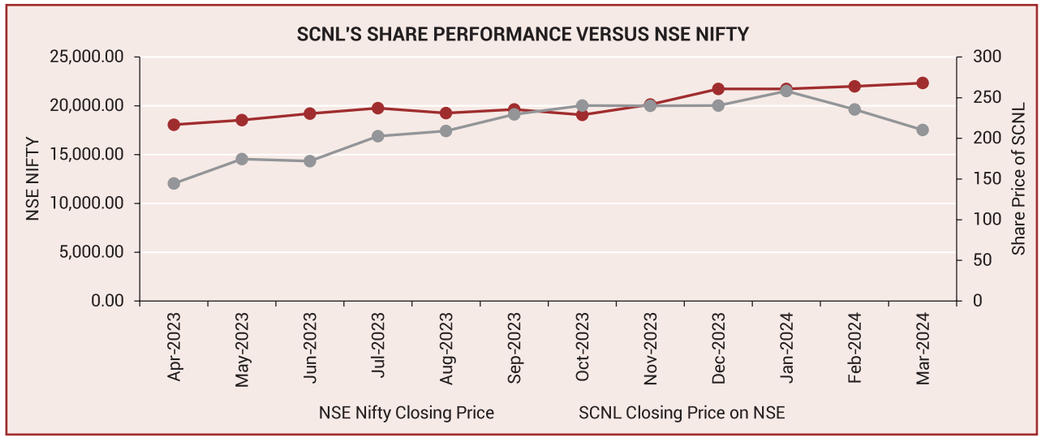
Performance in comparison to BSE Sensex

(Closing value of Satin's share price v/s BSE Sensex)



CORPORATE GOVERNANCE REPORT (Contd.)

Performance in comparison to NSE Nifty
(Closing value of Satin's share price v/s NSE Nifty)



(h) In case the securities are suspended from trading during the Financial Year 2023-24: Not Applicable

(i) Registrar & Share Transfer Agents:

Sl. No.	Name of Security	Registrar & Transfer Agent ("RTA")
1	Equity Shares	**M/s Link Intime India Private Limited** **Address**: Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110058; **Website**: https://www.linkintime.co.in/
2	Non-Convertible Debentures and Commercial papers	**M/s KFin Technologies Limited** (*formerly known as KFin Technologies Private Limited)* **Address**: Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakr-amguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032. **Website:** https://www.kfintech.com/

(j) Share Transfer System:

Stakeholders Relationship Committee is authorized to approve transfer of shares. The dematerialized shares are transferred directly to the beneficiaries by the depositories. Trading in Equity Shares of the Company is permitted only in dematerialized form. SEBI has mandated that securities of Listed Companies can be transferred only in dematerialized form effective from April 01, 2019. Accordingly, the Company/ its Registrar and Transfer Agent have stopped accepting any fresh lodgement for transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialization.

Further, the Company vide its email sent in April 2024, informed all shareholders holding securities in physical form and whose folios are incomplete indicating the process and documentation required for updation of their KYC, details of bank account, Demat account and choice of nomination with the RTA.

CORPORATE GOVERNANCE REPORT (Contd.)

(k) Shareholding Pattern/Distribution of shareholding as on March 31, 2024:

S. No.	Category of Shareholder	Shareholding	% of Holding
A	**Promoters & Promoter Group**	3,99,60,753	36.17
B	**Public Shareholding**		
B1	Mutual Fund	12,44,396	1.13
B2	Foreign Portfolio Investor	73,62,263	6.66
B3	Banks and NBFCs	27,91,279	2.53
B4	Foreign Bank	-	-
B5	Non-Institutions	5,86,29,328	53.07
C	**Non-Promoter- Non-Public shareholding**		
C1	Shares Held by Employee Trust	4,82,946	0.44
Total		**11,04,70,965**	**100.00**

Distribution of Shareholding based on Shares held as on March 31, 2024:

Sl. No.	Share Range	Number of Shareholders	% of total Number of Shareholders	Total Number of Shares for the Range	% of Total Number of Shares
1	1 to 500	39,316	86.74	43,19,141	3.91
2	501 to 1,000	2,843	6.27	22,73,187	2.06
3	1,001 to 2,000	1,468	3.24	22,06,126	2.00
4	2,001 to 3,000	480	1.06	12,40,241	1.12
5	3,001 to 4,000	271	0.60	9,84,998	0.89
6	4,001 to 5,000	219	0.48	10,24,958	0.93
7	5,001 to 10,000	355	0.78	25,71,156	2.33
8	10,001 and above	372	0.82	9,58,51,158	86.77
Total		**45,324**	**100.00**	**11,04,70,965**	**100.00**

(l) Dematerialization of Shares and Liquidity:

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

The International Securities Identification Number (ISIN) allotted to the Company's shares is INE836B01017.

As on March 31, 2024, 99.87% of the Equity Shares of the Company representing 11,03,27,722 out of a total of 11,04,70,965 Equity Shares were held in dematerialized form and balance 1,43,243 Equity Shares representing 0.13% of the total number of Equity Shares of the Company were held in physical form.

The Equity Shares of the Company are frequently traded on both National Stock Exchange of India Limited & BSE Limited.

(m) Outstanding GDRs/ADRs/Warrants or any Convertible instruments:

During the financial year ended 2021-22, your Company had allotted 2,46,15,384 fully convertible warrants ("**Warrants**") to entities belonging to promoter group and non-promoter group at an aggregate amount of INR 19,999.99 Lakhs. Further, out of entire consideration payable towards Warrants i.e. INR 19,999.99 Lakhs, the Company had received an amount of INR 4,999.99 Lakhs i.e., 25% of issue price before allotment of Warrants. Balance 75% was to be infused at the time of conversion of Warrants i.e. within 18 months from the date of allotment of Warrants i.e. January 25, 2022. During the financial year 2022-23, the Company had received an amount of INR 6,218.74 Lakhs by way of conversion of 1,02,05,128 Warrants into equivalent number of Equity Shares.

During the financial year 2023-24, the following Warrants were converted into Equity Shares, details are as follows:

i. On June 13, 2023 and July 07, 2023, your Company had allotted 32,82,052 & 29,23,076 Equity Shares of face value of INR10 each at an issue price of INR 81.25 each to Trishashna Holdings & Investments Private Limited, an entity belonging to Promoter Group, respectively; and

ii. On July 21, 2023, your Company had allotted 82,05,128 Equity Shares of face value of INR 10 each at an issue price of INR 81.25 each to Florintree Ventures LLP, an entity belonging to Non-Promoter category.

The Company does not have any outstanding Global Depository Receipt or American Depository Receipt or any other convertible instruments as on March 31, 2024.

(n) Company is in the business of Non-Banking Finance Company (Micro Finance Industry), hence no plant information can be provided as such.

(o) Address for correspondence:

Corporate Office: Plot No. 492, Udyog Vihar, Phase – III, Gurugram - 122016, Haryana, India.

Registered Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033, India.

(p) List of all credit ratings obtained by the Company during the financial year 2023-24: The details with respect to Credit Ratings obtained by the Company are given in the Directors' Report.

(q) Transfer of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF):

As on March 31, 2024, no amount of unclaimed dividend is due for transfer to Investor Education and Protection Fund.

(r) Reconciliation of Share Capital Audit:

A quarterly audit was conducted by a Practicing Chartered Accountant, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the Stock Exchanges within the prescribed time limit.

(s) Information to Shareholders:

A brief resume of the Directors appointed/reappointed together with the nature of their experience and details of other Directorships held by them is annexed to the Notice convening Annual General Meeting.

(t) Any query on Annual Report:

Members can write an email on secretarial@satincreditcare.com or send their query on Annual Report on below mentioned address: Plot No. 492, Udyog Vihar, Phase – III, Gurugram – 122016, Haryana, India, addressed to the Company Secretary & Chief Compliance Officer of the Company.

9. OTHER DISCLOSURES:

(a) Disclosure on Materially significant related party transaction:

There has been no material significant related party transaction with the Company's Promoters, Directors, the Management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding related party transactions are given in the notes to accounts. The Company has also formulated a Policy on materiality of Related Party Transactions and dealing with Related Party Transactions ("**RPT Policy**") and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

The RPT policy has been uploaded on the website of the Company at https://satincreditcare.com/wp-content/uploads/2022/03/Policy-on-Materiality-of-RPT-and-Dealing-with-RPT.pdf

(b) Details of non-compliance by the Company penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authorities on any matter related to capital markets during the last three years:

There was no instances of material non-compliances with Stock Exchange(s), SEBI Regulations, RBI Directions and other applicable laws and regulations.

During the period under review, the Company was in receipt of an email from BSE Limited regarding delay in submission of prior intimation required under Regulation 50(1) of the SEBI LODR Regulations, which pertains to the year 2021 asking for fine to be deposited. In response to this, the Company had filed a response mentioning the reasons of delay and the Company had deposited the amount of INR 1,000/- (Indian Rupees One Thousand) plus taxes and intimated the payment details to BSE Limited.

Except above, no penalties or strictures have been imposed on the Company by the Stock Exchange(s), SEBI or RBI or any statutory authority on any matter related to capital markets during the last three financial years.

(c) Establishment of Vigil Mechanism/Whistle Blower Policy:

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR Regulations, the Company vide its Board meeting dated February 10, 2016 had adopted Whistle Blower Policy/Vigil Mechanism applicable for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail the mechanism.

The Company affirms that no personnel has been denied access to the Audit Committee. In order to ensure proper functioning of vigil mechanism, the Audit Committee of the Company on quarterly basis take note of the same.

The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e. https://satincreditcare.com/wp-content/uploads/2024/03/Whistle-Blower-Policy.pdf

(d) Compliance with mandatory requirement and adoption of non-mandatory requirements:

The Board of Directors periodically reviewed the compliance of all the applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of the SEBI LODR Regulations.

(e) Material Subsidiaries:

During the year under review, the Company does not have any material subsidiary.

The Company has a policy for determining 'material' subsidiaries in terms of the SEBI LODR Regulations and such policy is uploaded on the Company's website and can be accessed through the following link https://satincreditcare.com/wp-content/uploads/2024/04/86.-Material-Subsidary-Policy.pdf

(f) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure to commodity price risks. During 2023-24, the Company has managed the foreign exchange risk by hedging the entire principal and/or interest on its foreign currency borrowings. The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, options and interest rate swaps.

(g) Details of utilization of fund raised through Preferential Allotment or Qualified Institution Placement:

i. Preferential Allotment:

During the financial year 2023-24, your Company had allotted 32,82,052 & 29,23,076 Equity Shares of face value of INR 10 each at an issue price of INR 81.25 each to Trishashna Holdings & Investments Private Limited, an entity belonging Promoters and Promoter Group, on June 13, 2023 and July 07, 2023 respectively.

Further, on July 21, 2023, your Company had allotted 82,05,128 Equity Shares of face value of INR 10 each at an issue price of INR 81.25 each to Florintree Ventures LLP, an entity belonging to Non-Promoter category.

ii. Qualified Institutions Placement ("QIP"):

Pursuant to the applicable provisions of the Act and the applicable rules made thereunder and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the SEBI LODR Regulations and any other provisions of applicable laws, the Board of Directors at its meeting held on October 19, 2023 had approved raising of funds by issuance and allotment of Equity Shares to Qualified Institutional Buyers by way of QIP. Further, the shareholders of the Company at the Extra-Ordinary General Meeting held on November 27, 2023, passed Special Resolution approving the same.

The Company had raised funds amounting to INR 249,99,99,928.80 (Indian Rupees Two Hundred Forty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred Twenty-Eight and Eighty paisa only) by issuance and allotment of 1,08,36,584 Equity Shares of face value of INR 10 each, at an issue price of INR 230.70 per Equity Share (including share premium amount of INR 220.70 per Equity Share), reflecting discount amount of INR 12.11 per Equity Share (i.e. 4.99% on the Floor Price of INR 242.81 per Equity Share) to 15 successful Qualified Institutional Buyers ("QIBs") under the QIP route.

During the financial year ended March 31, 2024, the Company has fully utilized the funds received from the aforesaid issuance of Equity Shares as per the objects stated in the Explanatory Statement to the Notice dated October 27, 2023 of Extra-Ordinary General Meeting sent to shareholders of the Company. There is no deviation or variation in the use of proceeds raised under the QIP.

Further, pursuant to Regulation 32 of the SEBI LODR Regulations, the Company had made necessary disclosure to Stock Exchanges.

(h) Certificate from Company Secretary in Practice for Non-disqualification of Directors:

The Company has obtained a certificate from Practicing Company Secretary, Mr. Shesdev Behera, from M/s. S. Behera & Co., confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The said certificate forms part of this Annual Report as **Annexure - 2**.

(i) Fees paid to the Statutory Auditors:

The details of total fees paid for all services by the Company and its subsidiaries on consolidated basis to the statutory auditors are as follows:

Sl. No.	Name of Company	Status of Company	Amount Paid (INR in Lakhs)
1	Satin Creditcare Network Limited	Holding Company	44.61*
2	Satin Housing Finance Limited	Wholly Owned Subsidiary	10.28
3	Satin Finserv Limited	Wholly Owned Subsidiary	12.00
Total			66.89

* Excludes fee of INR 44.83 Lakhs (previous year: Nil) towards QIP issue which is adjusted against securities premium account.

(j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the details of the cases reported during the Financial Year 2023-24 are mentioned hereunder.

Particulars	Financial Year (2023-24)
Number of complaints in the beginning of the F.Y.	0
Number of complaints reported during the F.Y.	1
Number of complaints disposed-off during the F.Y.	1
Number of complaints remaining unresolved/pending as at the end of F.Y.	0

(k) Disclosure pursuant to Loans and advances by the Company and Subsidiaries in the nature of loans to firms/companies in which directors are interested are given in the Notes to the Financial Statements.

(l) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Not applicable as the Company does not have any material subsidiary.

(m) The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the SEBI LODR Regulations.

10. COMPLIANCE CERTIFICATE:

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI LODR Regulations for the period commencing from April 01, 2023 and ended on March 31, 2024 and the same is annexed to the report as **Annexure – 3**.

11. CEO/CFO CERTIFICATION:

The requisite certification from the Chairman/ cum Managing Director and Chief Financial Officer for the financial year 2023-24 required to be given under Regulations 17(8) and 33(2) of the SEBI LODR Regulations was placed before the Board of Directors of the Company at its meeting held on April 29, 2024 and the same is annexed to the report as **Annexure – 4**.

12. EQUITY SHARES IN THE DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

As on March 31, 2024, there are no shares in the Demat suspense account / unclaimed suspense account.

For and on behalf of Satin Creditcare Network Limited

Sd/-
Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Place: Gurugram
Date: June 24, 2024

ANNEXURES TO CORPORATE GOVERNANCE REPORT

ANNEXURE - 1

DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2024.

Sd/-
Harvinder Pal Singh
Chairman cum Managing Director
(DIN: 00333754)

Place: Gurugram
Date: April 29, 2024

ANNEXURE - 2

CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V PART C CLAUSE (10) SUB-CLAUSE (I) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Satin Creditcare Network Limited

We have examined all the relevant records of Satin Creditcare Network Limited (CIN: L65991DL1990PLC041796) (the Company) for the purpose of conditions stipulated under Regulation 34(3) read with Schedule V Part C Clause (10) Sub Clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

In our opinion and to the best of our information and according to the explanations given to us, we certify that none of the directors on the board of the Company have been debarred or disqualified, from being appointed or continuing as directors of companies, by the SEBI/MCA or any such statutory authority during the period commencing from April 01, 2023 and ended on March 31, 2024.

For S.Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
FCS No. 8428
C P No.: 5980
UDIN: F008428F000372682

Date: May 14, 2024
Place: New Delhi

ANNEXURE - 3

CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V (E) OF THE SECURITIES' AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Satin Creditcare Network Limited

We have examined all the relevant records of Satin Creditcare Network Limited (CIN: L65991DL1990PLC041796) (the Company) for the purpose of certifying the compliance of the conditions of Corporate Governance as stipulated under Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period commencing from April 01, 2023 and ended on March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para C, D and E of Schedule V for the period commencing from April 01, 2023 and ended on March 31, 2024.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For S.Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
FCS No. 8428
C P No.: 5980
UDIN: F008428F000372759

Date: May 14, 2024
Place: New Delhi

ANNEXURE - 4

The Board of Directors,
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan, Azadpur
Commercial Complex, Azadpur,
New Delhi-110033

Sub: Certificate of Chairman cum Managing Director and Chief Financial Officer under Regulation 33(2) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Harvinder Pal Singh, Chairman cum Managing Director and Rakesh Sachdeva, Chief Financial Officer of the Company do hereby certify that:

A) We have reviewed the financial results and the cash flow statement for the financial year ended March 31, 2024, as applicable and to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.

B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period under review which are fraudulent, illegal or violative of the Company's Code of Conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D) We have indicated to the auditors and the Audit Committee:
   (i) that there is no significant changes in internal control over financial reporting during the period under review;
   (ii) that there is no significant changes in accounting policies during the period under review and that the same have been disclosed in the notes to the financial statements; and
   (iii) that there is no instances of significant fraud during the period under review of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of
Satin Creditcare Network Limited

Sd/-
(Harvinder Pal Singh)
Chairman cum Managing Director

Sd/-
(Rakesh Sachdeva)
Chief Financial Officer

Date: April 26, 2024
Place: Gurugram

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Satin Creditcare Network Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Satin Creditcare Network Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information **(hereinafter referred to as the "standalone financial statements")**.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 **(the "Act")** in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit & other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	Auditor's Response
Use of information processing system for accounting and financial reporting The Company is operating in Financial Services Sector, where in due to large volume processing, the accounting & reporting of financial information is reliant on information processing systems and Information Technology (IT) backed internal controls. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. Since our audit strategy included focus on entity's information processing systems relevant to our audit due to their pervasive impact on the standalone financial statements, we have determined the use of information processing system for accounting and financial reporting as a key audit matter for the current year audit.	**Principle Audit Procedures** Our key audit procedures on this matter included, but were not limited, to the following: (a) obtained an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit; (b) Performance of the following procedures: i. tested the IT General Controls around user access management, system change management, and IT operational controls along with segregation of duties around program maintenance, security administration and over key financial accounting and reporting processes; ii. tested the design and operating effectiveness of the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; iii. tested the automated controls like interfaces and information generated by the entity's information processing systems for loans, interest income and other significant financial statement items; and iv. in addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting (c) obtained written representations from management and those charged with governance on whether IT general controls and automated IT controls are designed and were operating effectively during the period covered by our audit.
Impairment of Financial Assets as at Balance Sheet date (Expected Credit losses on loans) ***[Refer Note No. 3(j) for the accounting policy and Note No. 44 for the related disclosures]*** As at March 31, 2024, the Company has financial assets (loans) amounting to INR 7,95,143.90 Lakhs including loans which are carried at fair value through other comprehensive income amounting to INR 6,46,447.82 Lakhs. As per Ind AS 109 - Financial Instruments, the Company is required to recognize loss allowance for expected credit losses (ECL) on financial assets. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. ECL is calculated using the percentage of probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each of the stages of loan portfolio. ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to: • determining the criteria for a significant increase in credit risk (SICR) • factoring in future economic assumptions • techniques used to determine probability of default, loss given default and exposure at default.	**Principle Audit Procedures** Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through but were not limited to the following procedures: a) performed a walkthrough of the impairment loss allowance process and assessed the design effectiveness of controls; b) read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to guidelines issued by Reserve Bank of India; c) obtained an understanding of the model adopted by the Company including key inputs and assumptions for calculation of expected credit losses on the assumptions and how management calculated the expected credit losses and the appropriateness of data on which the calculation is based; d) obtained the reports of the expert appointed by the management and assessed the expert's professional competence, independence and objectivity in reviewing the ECL model; e) evaluated the appropriateness of the Company's determination of significant increase in credit risk in accordance with the applicable Ind AS;

Key Audit Matter	Auditor's Response
These parameters are derived from the Company's internally developed statistical models with the help of experts appointed by the management and other historical data.	f) as modeling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. Assessed the criteria for staging of loans based on their past due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any Significant Increase in Credit Risk (SICR) or loss indicators were present requiring them to be classified under higher stages g) tested the design and operating effectiveness of the key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized; h) tested the accuracy of inputs through substantive procedures and assessed the reasonableness of the assumptions used; i) developed a point estimate by making reference to the expected credit losses recognized by entities that carry comparable financial assets; j) tested the arithmetical calculation of the expected credit losses; k) assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying financial statements in accordance with the applicable Ind AS and related RBI circulars and l) obtained written representations from management and those charged with governance whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity 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 standalone financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   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 standalone financial statements.
      ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

         b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

         c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
      vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and such logs in relation to applications have operated throughout the year for all relevant transactions recorded in the software. However, edit logs for database are available for part of the year. Further, during the course of our audit and based on the review of available logs, we did not come across any instance of audit trail feature being tampered with.

         As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership No.094380
UDIN: 24094380BKBEXT1263
Place : Gurugram
Date : April 29, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satin Creditcare Network Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b. According to the information and explanation provided to us, the Property, Plant & Equipment, Investment property and right-of-use assets have been physically verified by the management according to designed process to cover all the items once in three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its Assets. The discrepancies, noticed on such physical verification had been properly dealt with in the books of account.

c. According to the information and explanation given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date except for the following property which was transferred as a result of an amalgamation of companies as stated in the Note No. 14 to the Standalone Financial Statements wherein the title deeds are in the name of the erstwhile Company.

d. According to the information and explanation given to us and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

e. According to the information and explanation given to us and based on our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and based on our examination of records, the Company has been sanctioned overdraft against fixed deposits in excess of five crore rupees, in aggregate, from banks or financial institutions. However, there are no covenants in the sanction letters w.r.t. furnishing the quarterly returns/ statements for such sanctioned overdraft limits.

iii. According to the information and explanation given to us and based on our examination of records, the Company has made investments in, companies, firms, limited liability partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) Reporting under clause 3(iii)(a) of the Order is not applicable as the Company is a NBFC – MFI.

(b) In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.

(Amount in INR Lakhs)

Description of Property	Gross Carrying Value as on March 31, 2024	Held in the Name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Building	292.00	Satin Intellicomm Limited	Not Applicable	Since December 2007	The said property is in the name of Satin Intellicomm Limited, an erstwhile company that merged with the Company. However, transfer formalities are not yet completed.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation. Since, the Company is NBFC-MFI and considering the significant volume of transactions with number of borrowers furnishing the number of cases of default is practically not feasible.

(d) In respect of loans granted by the Company, the details of total amount overdue above 90 days are as follows: -

(INR in Lakhs)

Type of Loan	Nos of Cases	Principal Overdue	Interest Overdue	Total Overdue
JLG (Joint Liability Group)	1,86,269	12,543.93	2,482.22	15,026.15
MSME (Micro Small & Medium Enterprises Loans)	75	64.24	91.90	156.14
Total	**1,86,344**	**12,608.17**	**2,574.12**	**15,182.29**

Based on the information & explanations given to us, reasonable steps have been taken by the Company for the recovery of the Principal & Interest.

(e) Reporting under clause 3(iii)(e) of the Order is not applicable as the Company is an NBFC – MFI.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence the reporting under clause 3(iii)(f) is not applicable.

iv. According to the information and explanations given to us, there are no transactions which are required to be reported under Section 185 of the Act, accordingly, provisions of section 185 of the Act are not applicable to the Company. However, the Company has complied with the provisions of section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, to the extent applicable.

v. According to the information and explanations given to us, during the year the Company has neither accepted any deposits from the public nor any deposits are outstanding during the year. There are no deemed deposits under the provisions of the Act and rules thereunder. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government in terms of sub-section (1) of section 148 of the Act are not applicable to the company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. According to the information and explanations given to us and the records of the Company examined by us and based on the representation given by the management, in our opinion:

a. the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax, service tax, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities. There were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statue	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount INR (in Lakhs)
The Income Tax Act, 1961	Income Tax	CIT (A)	AY* 2018-19	64.96
		CIT (A)	AY* 2020-21	67.35
		CIT (A)	AY* 2021-22	93.68
Good and Service Tax Act, 2017	GST	GST Officer	FY ** 2017-18	5.20
	GST	GST Officer	FY ** 2017-18	198.40

(Refer Note No 52 of the Financial Statements)

*AY = Assessment Year

**FY = Financial Year

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender and hence, reporting under clause 3(ix)(a) of the Order is not applicable.

(b) Based on the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on our examination of records, the Company has applied the term loans for the purpose for which the loans were obtained.

(d) According to the information and explanation given to us and based on our examination of records, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanation given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company is not having associate or joint venture. Accordingly, the reporting under this clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanation given to us and based on our examination of records, the Company has not raised loans on the pledge of securities held in its subsidiaries. The Company is not having any joint ventures or associate companies during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and based on our examination of records, during the year, the Company has made preferential allotment of shares by way of conversion of share warrants into equity shares and Qualified Institutional Placement (QIP) of equity shares, which is in accordance with the requirements of section 42 and section 62 of the Act read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and the funds raised have been used for the purposes for which the funds were raised. The Company has not issued any convertible debentures (fully, partially or optionally convertible) during the year.

xi. (a) According to the information and explanation given to us and based on our examination of records, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit except management reported few instances of misappropriation of cash collected from customers and other forms of embezzlement of cash by the employees, involving amount aggregating to ₹ 38.00 Lakhs (net of recovery) as mentioned in Note No. 57(A)(xxii)(i) to the financial statements. As informed to us, the Company has terminated the services of such employees and also initiated legal action against them.

(b) According to the information and explanation given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have been informed that there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under the clause 3(xi)(c) of the Order is not applicable.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS (Refer Note No. 49 to the financial statements).

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

xiv. (a) According to the information and explanation given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) The Company was required to be registered under Section 45IA of the Reserve Bank of India Act, 1934 (2 of 1934) as a NBFC-MFI and has obtained the certificate vide no. B-14.01394 dated November 06, 2013.

(b) According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) As per the information and explanation provided to us by the Company, two (2) companies in the group have withdrawn the application for registration as CIC under the Reserve Bank of India Act in the financial year 2023-24. The applications regarding the same have been accepted by the RBI on August 09, 2023.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership No.094380
UDIN: 24094380BKBEXT1263
Place : Gurugram
Date : April 29, 2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satin Creditcare Network Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS 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 **Satin Creditcare Network Limited** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership No.094380
UDIN: 24094380BKBEXT1263
Place : Gurugram
Date : April 29, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial assets			
Cash and cash equivalents	4	35,630.21	21,335.16
Bank balances other than cash and cash equivalents	5	78,023.95	81,540.28
Derivative financial instruments	6	1,800.00	2,231.64
Trade receivables	7	400.90	241.12
Loans	8	7,95,143.90	5,68,421.19
Investments	9	82,698.51	74,151.81
Other financial assets	10	2,634.29	1,606.69
		9,96,331.76	**7,49,527.89**
Non-financial assets			
Current tax assets (net)	11	180.66	3,321.63
Investment Property	13	631.91	664.26
Property, plant and equipment	14	8,641.25	8,328.99
Other intangible assets	15	41.01	144.66
Other non-financial assets	16	2,491.38	2,552.22
		11,986.21	**15,011.76**
TOTAL ASSETS		**10,08,317.97**	**7,64,539.65**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		241.60	198.23
Other payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		83.55	23.87
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,244.97	1,125.93
Debt securities	19	1,01,416.58	1,09,144.08
Borrowings (other than debt securities)	20	5,85,529.14	4,00,477.70
Subordinated liabilities	21	32,767.40	35,126.25
Other financial liabilities	22	10,543.52	25,542.79
		7,31,826.76	**5,71,638.85**
Non-financial liabilities			
Current tax liabilities (net)	23	234.95	-
Provisions	24	834.80	703.85
Deferred tax liabilities (net)	12	7,834.74	245.64
Other non-financial liabilities	25	852.45	579.63
		9,756.94	**1,529.12**
EQUITY			
Equity share capital	26	11,004.32	8,479.63
Other equity	27	2,55,729.95	1,82,892.05
		2,66,734.27	**1,91,371.68**
TOTAL LIABILITIES AND EQUITY		**10,08,317.97**	**7,64,539.65**

Statement of material accounting policies and other explanatory notes. 1-3

This balance sheet referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I. INCOME			
Revenue from operations			
Interest income	28	1,74,876.22	1,16,008.44
Dividend income	29	-	0.17
Rental income	30	129.25	117.41
Fees and commission income	31	2,536.64	2,140.20
Net gain on fair value changes	32	1,107.07	36,631.03
Net gain on derecognition of financial instruments	33	25,702.55	20,151.30
Other operating income	34	526.87	243.68
Total revenue from operations		**2,04,878.60**	**1,75,292.23**
Other income	35	186.22	49.18
Total income		**2,05,064.82**	**1,75,341.41**
II. EXPENSES			
Finance costs	36	83,284.36	57,602.47
Impairment on financial instruments	37	14,448.03	39,416.44
Employee benefits expenses	38	36,570.22	31,631.57
Depreciation and amortization	39	1,997.75	1,620.27
Other expenses	40	12,179.51	10,970.62
Total expenses		**1,48,479.87**	**1,41,241.37**
Profit before tax		**56,584.95**	**34,100.04**
Tax expense:	41		
Current tax		6,709.27	(30.37)
Deferred tax charge		7,591.27	7,697.49
Total tax expense		**14,300.54**	**7,667.12**
Profit after tax		**42,284.41**	**26,432.92**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans (refer note 48)		7.66	(29.67)
Equity instruments through other comprehensive income (refer note 9)		(2,046.87)	(2,731.61)
Income tax relating to above items		513.23	694.96
	A	**(1,525.98)**	**(2,066.32)**
Items that will be reclassified to profit or loss			
Changes in fair value of loan assets (refer note 8)		2,030.59	243.31
Income tax relating to above item		(511.06)	(61.24)
Cash flow hedge reserve (refer note 27)		-	(27.48)
Income tax relating to above item		-	6.92
	B	**1,519.53**	**161.51**
Other comprehensive income	**A+B**	**(6.45)**	**(1,904.81)**
Total comprehensive income for the year		**42,277.96**	**24,528.11**
Earnings per equity share (face value of INR 10 per equity share)	42		
Basic (INR)		43.01	33.79
Diluted (INR)		41.97	32.30

Statement of material accounting policies and other explanatory notes. 1-3

This statement of profit and loss referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	56,584.95	34,100.04
Adjustments for:		
Depreciation and amortization	1,149.07	1,107.22
Depreciation of right-of-use assets	848.68	513.05
Net loss/(gain) on derecognition of property, plant and equipment	50.42	(2.95)
Fair value gain on mutual funds	(1,182.31)	(375.18)
Loss/(gain) on fair valuation of subsidiaries	(387.46)	(35,215.77)
Unrealised loss/ (gain) on fair value changes of derivatives and investments	462.70	(1,040.08)
Property, plant and equipment written off	6.41	6.01
Impairment on financial instruments	14,448.03	39,416.44
Dividend income	-	(0.17)
Gain on sale of loan portfolio through assignment	(25,702.55)	(20,151.30)
First loss default guarantee reversal	(1,124.22)	(593.39)
Effective interest rate adjustment for financial instruments	4,387.03	1,649.08
Interest expense for leasing arrangements	201.22	120.58
Net gain on termination of leases	(15.57)	(7.59)
Corporate guarantee premium income	(53.76)	(38.64)
Unrealised exchange fluctuation loss (net)	924.29	512.98
Operating profit before working capital changes	**50,596.93**	**20,000.33**
Movement in working capital		
(Increase) in trade receivables	(177.94)	(1.71)
(Increase) in loans	(2,14,734.51)	(94,983.85)
Decrease in fixed deposits	3,516.33	5,025.10
(Increase) / Decrease in other financial assets	(1,124.16)	473.08
Decrease in other non-financial assets	60.84	987.00
Increase / (decrease) in trade and other payables	222.09	(1,245.34)
(Decrease) in other financial liabilities	(13,821.29)	(234.82)
Increase / (decrease) in provisions	138.61	(101.66)
Increase / (decrease) in other non-financial liabilities	272.82	(174.39)
Cash used in operating activities post working capital changes	**(1,75,050.28)**	**(70,256.26)**
Income tax paid (net)	(3,333.35)	(3,391.33)
Net cash used in operating activities (A)	**(1,78,383.63)**	**(73,647.59)**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,084.46)	(798.17)
Proceeds from sale of property, plant and equipment	54.48	31.16
Investment made in subsidiaries	(8,999.99)	(3,999.90)
Investment made in other than subsidiaries	(13,51,714.24)	(5,30,931.63)
Sale of investments other than subsidiaries	13,53,071.00	5,24,563.07
Dividend income	-	0.17
Net cash used in investing activities (B)	**(8,673.21)**	**(11,135.30)**
C CASH FLOWS FROM FINANCING ACTIVITIES (refer to note (i) below)		
Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	33,084.63	6,218.75
Proceeds from debt securities	48,787.91	28,209.32
Repayment of debt securities	(57,067.17)	(38,043.56)
Proceeds from borrowings other than debt securities	6,09,023.28	3,96,212.56
Repayment of borrowings other than debt securities	(4,29,075.52)	(3,61,454.70)
Lease payments	(1,011.13)	(615.42)
Proceeds from subordinated liabilities	4,801.07	-
Repayment of subordinated liabilities	(7,191.18)	(9,890.93)
Net cash generated from financing activities (C)	**2,01,351.89**	**20,636.02**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	14,295.05	(64,146.87)
Cash and cash equivalents at the beginning of the year (refer to note (ii) below)	21,335.16	85,482.03
Cash and cash equivalents at the end of the year	**35,630.21**	**21,335.16**

(i) Refer note 21 for reconciliation of liabilities arising from financing activities.
(ii) Refer note 5 for restricted cash and cash equivalents.

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Notes:		
Cash and cash equivalents (as per note 4 to the financial statements)	35,630.21	21,335.16
Less: Overdraft facility against term deposits (as per note 20 to the financial statements)	-	-
	35,630.21	**21,335.16**

Statement of material accounting policies and other explanatory notes. Note 1-3

This Statement of Cash Flow referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL (refer note 26)

As at March 31, 2024

Particulars	Balance as at April 01, 2023	Changes in equity share capital due to prior period errors	Restated balance at April 01, 2023	Changes during the year	Balance as at March 31, 2024
Equity share capital	8,479.63	-	8,479.63	2,524.69	11,004.32

As at March 31, 2023

Particulars	Balance as at April 01, 2022	Changes in equity share capital due to prior period errors	Restated balance at April 01, 2022	Changes during the year	Balance as at March 31, 2023
Equity share capital	7,459.12	-	7,459.12	1,020.51	8,479.63

B. OTHER EQUITY (refer note 27)

Particulars	Reserves and surplus					Other comprehensive income			Money received against share warrants	Total
	Statutory reserve	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	Cash flow hedge reserve		
Balance as at April 01, 2022	**10,770.89**	**1,06,455.16**	**29.94**	**2,777.00**	**27,539.10**	**(5.00)**	**578.06**	**20.56**	**5,000.00**	**1,53,165.71**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2022	**10,770.89**	**1,06,455.16**	**29.94**	**2,777.00**	**27,539.10**	**(5.00)**	**578.06**	**20.56**	**5,000.00**	**1,53,165.71**
Profit for the year	-	-	-	-	26,432.92	-	-	-	-	26,432.92
Other comprehensive income (net of tax)	-	-	-	-	(22.20)	(2,044.12)	182.07	(20.56)	-	(1,904.81)
Issue of equity shares (net of share issue expenses)	-	7,271.15	-	-	-	-	-	-	(8,291.67)	(1,020.52)
Money received against share warrants	-	-	-	-	-	-	-	-	6,218.75	6,218.75
Transfer to statutory reserves	5,286.58	-	-	-	(5,286.58)	-	-	-	-	-
Balance as at March 31, 2023	**16,057.47**	**1,13,726.31**	**29.94**	**2,777.00**	**48,663.24**	**(2,049.12)**	**760.13**	**-**	**2,927.08**	**1,82,892.05**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2023	**16,057.47**	**1,13,726.31**	**29.94**	**2,777.00**	**48,663.24**	**(2,049.12)**	**760.13**	**-**	**2,927.08**	**1,82,892.05**

STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Reserves and surplus					Other comprehensive income			Money received against share warrants	Total
	Statutory reserve	Securities premium	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	Cash flow hedge reserve		
Profit for the year	-	-	-	-	42,284.41	-	-	-	-	42,284.41
Other comprehensive income (net of tax)	-	-	-	-	5.73	(1,531.71)	1,519.53	-	-	(6.45)
Issue of equity shares (net of share issue expenses)	-	33,487.02	-	-	-	-	-	-	(11,708.32)	21,778.70
Money received against share warrants	-	-	-	-	-	-	-	-	8,781.24	8,781.24
Transfer to statutory reserves	8,456.89	-	-	-	(8,456.89)	-	-	-	-	-
Balance as at March 31, 2024	**24,514.36**	**1,47,213.33**	**29.94**	**2,777.00**	**82,496.49**	**(3,580.83)**	**2,279.66**	**-**	**-**	**2,55,729.95**

Statement of material accounting policies and other explanatory notes. Note 1-3

This statement of changes in equity referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

1. COMPANY OVERVIEW

Satin Creditcare Network Limited ("the Company" or "SCNL") is a public limited company and incorporated under the provisions of Companies Act. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with the Reserve Bank of India ("RBI") in November 2013. The Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organized as Joint Liability Groups ('JLG'). The Company is domiciled in India and its registered office is situated at 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

2. BASIS OF PREPARATION

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The Company has uniformly applied the accounting policies for all the periods presented in this financial statements.

The financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on April 29, 2024.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

(iii) Going Concern

Management is of the view that having regard to the projections of the business prospects, Company shall be able to continue as a going concern. Accordingly, management considers it appropriate to prepare these financials statements on a going concern basis.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements have been prepared using the material accounting policies and measurement bases summarized as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down value method over the useful life of the assets estimated by the management. The useful life estimated by the management is as under:

Asset class	Useful life
Building	60 years
Electrical equipment	10-25 years
Office equipment	5 years
Computer equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	8-10 years

Depreciation is calculated on pro-rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits

ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

b) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

c) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortization method, useful lives and residual value)

Intangible assets are amortized over a period of 3-5 years from the date when the assets are available for use. The estimated useful life (amortization period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

d) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognized as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortization of the asset begins when development is complete and the asset is available for use.

e) Revenue recognition

Interest income on loans

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired Company reverts to calculating interest income on a gross basis.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognized when the related loan assets are de-recognized. Interest income is also recognized on carrying value of remaining assets over the outstanding period of such assets.

Commission income

Income from business correspondent services is recognized as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

f) Borrowing costs

Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Borrowing costs are charged to the Statement of Profit and Loss on the basis of effective interest rate method.

g) Taxation

I. **Current tax**: Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

II. **Deferred Tax:** Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

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 taxes relate to the same taxable entity and the same taxation authority. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

h) Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a 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 for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and last drawn salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/ losses resulting from re-measurements of the liability/ asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognized in statement of profit and loss when the compensation becomes receivable.

Financial Guarantees

Financial guarantees are initially recognized at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The premium received (if any) is recognized as income on a straight-line basis over the life of the guarantee.

j) Impairment of financial assets

The Company is recording the allowance for expected credit losses for all loans at amortized cost and FVOCI and other financial assets not held at FVTPL

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Company's policies for determining if there has been a significant increase in credit risk.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

(All amounts in INR Lakhs, unless otherwise stated)

- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Company has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement as they are considered an integral part of the Company's cash management.

l) Equity investment in subsidiaries

Investments representing equity interest in subsidiaries are accounted for at Fair Value through Profit and Loss (FVTPL) in accordance to Ind AS 109 read with Ind AS 27 Separate Financial Statements.

m) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

(All amounts in INR Lakhs, unless otherwise stated)

Contingent assets are not recognized but disclosed where an inflow of economic benefits is probable.

n) Leases

Company as a lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Determining the lease term of contracts with renewal and termination options where Company is lessee -

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

o) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortized cost** – a financial asset is measured at the amortized cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

ii. **Financial assets are measured at FVOCI when both of the following conditions are met:** – a financial asset is measured at the FVOCI if both the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income are recognized in profit or loss in the same manner as for financial assets measured at amortized cost.

Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through other comprehensive income (FVOCI).

iii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. **Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

v. **Financial assets measured at FVTPL** – FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL, with all changes recognized in the P&L.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are de-recognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also de-recognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative contracts

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured are categorized with fair value hierachy into Level I, Level II and Level III based on level of input.

p) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

q) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortized cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

(All amounts in INR Lakhs, unless otherwise stated)

- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis of the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

I. Changes during the period in operating receivables and payables transactions of a non-cash nature;

II. Non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and

III. All other items for which the cash effects are investing or financing cash flows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

4. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	3,316.04	4,022.27
Balances with banks and financial institutions		
- Balance with banks in current accounts*	21,221.99	15,312.64
- Deposits for original maturity of less than 3 months	11,092.18	2,000.25
Total	**35,630.21**	**21,335.16**

*Balance in current accounts includes balance of INR 2.15 Lakhs (March 31, 2023 : INR 2.15 Lakhs) which is earmarked for unpaid dividend.

5. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits for original maturity of more than 3 months and upto 12 months	678.09	1,269.81
Deposits with original maturity more than 12 months	9,382.90	3,879.63
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	67,962.96	76,390.84
Total	**78,023.95**	**81,540.28**

The amount under lien as security against term loan and overdraft facility availed, assets securitised, first loss default guarantee are as follows (included above in note 5):-

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans	28,391.44	18,093.70
Overdraft facilities	20,595.92	37,103.39
Securitizations	18,790.49	20,307.79
Derivatives	155.66	-
Bank guarantee	26.96	-
Security against first loss default guarantee	-	883.40
Security against facilities	2.49	2.56
Total	**67,962.96**	**76,390.84**

6. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional amount	Fair value	Notional amount	Fair value
Currency and interest swap	73,109.97	1,800.00	41,518.44	2,231.64
	73,109.97	**1,800.00**	**41,518.44**	**2,231.64**
Included in above are derivative held for risk management purpose as follows:				
Undesignated derivative	73,109.97	1,800.00	41,518.44	2,231.64
Total	**73,109.97**	**1,800.00**	**41,518.44**	**2,231.64**

The Company enters into derivative contracts for risk management purposes.

The table above represents the fair value of derivate financial instruments recorded as assets together with the notional amount.

The notional amount indicates the value of transaction outstanding at the year end and are not indicative of either the market risk or credit risk.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

Offsetting

The Company does not have derivative financial assets and financial liabilities which are subject to master netting arrangements. Master netting arrangements are those arrangements wherein in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.

7. TRADE RECEIVABLES (AT AMORTISED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - unsecured	419.66	241.72
	419.66	**241.72**
Less: Impairment loss allowance	(18.76)	(0.60)
Total	**400.90**	**241.12**

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	43.04	17.76	-	-	-	60.80
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	358.86
As at March 31, 2024	**43.04**	**17.76**	-	-	-	**419.66**
(i) Undisputed trade receivables – considered good	75.98	-	-	-	-	75.98
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	165.74
As at March 31, 2023	**75.98**	-	-	-	-	**241.72**

The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk other than those which are provided for.

8. LOANS

Particulars	As at March 31, 2024		As at March 31, 2023	
	At fair value through other comprehensive income	At amortised cost	At fair value through other comprehensive income	At amortised cost
Portfolio loans (also refer note 44)				
Secured	-	3,095.97	-	4,883.97
Unsecured*	6,59,652.72	1,49,978.41	3,81,675.56	1,93,746.68
	6,59,652.72	**1,53,074.38**	**3,81,675.56**	**1,98,630.65**
Less: Impairment loss allowance	(13,204.90)	(4,378.30)	(10,039.34)	(1,845.68)
	(13,204.90)	**(4,378.30)**	**(10,039.34)**	**(1,845.68)**
Sub total	**6,46,447.82**	**1,48,696.08**	**3,71,636.22**	**1,96,784.97**
Total loans		**7,95,143.90**		**5,68,421.19**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Secured by tangible assets (property, plant and equipment including land and building)	697.95	962.26
(ii) Secured by book debts, inventories, margin money and other working capital items	2,176.60	3,082.64
(iii) Unsecured	7,92,269.35	5,64,376.29
Total	**7,95,143.90**	**5,68,421.19**

Particulars	As at March 31, 2024	As at March 31, 2023
Loans in India		
(i) Public sector	-	-
(ii) Others	7,95,143.90	5,68,421.19
Total	**7,95,143.90**	**5,68,421.19**

*During the previous year, unsecured portfolio measured at amortised cost of INR 10,000.03 Lakhs (balance as on June 10, 2022 i.e. cut off date) sold to an asset reconstruction company at a value of INR 8,650.00 Lakhs on June 29, 2022. Loss on such sale was netted off from net gain as disclosed in Note 33.

The balance outstanding as on March 31, 2024 is INR 12,520.51 Lakhs (March 31, 2023 : INR 13,130.86 Lakhs).

#There are no loans or advances repayable on demand or without specifying any term or period of repayment of the related parties.

9. INVESTMENTS (UNQUOTED)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortised cost	At fair value		Total	Amortised cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Equity instruments								
Subsidiaries*								
12,96,23,230 (March 31, 2023: 11,34,00,000) equity shares of face value of INR 10 each of Satin Housing Finance Limited	-	-	40,387.98	40,387.98	-	-	33,568.03	33,568.03
15,75,57,892 (March 31, 2023 : 14,05,14,859) equity shares of face value of INR 10 each of Satin Finserv Limited~	-	-	36,975.39	36,975.39	-	-	34,407.88	34,407.88
Others								
50,000 (March 31, 2023 : 50,000) equity shares of face value of INR 10 each of Alpha Micro Finance Consultants Private Limited#	-	-	-	-	-	-	-	-
31,471 (March 31, 2023 : Nil) Equity Shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited	-	-	80.13	80.13	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortised cost	At fair value		Total	Amortised cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Preferential instruments								
Nil (March 31, 2023 : 21,845) Compulsory Convertible Prefrence Shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited	-	-	-	-	-	-	111.19	111.19
Pass through certificates	217.06	-	-	217.06	127.81	-	-	127.81
Security Receipts								
4,50,500 (March 31, 2023 : 4,50,500) security receipts in Prudent Trust 67/22 (Trust floated by Prudent ARC Limited)	-	2,756.91	-	2,756.91	-	3,276.02	-	3,276.02
7,35,250 (March 31, 2023 : 7,35,250) security receipts in Prudent Trust 70/22 (Trust floated by Prudent ARC Limited)	-	3,563.46	-	3,563.46	-	5,354.41	-	5,354.41
Less: Provision		(1,282.42)		(1,282.42)		(2,694.04)		(2,694.04)
Government securities								
Nil (March 31, 2023 : 500), Government of India, Inscribed stock having face value INR 100 each	-	-	-	-	-	-	0.51	0.51
Total	**217.06**	**5,037.95**	**77,443.50**	**82,698.51**	**127.81**	**5,936.39**	**68,087.61**	**74,151.81**
i) Investments in India	217.06	5,037.95	77,443.50	82,698.51	127.81	5,936.39	68,087.61	74,151.81
ii) Investments outside India	-	-	-	-	-	-	-	-
Total	**217.06**	**5,037.95**	**77,443.50**	**82,698.51**	**127.81**	**5,936.39**	**68,087.61**	**74,151.81**

Name of Subsidiaries	Ownership Interest	
	As at March 31, 2024	As at March 31, 2023
Satin Housing Finance Limited	100%	100%
Satin Finserv Limited~	100%	100%

The Company has not entered in to any credit derivative to mitigate the credit risk (if any).
#Investment has been written off and therefore shown at zero value.
~The Board of Directors of Taraashna Financial Services Limited ("TFSL") (erstwhile wholly owned subsidiary of the Company) and Satin Finserv Limited ("SFL"), in their respective meetings held on August 03, 2021, have considered and approved the Scheme of Arrangement for Amalgamation of TFSL ("Transferor Company") with SFL ("Transferee Company") and their respective shareholders and creditors ('Scheme') under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application was filed before Hon'ble National Company Law Tribunal ("NCLT"), Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors of TFSL and SFL. The said first motion application was reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022. The said order was pronounced on hearing dated May 17, 2022 by Hon'ble NCLT. Both the companies filed joint second motion application with Hon'ble NCLT on May 25, 2022. The said joint second motion application was admitted by Hon'ble NCLT in its hearing dated July 08, 2022 and issued necessary directions of serving notices and newspapers advertisements. Both the companies have served the notices to government authorities and completed publication in requisite newspapers as per order. The Hon'ble NCLT vide its order dated January 31, 2023 has approved the scheme of amalgamation and the necessary form has been filed to the Registrar of Companies on March 01, 2023 which is considered as effective date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

*During the previous year ended March 31, 2023 the Company has changed its accounting policy for valuation of its investments in 2 wholly owned subsidiaries from cost basis to fair value through profit and loss (FVTPL) basis. The Company believes that this change to fair value through profit and loss (FVTPL) is preferable as it reflects value of the Company's investment on current market price basis and it is in sync with the cost of funds involved in it and charged to the statement of profit and loss account by the Company. Hence, it provides reliable and more relevant information to the users of financial statements about the Company's Value of Investment on an on-going basis. In accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, this change in accounting policy is required to be retrospectively applied to all prior periods presented, unless impracticable to do so. The same has been explored as per below mentioned fact -

Significant assumptions and estimations are involved in the fair valuation of the investments, considering the fact that March 31, 2021 was covid impacted year, when the economic conditions were uncertain, it is not possible for the management to accurately consider the assumptions and estimates in the valuation of investments for that prior period without the use of hindsight. Use of hindsight is not the intention of Ind AS 8. Hence, it is not practicable for the management to calculate the fair valuation of investments for the prior periods.

In view of above, one of the conditions, as given in Ind AS 8, for impracticability is satisfied, hence entity qualifies for the exemption of retrospective application. Therefore, in view of above the change in accounting policy is made effective on a prospective basis from the previous year ended March 31, 2023. Following is the impact .i.e. increase/decrease of the said change in policy on each item of statement of profit and loss :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase in profit before tax	387.46	35,215.77
Increase in deferred tax charge	88.65	8,057.37
Increase in profit after tax	298.81	27,158.40
Increase in EPS – Basic	0.30	34.72
Increase in EPS – Diluted	0.30	33.19

Following is the impact .i.e. increase/decrease of the said change in policy on each item of Balance Sheet as on March 31, 2024 :

Particulars	As at March 31, 2024	As at March 31, 2023
Increase in value of investment in subsidiaries	387.46	35,215.77
Increase in Deferred Tax Liability	88.65	8,057.37

10. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	209.70	208.43
Staff advances	198.40	60.48
Insurance recoverable	807.44	401.97
Other recoverable	1,419.86	971.21
	2,635.40	**1,642.09**
Less: Impairment loss allowance	(1.11)	(35.40)
Total	**2,634.29**	**1,606.69**

11. CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income - tax (net)	180.66	3,321.63
Total	**180.66**	**3,321.63**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

12. DEFERRED TAX ASSETS/(LIABILITIES) (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Deferred tax assets		
Provision for employee benefits	171.06	177.11
Difference in written down value as per Companies Act and Income Tax Act	186.86	189.62
Impairment loss allowance on security receipts	322.76	678.04
Loss on security receipts through other comprehensive income	1,202.65	687.49
Impairment loss allowance and first loss default guarantee	4,430.34	3,281.00
Liability against leases	391.92	293.25
Carry forward losses	-	7,849.35
Financial liabilities measured at amortised cost	0.54	2.30
Total deferred tax assets	**6,706.13**	**13,158.16**
(B) Deferred tax liabilities		
Financial assets measured at amortised cost	452.26	560.22
Fair valuation of financial instruments through profit and loss	8,138.20	8,057.37
Fair valuation of loan assets through other comprehensive income	895.60	384.54
Right of use assets	376.37	287.73
Deferment of excess interest spread	4,678.44	4,113.94
Total deferred tax liabilities	**14,540.87**	**13,403.80**
Net deferred tax assets/(liabilities)	**(7,834.74)**	**(245.64)**

(i) Movement in deferred tax assets/(liabilities) (net)

Particulars	As at March 31, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2024
Assets				
Provision for employee benefits	177.11	(4.12)	(1.93)	171.06
Difference in written down value as per Companies Act and Income Tax Act	189.62	(2.76)	-	186.86
Impairment loss allowance on security receipts	678.04	(355.28)	-	322.76
Loss on security receipts through other comprehensive income	687.49	-	515.16	1,202.65
Impairment loss allowance and first loss default guarantee	3,281.00	1,149.34	-	4,430.34
Liability against leases	293.25	98.67	-	391.92
Carry forward losses	7,849.35	(7,849.35)	-	-
Financial liabilities measured at amortised cost	2.30	(1.76)	-	0.54
Liabilities				
Financial assets measured at amortised cost	560.22	(107.96)	-	452.26
Fair valuation of financial instruments through profit and loss	8,057.37	80.83	-	8,138.20
Fair valuation of loan assets through other comprehensive income	384.54	-	511.06	895.60
Right of use assets	287.73	88.64	-	376.37
Deferment of excess interest spread	4,113.94	564.50	-	4,678.44
Total (net)	**(245.64)**	**(7,591.27)**	**2.17**	**(7,834.74)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at April 01, 2022	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2023
Assets				
Provision for employee benefits	193.83	(24.19)	7.47	177.11
Difference in written down value as per Companies Act and Income Tax Act	200.57	(10.95)	-	189.62
Impairment loss allowance on security receipts	-	678.04	-	678.04
Loss on security receipts through other comprehensive income	-	-	687.49	687.49
Impairment loss allowance and first loss default guarantee	9,101.61	(5,820.61)	-	3,281.00
Liability against leases	126.07	167.18	-	293.25
Carry forward losses	-	7,849.35	-	7,849.35
Liabilities				
Financial liabilities measured at amortised cost	8.35	(10.65)	-	(2.30)
Financial assets measured at amortised cost	296.78	263.44	-	560.22
Fair valuation of financial instruments through profit and loss	-	8,057.37	-	8,057.37
Fair valuation of loan assets through other comprehensive income	323.31	-	61.24	384.54
Cash flow hedge reserve	-	6.92	(6.92)	-
Right of use assets	103.58	184.15	-	287.73
Deferment of excess interest spread	2,078.86	2,035.08	-	4,113.94
Total (net)	**6,811.20**	**(7,697.49)**	**640.64**	**(245.64)**

13. INVESTMENT PROPERTY

Particulars	As at March 31, 2024	As at March 31, 2023
A. Reconciliation of carrying amount (Cost or deemed cost)		
Opening balance	**769.52**	**769.52**
Additions during the year	-	-
Total	**769.52**	**769.52**
Accumulated depreciation		
Opening balance	**105.26**	**71.26**
Additions during the year	32.35	34.00
Total	**137.61**	**105.26**
Carrying amount (Balance at date)	**631.91**	**664.26**
B. Amount recognised in Statement of profit and loss for investment property		
Rental income	36.81	30.40
Less: Depreciation expense	32.35	34.00
Gain/(loss) from investment property	**4.46**	**(3.60)**
C. Measurement of fair value		
Investment property	1,158.55	828.52
	1,158.55	**828.52**

The Company's investment properties consist of two residential properties in India. The fair values of the properties are INR 1,158.55 Lakhs (March 31, 2023 : INR 828.52 Lakhs). These valuations are based on valuations performed by an independent valuer, the valuer is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Valuation techniques used by the valuer is fair market value.

The Company has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

14. PROPERTY, PLANT AND EQUIPMENT

Gross carrying amount	Freehold land	Buildings (refer note (i))	Right of use (Leased building)	Right of use of (Vehicle)	Computer equipment	Electric equipment	Office equipment	Furniture and fixtures	Vehicles (refer note (iii))	Total	Capital work in progress
Balance as at April 01, 2022	**1,518.37**	**4,498.33**	**1,287.03**	**-**	**2,518.79**	**817.30**	**706.46**	**1,747.24**	**263.64**	**13,357.16**	**17.89**
Additions	-	17.89	1,177.33	80.69	527.22	-	57.83	46.18	86.55	1,993.69	-
Adjustment on account of disposals	-	-	(650.46)	-	(202.56)	-	(22.73)	(19.60)	(65.61)	(960.96)	(17.89)
Balance as at March 31, 2023	**1,518.37**	**4,516.22**	**1,813.90**	**80.69**	**2,843.45**	**817.30**	**741.56**	**1,773.82**	**284.58**	**14,389.89**	**-**
Additions	-	-	1,454.32	-	757.52	-	100.04	145.42	81.48	2,538.78	-
Adjustment on account of disposals	-	-	(860.70)	-	(648.40)	-	(31.11)	(19.29)	(59.50)	(1,619.00)	-
Balance as at March 31, 2024	**1,518.37**	**4,516.22**	**2,407.52**	**80.69**	**2,952.57**	**817.30**	**810.49**	**1,899.95**	**306.56**	**15,309.67**	**-**
Accumulated depreciation											
Balance as at April 01, 2022	**-**	**553.45**	**875.46**	**-**	**2,124.93**	**174.31**	**531.95**	**1,058.72**	**137.00**	**5,455.82**	**-**
Depreciation charge for the year	-	193.88	506.91	6.14	373.25	116.25	86.62	182.50	53.43	1,518.98	-
Adjustment on account of disposals	-	-	(637.17)	-	(186.95)	-	(20.97)	(15.59)	(53.22)	(913.90)	-
Balance as at March 31, 2023	**-**	**747.33**	**745.20**	**6.14**	**2,311.23**	**290.56**	**597.60**	**1,225.63**	**137.21**	**6,060.90**	**-**
Depreciation charge for the year	-	184.29	825.40	23.28	485.96	93.74	78.04	156.01	57.60	1,904.32	-
Adjustment on account of disposals	-	-	(607.24)	-	(605.54)	-	(29.03)	(16.03)	(38.96)	(1,296.80)	-
Balance as at March 31, 2024	**-**	**931.62**	**963.36**	**29.42**	**2,191.65**	**384.30**	**646.61**	**1,365.61**	**155.85**	**6,668.42**	**-**
Net carrying amount											
Balance as at March 31, 2023	**1,518.37**	**3,768.89**	**1,068.70**	**74.55**	**532.22**	**526.74**	**143.96**	**548.19**	**147.37**	**8,328.99**	**-**
Balance as at March 31, 2024	**1,518.37**	**3,584.60**	**1,444.16**	**51.27**	**760.92**	**433.00**	**163.88**	**534.34**	**150.71**	**8,641.25**	**-**

Notes:

(i) Details of property not held in the name of the company

Particluars	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant & equipment	Buildings	292.00	Satin Intellicomm Limited	No	December, 2007	Buildings acquired under amalgamation. Transfer formalities are yet to be completed.

(ii) For disclosure of contractual commitments to be executed on capital account, refer note 52.

(iii) Vehicles are taken on finance lease; monthly installments are paid as per agreed terms and conditions.

(iv) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 53.

(v) Capital work in progress ageing schedule.

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at March 31, 2024	-	-	-	-	-
As at March 31, 2023	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

15. OTHER INTANGIBLE ASSETS

Gross carrying amount	Computer software	Total
Balance as at April 01, 2022	**1,239.29**	**1,239.29**
Additions		
- Additions – being internally developed	-	-
- Additions – others	-	-
Adjustment on account of disposals	(65.40)	(65.40)
Balance as at March 31, 2023	**1,173.89**	**1,173.89**
Additions		
- Additions – being internally developed	-	-
- Additions – others	-	-
Adjustment on account of disposals	(250.52)	(250.52)
Balance as at March 31, 2024	**923.37**	**923.37**
Accumulated amortization		
Balance as at April 01, 2022	**1,026.58**	**1,026.58**
Amortization charge for the year	67.28	67.28
Adjustment on account of disposals	(64.63)	(64.63)
Balance as at March 31, 2023	**1,029.23**	**1,029.23**
Amortization charge for the year	61.09	61.09
Adjustment on account of disposals	(207.96)	(207.96)
Balance as at March 31, 2024	**882.36**	**882.36**
Net block		
Balance as at March 31, 2023	**144.66**	**144.66**
Balance as at March 31, 2024	**41.01**	**41.01**

16. OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	2,118.23	1,446.82
Balances with government authorities	63.91	51.10
Gratuity fund assets (refer note 48)	155.14	86.69
Other assets	154.10	967.61
Total	**2,491.38**	**2,552.22**

17. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer to note 59)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	241.60	198.23
Total	**241.60**	**198.23**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 1 year	1-2 years	
(i) MSME	-	-	-	-
(ii) Others	241.60	-	-	241.60
(iii) Disputed dues – MSME	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-
As at March 31, 2024	**241.60**	-	-	**241.60**

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 1 year	1-2 years	
(i) MSME	-	-	-	-
(ii) Others	198.23	-	-	198.23
(iii) Disputed dues – MSME	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-
As at March 31, 2023	**198.23**	-	-	**198.23**

18. OTHER PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer to note 59)	83.55	23.87
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,244.97	1,125.93
Total	**1,328.52**	**1,149.80**

19. DEBT SECURITIES (AT AMORTISED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures	1,01,416.58	1,09,144.08
Total	**1,01,416.58**	**1,09,144.08**
Debt securities in India	1,01,416.58	1,09,144.08
Debt securities outside India	-	-
Total	**1,01,416.58**	**1,09,144.08**

The Company has maintained asset cover as stated in the information memorandum / Key information Document which is sufficient to discharge the principal amount and interest at all times for the non-convertible debt securities issued.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
(A) Non-convertible debentures (secured)				
1	9,750 (March 31, 2023: 9,750) @10.50% (Previous year: 10.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 5 each (March 31, 2023: INR 5 each) The date of allotment is December 16, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par INR 4,874.51 Lakhs (99.99%) on May 06, 2022 and rest INR 0.49 Lakhs (.01%) on May 06, 2024 and frequency of Interest payment is half yearly.	0.49	0.49
2	600 (March 31, 2023: 600) @11.50% (Previous year: 11.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is October 23, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding with exclusivity on security interest).	Redeemable INR 1,500 Lakhs (25%) on April 24, 2023, INR 1,500 Lakhs (25%) on October 24, 2023 rest INR 3,000 Lakhs (50%) on April 23, 2024 and frequency of Interest payment is half yearly.	2,999.98	5,998.72
3	18,750 (March 31, 2023: 18,750) @11.10% (Previous year: 11.10%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR 1,00,000 each). The date of allotment is December 22, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable INR 18,748.13 Lakhs (99.99%) on June 05, 2023 and rest INR 1.87 Lakhs (.01%) on June 05, 2025 and frequency of Interest payment is half yearly.	1.88	18,640.21
4	Nil (March 31, 2023: 250) @Nil (Previous year: 11.25%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is June 30, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding).	Redeemable at par on June 30, 2023 and frequency of Interest payment is annually.	-	2,498.79
5	Nil (March 31, 2023: 200), @Nil (Previous year : 12.75%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 25,00,000 each). The date of allotment is July 15, 2014 and roll over date is July 15, 2020. (Secured by way of hypothecation of book debts which shall be maintained at 110% of principal amount of the debentures outstanding).	Redeemable at par on June 30, 2023 (rolled over on July 15, 2020) and frequency of Interest payment is half yearly.	-	4,999.78

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
6	Nil (March 31, 2023: 250) @Nil (Previous year: 11.00%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is July 28, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on July 28, 2023 and frequency of Interest payment is quarterly.	-	2,495.86
7	Nil (March 31, 2023: 250) @Nil (Previous year: 10.95%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 3,33,333.34 each). The date of allotment is July 31, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding)	Redeemable at par on July 31, 2023 and frequency of Interest payment is half yearly.	-	830.73
8	Nil (March 31, 2023: 970), @Nil (Previous year : 11.40%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is July 31, 2018 and roll over date is July 27, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable on July 31, 2023 and frequency of Interest payment is half yearly.	-	9,699.54
9	Nil (March 31, 2023: 1,200), @Nil (Previous year: 11.45%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 2,50,000 each). The date of allotment is September 27, 2019. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on September 27, 2023 and frequency of Interest payment is half yearly.	-	2,999.18
10	Nil (March 31, 2023: 2,130), @Nil (Previous year : 11.0950%), Secured, Not Guarnateed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 2,85,714.29 each). The date of allotment is December 14, 2018. (Secured by way of hypothecation of book debts which shall be maintained at 100% of principal amount and coupon of the debentures outstanding)	Redeemable on December 14, 2023 and frequency of Interest payment is half yearly.	-	6,043.57

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
11	680 (March 31, 2023: 680), @12.00% (Previous year: 12.00%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is June 15, 2016 and roll over date is June 02, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on June 15, 2025 (subject to put option, Exercise Date is June 15, 2024) and frequency of Interest payment is half yearly.	6,800.00	6,800.00
12	19,250 (March 31, 2023: 19,250) @11.15% (Previous year: 11.15%), Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2023: 50,000 each). The date of allotment is June 24, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable INR 9,624.03 Lakhs (99.99%) on June 24, 2025 and rest INR 0.96 Lakhs (.01%) on June 24, 2027 and frequency of Interest payment is half yearly.	9,459.01	9,496.47
13	2,060 (March 31, 2023: 2,060) @11.6880% (Previous year: 11.6880%), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR 1,00,000 each). The date of allotment is February 24, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on February 24, 2026 and frequency of Interest payment is quarterly.	2,043.84	2,037.57
14	750 (March 31, 2023: 750), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is March 07, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on March 06, 2026 and frequency of Interest payment is half yearly.	7,484.10	7,475.60
15	300 (March 31, 2023: 300), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is March 30, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on March 30, 2026 and frequency of Interest payment is half yearly.	2,998.37	2,997.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
16	373 (March 31, 2023: 373), @11.50% (Previous year: 11.50%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is September 2, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on September 02, 2026 (Subject to Call Put Option is exercised on August 30, 2024) and frequency of Interest payment is half yearly.	3,729.40	3,727.82
17	2,500 (March 31, 2023: 2,500), @12.30% (Previous year: 12.30%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR 1,00,000 each). The date of allotment is January 16, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on January 16, 2027 and frequency of Interest payment is half yearly.	2,497.72	2,496.89
18	7,840 (March 31, 2023: 7,840) @11.7160% (Previous year: 11.7160%) Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: 1,00,000 each). The date of allotment is March 13, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on March 12, 2027 and frequency of Interest payment is quarterly.	7,778.10	7,756.64
19	650 (March 31, 2023: 650), @12.15% (Previous year: 12.15%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is December 12, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is semi-annually.	6,464.75	6,451.38
20	5,000 (March 31, 2023: Nil), @minimum floor coupon of 2.00% XIRR p.a. (Previous year: Nil), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is April 06, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding principal plus accrued interest/ obligations).	Redeemable at premium on October 06, 2024 and frequency of Interest payment is yearly.	4,907.85	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
21	2,000 (March 31, 2023: Nil), @11.00% p.a. (Previous year: Nil), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is June 20, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is semi-annually.	1,952.96	-
22	5,382 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Rated, Unlisted, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is June 28, 2023. (Secured by way of hypothecation of loans (and/ or other assets) in the form of a fixed charge, whereas the cumulative amount of all assets subject to the hypothecation shall be, at any time, not less than 100% of the outstanding amount).	Redeemable at par INR 5,381.46 Lakhs (99.99%) on May 08, 2025 and rest INR 0.54 Lakhs (.01%) on May 08, 2027 and frequency of Interest payment is semi-annually.	5,279.81	-
23	1,500 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured, Rated, Listed, Redeemable, Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is July 28, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 28, 2025 and frequency of Interest payment is monthly.	1,475.30	-
24	2,683 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured, Rated, Unlisted, Redeemable, Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 09, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 09, 2027 and frequency of Interest payment is quarterly.	2,652.38	-
25	1,417 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured, Rated, Unlisted, Redeemable, Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 14, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 14, 2027 and frequency of Interest payment is quarterly.	1,401.73	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
26	2,000 (March 31, 2023: Nil), @10.95% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 21, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on May 21, 2025 and frequency of Interest payment is monthly.	1,953.45	-
27	5,000 (March 31, 2023: Nil), @11.00% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is October 13, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 13, 2026 and frequency of Interest payment is monthly.	4,996.98	-
28	10,000 (March 31, 2023: Nil), @13.00% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 01, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 120% of the value of the outstanding amount).	Redeemable at par on September 11, 2026 and frequency of Interest payment is semi-annually.	9,778.13	-
29	2,000 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 07, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on March 28, 2025 and frequency of Interest payment is monthly.	1,999.38	-
30	3,500 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured Rated Listed Redeeamble Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 24, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on May 23, 2025 and frequency of Interest payment is annually.	3,440.94	-
31	45,650 (March 31, 2023: Nil), @11.70% p.a. (Previous year: Nil), Secured Rated Unlisted Redeemable Non-Convertible Debenture of face value of INR 10,000 each (March 31, 2023: INR Nil). The date of allotment is December 01, 2023. (Secured by way of hypothecation over certain identified book debts/loan receivables of the Company with security cover at least 100% of the outstanding amounts under the NCD).	Redeemable at par INR 4,564.54 Lakhs (99.99%) on December 01, 2026 and rest INR 0.45 Lakhs (.01%) on December 01, 2028 and frequency of Interest payment is semi-annually.	4,464.20	-
32	5,000 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is January 12, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on July 10, 2026 and frequency of Interest payment is annually.	4,855.83	-
	Total (A)		**1,01,416.58**	**1,03,446.77**
	(B) Non convertible debentures (unsecured)			
1	Nil (March 31, 2023: 570), @Nil, (Previous year: 11.50%) Unsecured, Senior, Rated, Unlisted, Redeemable,Transferable, Non Convertible Debentures of face value of Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is February 28, 2022.	Redeemable at par on February 28, 2028 (subject to put & call options, Exercise Date is February 28, 2024 and February 28, 2025, respectively), frequency of Interest payment is half yearly.	-	5,697.31
	Total (B)		**-**	**5,697.31**
	Total (A+B)		**1,01,416.58**	**1,09,144.08**

20. BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTISED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans		
From banks		
Secured*	2,95,662.38	1,78,611.44
From other parties		
Secured#	1,33,110.81	65,167.07
External commercial borrowings		
Secured	60,027.09	21,310.46
Unsecured	12,437.82	19,588.03
Commercial paper (unsecured)	5,130.86	-
Liability against securitised assets (secured)	77,548.43	1,14,564.33
Liability against leased assets (unsecured)	1,611.75	1,236.37
Total	**5,85,529.14**	**4,00,477.70**
Borrowings in India	5,13,064.23	3,59,579.21
Borrowings outside India	72,464.91	40,898.49
Total	**5,85,529.14**	**4,00,477.70**

*Includes amount guaranteed by directors in their personal capacity of INR 1,52,544.54 Lakhs (March 31, 2023 : INR 75,799.94 Lakhs)
#Includes amount guaranteed by directors in their personal capacity of INR 99,414.40 Lakhs (March 31, 2023 : INR 45,762.81 Lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

21. SUBORDINATED LIABILITIES (AT AMORTISED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures (refer note A)	12,767.40	12,626.25
Term loans from banks	20,000.00	22,500.00
Total	**32,767.40**	**35,126.25**
Subordinated liabilities in India	32,767.40	35,126.25
Subordinated liabilities outside India	-	-
Total	**32,767.40**	**35,126.25**

A. Non convertible debentures (unsecured)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
1	Nil (March 31, 2023: 350), @Nil (Previous year: 13.85%), Unsecured, Unrated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is March 29, 2017.	Redeemable on April 30, 2023 and frequency of Interest payment is quarterly.	-	3,499.79
2	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 38,795.83 each). The date of allotment is June 29, 2016.	Redeemable on June 30, 2023 and frequency of Interest payment is monthly.	-	36.25
3	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 76,193.08 each). The date of allotment is June 29, 2016.	Redeemable on September 30, 2023 and frequency of Interest payment is monthly.	-	73.65
4	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,76,193.08 each). The date of allotment is June 29, 2016.	Redeemable on December 31, 2023 and frequency of Interest payment is quarterly.	-	1,073.65
5	300 (March 31, 2023: 300), @15.50% (Previous year: 15.50%), Unsecured, Rated, Listed, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023:INR 10,00,000 each). The date of allotment is December 17, 2019.	Redeemable on December 31, 2026 and frequency of Interest payment is half yearly.	2,993.84	2,991.48
6	10,010 (March 31, 2023: 10,010), @ 13.14% (Previous year: 13.14%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2023: INR 50,000 each)., The date of allotment is March 24, 2020.	Redeemable on April 24, 2027 and frequency of Interest payment is half yearly.	4,965.26	4,951.43
7	5,000 (March 31, 2023: Nil), @ 12.75% (Previous year: Nil), Subordinated, Unsecured, Rated, Listed, Taxable, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil)., The date of allotment is March 19, 2024.	Redeemable on July 19, 2029 and frequency of Interest payment is monthly.	4,808.30	-
	Total		**12,767.40**	**12,626.25**

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2024 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	127	31.60	87	21.59	84	22.62	23	4.76	32	6.38	86.95
	9% to 12%	6,995	2,23,052.28	5,937	1,05,995.97	4,757	39,393.12	3,665	46.26	5,004	303.27	3,68,790.90
	12.01% to 15%	390	49,888.97	101	11,107.31	-	-	-	-	-	-	60,996.28
Quarterly	Below 9.00%	4	375.00	-	-	-	-	-	-	-	-	375.00
	9% to 12%	55	53,035.20	36	32,168.33	10	5,834.55	4	2,501.22	7	4,377.13	97,916.43
	12.01% to 15%	22	4,966.67	11	2,685.42	3	691.67	-	-	-	-	8,343.76
Semi-annually	Below 9.00%	2	2,671.50	-	-	-	-	-	-	-	-	2,671.50
	9% to 12%	4	1,843.75	2	1,243.75	-	-	-	-	-	-	3,087.50
	12.01% to 15%	1	3,000.00	-	-	-	-	-	-	-	-	3,000.00
	Above 15%	-	-	2	1,500.00	2	1,500.00	-	-	-	-	3,000.00
Annually	12.01% to 15%	1	1,875.00	3	8,625.00	-	-	-	-	-	-	10,500.00
Bullet	9% to 12%	8	18,382.94	10	27,507.37	5	22,070.63	4	1.50	2	0.46	67,962.90
	12.01% to 15%	2	10,530.00	6	41,068.15	8	54,093.96	4	4,100.50	1	5,000.00	1,14,792.61
Total		**7,611**	**3,69,652.91**	**6,195**	**2,31,922.89**	**4,869**	**1,23,606.55**	**3,700**	**6,654.24**	**5,046**	**9,687.24**	**7,41,523.83**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2023 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	209	6,298.02	165	1,697.70	112	28.10	84	23.27	15	3.62	8,050.71
	9% to 12%	4,323	1,51,467.68	2,024	49,488.30	726	1,537.94	127	82.37	73	86.74	2,02,663.03
	12.01% to 15%	208	21,707.61	146	15,769.85	5	583.33	-	-	-	-	38,060.79
	Above 15%	42	437.50	-	-	-	-	-	-	-	-	437.50
Quarterly	Below 9.00%	3	321.43	4	428.57	-	-	-	-	-	-	750.00
	9% to 12%	55	52,263.03	31	28,070.09	12	10,591.51	4	2,466.51	11	6,782.89	1,00,174.03
	12.01% to 15%	21	11,937.50	9	6,500.00	2	500.00	-	-	-	-	18,937.50
Semi-annually	Below 9.00%	2	2,671.50	2	2,671.50	-	-	-	-	-	-	5,343.00
	9% to 12%	8	8,685.71	3	1,000.00	-	-	-	-	-	-	9,685.71
	Above 15%	-	-	-	-	2	1,500.00	2	1,500.00	-	-	3,000.00
Annually	9% to 12%	1	833.33	-	-	-	-	-	-	-	-	833.33
Bullet	Below 9.00%	1	2,500.00	1	4,110.85	-	-	-	-	-	-	6,610.85
	9% to 12%	8	19,600.00	-	-	-	-	2	12,332.54	-	-	31,932.54
	12.01% to 15%	13	25,091.18	2	10,530.00	4	35,959.52	2	10,340.00	-	-	81,920.70
	Above 15%	1	2,500.00	-	-	-	-	-	-	-	-	2,500.00
On demand	9% to 12%	2	18,748.13	2	0.49	4	9,625.91	-	-	2	0.96	28,375.49
	12.01% to 15%	3	6,000.00	2	4,875.00	5	13,629.50		-	2	0.50	24,505.00
Total		**4,900**	**3,31,062.62**	**2,391**	**1,25,142.35**	**872**	**73,955.81**	**221**	**26,744.69**	**103**	**6,874.71**	**5,63,780.18**

All the above mentioned repayments disclosed as per the contractual maturities of debt securities, borrowing other than debt securities and subordinate liabilities at gross carrying value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt)	Subordinated liabilities	Liability against leased assets	Total
April 01, 2022	**1,18,743.75**	**3,82,003.33**	**45,034.73**	**500.93**	**5,46,282.74**
Cash flows:					
- Repayment	(38,043.56)	(3,61,454.70)	(9,890.93)	(615.42)	(4,10,004.61)
- Proceed from / (repayment of) overdraft facility	-	(19,418.55)	-	-	(19,418.55)
- Proceeds other than overdraft facility	28,525.00	3,97,979.02	-	73.83	4,26,577.85
	(9,518.56)	**17,105.77**	**(9,890.93)**	**(541.59)**	**(2,845.31)**
Non cash:					
- Addition during the year	-	-	-	1,177.33	1,177.33
- Foreign exchange	-	593.54	(53.08)	-	540.46
- Amortization of upfront fees and others	234.57	1,378.98	35.53	-	1,649.08
- Deferment of upfront processing fee	(315.68)	(1,840.29)	-	-	(2,155.97)
- Others	-	-	-	99.70	99.70
March 31, 2023	**1,09,144.08**	**3,99,241.33**	**35,126.25**	**1,236.37**	**5,44,748.03**
Cash flows:					
- Repayment	(57,067.17)	(4,29,075.52)	(7,191.18)	(1,011.13)	(4,94,345.00)
- Proceed from / (repayment of) overdraft facility	-	-	-	-	-
- Proceeds other than overdraft facility	50,047.00	6,14,613.02	5,000.00	-	6,69,660.02
	(7,020.17)	**1,85,537.50**	**(2,191.18)**	**(1,011.13)**	**1,75,315.02**
Non cash:					
- Addition during the year	**-**	-	-	1,454.32	1,454.32
- Foreign exchange	**-**	924.29	-	-	924.29
- Amortization of upfront fees and others	551.76	3,804.01	31.26	-	4,387.03
- Deferment of upfront processing fee	(1,259.09)	(5,589.74)	(198.93)	-	(7,047.76)
- Others	-	-	-	(67.81)	(67.81)
March 31, 2024	**1,01,416.58**	**5,83,917.39**	**32,767.40**	**1,611.75**	**7,19,713.12**

Notes:

i) The Borrowings together with debt securities and subordinate liabilities referred in notes 19, 20 and 21 are secured by way hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits.

ii) Vehicles and building are hypothecated for respective borrowings availed for purchase of property plant and equipment's.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

22. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on debt securities	3,134.41	2,936.78
Interest accrued on borrowings other than debt securities	3,585.83	1,602.28
Interest accrued on subordinated liabilities	448.56	419.68
Payable towards assignment/securitization transactions	1,743.44	18,038.37
First loss default guarantee	-	1,115.39
Payable to employees	1,241.21	1,118.13
Security deposit received	41.39	36.75
Insurance payables	57.08	22.97
Financial liability for corporate guarantee	283.34	244.18
Unclaimed amount of preference shares	8.26	8.26
Total	**10,543.52**	**25,542.79**

23. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax (net)	234.95	-
Total	**234.95**	**-**

24. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for compensation absences	834.80	703.72
Provision for compassionate	-	0.13
Total	**834.80**	**703.85**

25. OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payables	852.45	579.63
Total	**852.45**	**579.63**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

26. EQUITY SHARE CAPITAL

		As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
A	**Authorised**				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	10,50,00,000	10,500.00	10,50,00,000	10,500.00
	Additions during the year	2,00,00,000	2,000.00	-	-
		12,50,00,000	**12,500.00**	**10,50,00,000**	**10,500.00**
B	**Issued and subscribed**				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	8,53,49,021	8,534.90	7,51,43,893	7,514.39
	Additions during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,05,95,861	**11,059.59**	**8,53,49,021**	**8,534.90**
C	**Issued and Paid-up**				
	Fully paid-up				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	8,52,24,125	8,522.41	7,50,18,997	7,501.90
	Additions during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,04,70,965	**11,047.10**	**8,52,24,125**	**8,522.41**
	Less: Amount recoverable from Satin Employees Welfare Trust	(4,82,946)	(48.29)	(4,82,946)	(48.29)
	(Equity shares of INR 10 each allotted to the Satin Employees Welfare Trust)	**10,99,88,019**	**10,998.81**	**8,47,41,179**	**8,474.12**
	Add: Forfeited shares (amount originally paid on 1,24,896 equity shares (March 31, 2023: 1,24,896 equity shares)	-	5.51	-	5.51
		10,99,88,019	**11,004.32**	**8,47,41,179**	**8,479.63**
D	**Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**				
	Balance at the beginning of the year	8,52,24,125	8,522.41	7,50,18,997	7,501.90
	Add: Issued during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,04,70,965	**11,047.10**	**8,52,24,125**	**8,522.41**
E	**Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year**				
	Balance at the beginning of the year	4,82,946	48.29	4,82,946	48.29
	Add: Addition during the year	-	-	-	-
		4,82,946	**48.29**	**4,82,946**	**48.29**

F i) Pursuant to the approval accorded by the Board of Directors of the Company ("the Board"), at its meeting held on October 19, 2023 and the special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting (EGM) held on November 27, 2023, the Fund Raising Committee of the Board at its meeting held on December 14, 2023 had approved the Qualified Institutions Placement of equity shares of face value of INR 10 each of the Company.

Subsequently, the Fund Raising Committee at its meeting held on December 19, 2023 had approved the allotment of 1,08,36,584 equity shares of face value of INR 10 each to eligible qualified institutional buyers at the issue price of INR 230.70 per equity share (including a premium of INR 220.70 per equity share) aggregating to INR 25,000.00 Lakh.

ii) During the year ended March 31, 2024, the Company has allotted 1,44,10,256 (previous year 1,02,05,128) equity shares of face value of INR 10/- each to Trishashna Holdings & Investments Private Ltd' (THIPL) (entity belonging to promoter group) and Florintree Ventures LLP (entity belonging to non-promoter group) pursuant to conversion of Fully Convertible Warrants of INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

G Rights, preferences and restrictions

The Company has only one class of equity shares having face value of INR 10 per share. Each equity shareholder is eligible for one vote per fully paid share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders or in case of partly paid shares the paid-up amount.

H Details of shareholder holding more than 5% share capital:

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	%	Number	%
Trishashna Holdings & Investments Private Limited (THIPL)	3,79,14,820	34.32%	3,15,79,692	37.05%
Florintree Ventures LLP*	1,23,07,692	11.14%	-	-
Nordic Microfinance Initiative Fund III KS	-	0.00%	46,63,136	5.47%

* held 41,02,564 shares (4.81%) as on March 31, 2023.

I Aggregate number of shares issued for consideration other than cash during the last five years

On June 27, 2019, the Company has allotted 13,43,283 equity shares of INR 10 each on conversion of 13,43,283, Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of INR 10 each fully paid-up to Indusind Bank Limited (entities belonging to non-promoter group).

J Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note 54.

K The information required to be disclosed that enables user of its financial statements to evaluate its objectives, policies and process for managing capital is disclosed in note 45.

L Shareholdings of Promoters

Promoter Name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mrs. Anureet HP Singh	7,27,474	0.66%	7,26,148	0.85%	(0.19%)
Mr. Harbans Singh (deceased)	4,06,402	0.37%	4,06,402	0.48%	(0.11%)
Mr. Satvinder Singh	3,85,703	0.35%	3,85,703	0.45%	(0.10%)
Mrs. Neeti Singh	2,04,092	0.19%	2,04,092	0.24%	(0.05%)
Trishashna Holdings & Investments Private Limited	3,79,14,820	34.32%	3,15,79,692	37.05%	(2.73%)
Wisteria Holdings & Investments Private Limited	3,22,262	0.29%	3,22,262	0.38%	(0.09%)
Total	**3,99,60,753**	**36.18%**	**3,36,24,299**	**39.45%**	**(3.27%)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

27. OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	2,777.00	2,777.00
Statutory reserve	24,514.36	16,057.47
General reserve	29.94	29.94
Securities premium	1,47,213.33	1,13,726.31
Retained earnings	82,496.49	48,663.24
Money received against share warrants	-	2,927.08
Other comprehensive income:		
Equity instruments through other comprehensive income	(3,580.83)	(2,049.12)
Changes in fair value of loan assets	2,279.66	760.13
Cash flow hedge reserve	-	-
Total	**2,55,729.95**	**1,82,892.05**

Nature and purpose of other reserve

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

Statutory reserve

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

General reserve

The Management has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

Retained earnings

This represents undistributed accumulated earnings of the Company as on the balance sheet date.

Money received against share warrants

During the year ended March 2022, the Company had allotted Fully Convertible Warrants of INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant (25% of which was paid on allotment of warrant and 75% shall be payable at the time of exercising the warrants) on preferential basis to Trishashna Holdings & Investments Private Ltd (THIPL) (1,23,07,692 warrants) (entity belonging to promoter group) and Florintree Ventures LLP (1,23,07,692 warrants) (entity belonging to non-promoter group) on January 25, 2022. Out of the said warrants 1,02,05,128 warrants (61,02,564 warrants by THIPL and 41,02,564 warrants by Florintree Ventures LLP) were converted during the year ended March 2023 and remaining 1,44,10,256 warrants (62,05,128 warrants by THIPL and 82,05,128 warrants by Florintree Ventures LLP) have been converted during the year ended March 31, 2024 upon receipt of balance 75% amount of warrants by respective investors.

Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

Changes in fair value of loan assets

This represents the cumulative gains and losses arising on the fair valuation of loan assets classified under business model of hold and hold to collect and sell.

Cash flow hedge reserve

Cash flow hedge reserve is used to eliminate or reduce the exposure that arises from changes in the cash flows of a financial asset or liability (or other eligible exposure) due to changes in a particular risk, such as interest rate risk on a floating rate debt instrument.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

28. INTEREST INCOME

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at amortised cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI	On financial assets measured at amortised cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI
Interest income on portfolio loans	39,866.50	-	1,23,368.29	23,727.92	-	85,674.99
Interest income on deposits	6,132.75	-	-	4,376.39	-	-
Interest income on certificate of deposits, commercial papers and T-Bill	-	1,714.41	-	-	256.56	-
Interest income on unwinding of assigned portfolio	3,794.27	-	-	1,972.58	-	-
Sub total	**49,793.52**	**1,714.41**	**1,23,368.29**	**30,076.89**	**256.56**	**85,674.99**
Total interest income			**1,74,876.22**			**1,16,008.44**

29. DIVIDEND INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend income	-	0.17
Total	**-**	**0.17**

30. RENTAL INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental income on building	129.25	117.41
Total	**129.25**	**117.41**

31. FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service fee and facilitation charges	2,528.12	1,741.05
Income from business correspondent operations*	8.52	399.15
Total	**2,536.64**	**2,140.20**

*Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to profit and loss account:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of Services or service		
Income from business correspondent operations	8.52	399.15
Total revenue from contracts with customers	**8.52**	**399.15**
Geographical markets		
India	8.52	399.15
Outside India	-	-
Total revenue from contracts with customers	**8.52**	**399.15**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	8.52	399.15
Total revenue from contracts with customers	**8.52**	**399.15**

Particulars	As at March 31, 2024	As at March 31, 2023
Contract balances		
Trade receivable	-	40.97
Contract assets	-	825.64
Contract liabilities	-	-

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per Contract	8.52	399.15
Adjustments	-	-
Discount	-	-
Revenue from contract with customers	**8.52**	**399.15**

32. NET GAIN/(LOSS) ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Net gain/(loss) on financial instruments measured at fair value through profit or loss		
- Investments		
Fair value gain on mutual funds	1,182.31	375.18
Gain on fair valuation of subsidiaries	387.46	35,215.77
Gain/(Loss) on fair valuation of other investments	(31.06)	1.19
(B) Others		
- Derivatives	(431.64)	1,038.89
Total	**1,107.07**	**36,631.03**
Fair value changes		
- Realised	1,182.31	375.18
- Unrealised	(75.24)	36,255.85
Total	**1,107.07**	**36,631.03**

33. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on sale of loan portfolio through assignment	25,702.55	20,151.30
Total	**25,702.55**	**20,151.30**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

34. OTHER OPERATING INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commitment and other charges	526.87	243.68
Total	**526.87**	**243.68**

35. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on derecognition of property, plant and equipment	-	2.95
Net gain on termination of leases	15.57	7.59
Interest income on income - tax refund	116.89	-
Corporate guarantee premium income	53.76	38.64
Total	**186.22**	**49.18**

36. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings (other than debt securities)	63,801.43	38,029.28
Interest on debt securities	13,272.43	12,625.36
Interest on subordinated liabilities	4,334.37	5,571.18
Interest expense for leasing arrangements	201.22	120.58
Other interest expenses	1,358.16	886.99
Bank charges	316.75	369.08
Total	**83,284.36**	**57,602.47**

37. IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	On financial assets measured at amortised cost	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	On financial assets measured at FVTOCI
Loans written off	284.88	9,233.27	-	58,656.84
Impairment loss allowance on other receivable	114.72	-	25.37	-
Impairment allowance on loans	2,532.62	2,282.54	204.20	(19,469.97)
Total	**2,932.22**	**11,515.81**	**229.57**	**39,186.87**

38. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	33,390.34	28,859.47
Contribution to provident and other funds	2,804.07	2,422.02
Staff welfare expenses	375.81	350.08
Total	**36,570.22**	**31,631.57**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

39. DEPRECIATION AND AMORTIZATION

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	1,055.63	1,005.94
Depreciation on right-of-use assets	848.68	513.05
Depreciation on investment property	32.35	34.00
Amortization of intangible assets	61.09	67.28
Total	**1,997.75**	**1,620.27**

40. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Travelling and conveyance	2,820.84	2,142.96
Legal and professional charges	3,009.75	1,683.65
Insurance	301.34	362.38
Rent	1,095.69	1,205.91
Auditor's fee and expenses*	44.61	40.94
Rates and taxes	66.53	44.82
Repairs and maintenance	630.91	691.31
Director's fees, allowances and expenses	134.76	82.91
Corporate social responsibility#	150.00	175.45
Net loss on derecognition of property, plant and equipment	50.42	-
Property, plant and equipment written off	6.41	6.01
Printing and stationery	508.14	470.97
Communication costs	388.20	400.90
(Write back)/write off against first loss default guarantee	(8.83)	(31.76)
First loss default guarantee (reversal)/expenses	(1,115.39)	(561.63)
Advertisement and publicity	423.66	230.85
Cash embezzlement	38.00	119.92
Other administrative expenses	2,084.74	2,159.65
Miscellaneous expenses	1,549.73	1,745.38
Total	**12,179.51**	**10,970.62**
*** Remuneration to auditors comprises of (excluding applicable taxes):**		
As auditors	38.00	35.50
Other services	2.00	1.26
Reimbursement of expenses	4.61	4.18
	44.61	**40.94**

Above excludes fee of INR 44.83 Lakh (previous year: Nil) towards QIP issue which is adjusted against securities premium account.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

 # Corporate social responsibility expenses

The Company's expenses towards Corporate Social Responsibility (CSR) activities as follows:

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Amount required to be spent during the year	25.93	175.45
b)	Amount of expenditure incurred	150.00	175.45
c)	Shortfall/(excess) at the end of the year	(124.07)	-
d)	Total of previous years shortfall	-	-
e)	Reason for shortfall	NA	NA
f)	Nature of CSR activities	i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. ii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
h)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

41. TAX EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	6,709.27	-
Income tax for earlier years	-	(30.37)
Deferred tax charge	7,591.27	7,697.49
Tax expense reported in the Statement of Profit and Loss	**14,300.54**	**7,667.12**

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (March 31, 2023: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax expense	**56,584.95**	**34,100.04**
Income tax rate	25.168%	25.168%
Expected tax expense	14,241.30	8,582.30
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which is non deductible	42.28	58.08
Impact of change in tax rates	(8.87)	(805.74)
Income tax for earlier years	-	(30.37)
Others	25.83	(137.15)
Tax expense	**14,300.54**	**7,667.12**

42. EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit after tax attributable to equity shareholders		
Net profit for the year for basic earnings per share	**42,284.41**	**26,432.92**
Dilutive impact of share warrants	-	-
Net profit for the year for diluted earnings per share	**42,284.41**	**26,432.92**
Nominal value of equity share (INR)	10	10
Weighted-average number of equity shares for basis earnings per share	9,83,12,931	7,82,31,361
Effect of dilution:		
Share warrants	24,32,055	36,02,564
Weighted-average number of equity shares used to compute diluted earnings per share	**10,07,44,986**	**8,18,33,925**
Basic earnings per share (INR)	**43.01**	**33.79**
Diluted earnings per share (INR)	**41.97**	**32.30**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

43. FINANCIAL INSTRUMENTS

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Financial assets measured at fair value			
Derivative financial instruments fair value through profit and loss	Note - 6	1,800.00	2,231.64
Loans measured at fair value through other comprehensive income	Note - 8	6,46,447.82	3,71,636.22
Investments measured at			
(i) Fair value through other comprehensive income	Note - 9	5,037.95	5,936.39
(ii) Fair value through profit and loss	Note - 9	77,443.50	68,087.61
Financial assets measured at amortized cost			
Cash and cash equivalents	Note - 4	35,630.21	21,335.16
Bank balances other cash and cash equivalents	Note - 5	78,023.95	81,540.28
Trade receivables	Note - 7	400.90	241.12
Loans	Note - 8	1,48,696.08	1,96,784.97
Investments	Note - 9	217.06	127.81
Security deposits	Note - 10	209.70	208.43
Other financial assets	Note - 10	2,424.59	1,398.26
Total		**9,96,331.76**	**7,49,527.89**
Financial liabilities measured at amortized cost			
Trade payables	Note - 17	241.60	198.23
Other payables	Note - 18	1,328.52	1,149.80
Debt securities (including interest accrued)	Note - 19 and 22	1,04,550.99	1,12,080.86
Borrowings other than debt securities (including interest accrued)	Note - 20 and 22	5,89,114.97	4,02,079.98
Sub-ordinated liabilities (including interest accrued)	Note - 21 and 22	33,215.96	35,545.93
Other financial liabilities	Note - 22	3,374.72	20,584.05
Total		**7,31,826.76**	**5,71,638.85**

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	6,46,447.82	**6,46,447.82**
Investments at fair value through other comprehensive income				
Security Receipts (refer note 57 (D))	-	-	5,037.95	**5,037.95**
Investments at fair value through profit and loss				
Equity instruments	-	-	77,443.50	**77,443.50**
Government securities	-	-	-	**-**
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,800.00	-	**1,800.00**

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	3,71,636.22	**3,71,636.22**
Investments at fair value through other comprehensive income				
Security Receipts (refer note 57 (D))	-	-	5,936.39	**5,936.39**
Investments at fair value through profit and loss				
Equity / Preferential instruments	-	-	68,087.10	**68,087.10**
Government securities	-	0.51	-	**0.51**
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	2,231.64	-	**2,231.64**

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) Eligible loans valued by discounting the aggregate future cash flows (both principal and interest cash flows) with discount rate that commensurate with the risk inherent in the expected cash flows for the remaining portfolio tenor.

(b) The use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

(c) The value of derivative contracts are determined using mark to market value shared by contracting bank at balance sheet date.

(d) The use of net asset value for security receipts on the basis of the value declared by investee party.

(e) The use of net asset value for government securities on the basis of the value declared by government.

(f) The use of valuation report obtained from registered valuer for investment in subsidiaries.

(All amounts in INR Lakhs, unless otherwise stated)

B.2 Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	35,630.21	35,630.21	21,335.16	21,335.16
Bank balances other than cash and cash equivalents	78,023.95	78,023.95	81,540.28	81,540.28
Trade receivables	400.90	400.90	241.12	241.12
Loans	1,48,696.08	1,48,696.08	1,96,784.97	1,96,784.97
Investments	217.06	217.06	127.81	127.81
Security deposits	209.70	193.75	208.43	203.00
Other financial assets	2,424.59	2,424.59	1,398.26	1,398.26
Total	**2,65,602.49**	**2,65,586.54**	**3,01,636.03**	**3,01,630.60**
Financial liabilities				
Trade payables	241.60	241.60	198.23	198.23
Other payables	1,328.52	1,328.52	1,149.80	1,149.80
Debt securities (including interest accrued)	1,04,550.99	1,08,828.15	1,12,080.86	1,16,395.35
Borrowings other than debt securities (including interest accrued)	5,89,114.97	5,91,182.76	4,02,079.98	4,02,729.75
Sub-ordinated liabilities (including interest accrued)	33,215.96	33,420.32	35,545.93	35,744.34
Other financial liabilities	3,374.72	3,374.72	20,584.05	20,584.05
Total	**7,31,826.76**	**7,38,376.07**	**5,71,638.85**	**5,76,801.52**

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

(i) The fair values of the Company's fixed interest bearing loans are determined by applying set of discount rates and then averaged out to arrive at the fair value.

(ii) The fair values of the Company's fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

44. FINANCIAL RISK MANAGEMENT

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company manages the risk basis policies approved by the board of directors. The board of directors provides principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, lending to customers, trade receivables and other financial assets	Credit limit, ageing analysis, default rate, customer efficiency	Highly rated bank deposits and diversification of asset base and collaterals taken for assets. Continuous monitoring and follow up.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities	Cash flow forecasts, LCR (HQLA, net outflow)	Committed borrowing and other credit facilities and sale of loan assets (whenever required) Maintaining high level of liquidity by investing in liquid instruments
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee INR	Cash flow forecasting, unhedged open position	Currency and interest rate swaps, no unhedged open overnight position
Market risk - interest rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security price	Investments in equity securities, mutual funds, certificate of deposits and commercial papers	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	Loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2024	As at March 31, 2023
(i) **Low credit risk**		
Cash and cash equivalents	32,314.17	17,312.89
Bank balances other than cash and cash equivalents	78,023.95	81,540.28
Trade receivables	401.90	241.72
Loans	7,85,120.86	5,58,989.93
Investments	6,537.43	8,869.94
Security deposits	209.70	208.43
Other financial assets	2,425.70	1,293.39
(ii) **Moderate credit risk**		
Loans	5,737.67	2,018.35
Trade receivable	17.76	-
(iii) **High credit risk**		
Loans	21,868.57	19,297.93
Other financial assets	-	140.27

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India
- The client's household must be engaged in some form of economic activity which ensures regular and assured income
- The client must possess the required Know Your Client (KYC) documents
- Client must agree to follow the rules and regulations of the organization
- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organization undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organization in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Micro finance loans	1. Ageing of historical data	1. Recoverability assumptions for stage 3 loan assets
Micro Small and Medium Enterprises loans	2. Latest available interest rate as discounting factor	2. Averaging of best case and worst case scenarios

* The Company has used forward looking information in form of real domestic demand, consumer price index, real GDP and agriculture growth rate for Micro finance loans and real domestic demand and consumer prices growth rate for Micro Small and Medium Enterprises loans.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at March 31, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	32,314.17	-	32,314.17
Bank balances other than cash and cash equivalents	78,023.95	-	78,023.95
Trade receivables	419.66	18.76	400.90
Investments	6,537.43	1,282.42	5,255.01
Security deposits	209.70	-	209.70
Other financial assets	2,425.70	1.11	2,424.59

As at March 31, 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	17,312.89	-	17,312.89
Bank balances other than cash and cash equivalents	81,540.28	-	81,540.28
Trade receivables	241.72	0.60	241.12
Investments	8,869.94	2,694.04	6,175.90
Security deposits	208.43	-	208.43
Other financial assets	1,433.66	35.40	1,398.26

ii) Expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes more than 90 days past due on its contractual payments. 'The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2022	**4,74,351.89**	**5,280.63**	**44,579.96**
Assets originated*	4,51,377.68	656.17	858.77
Net transfer between stages			
Transfer to stage 1	224.64	(207.59)	(17.05)
Transfer to stage 2	(15,623.34)	15,635.51	(12.17)
Transfer to stage 3	(36,048.81)	(3,499.46)	39,548.27
Assets derecognized or collected (excluding write offs)	(3,15,292.13)	(3,347.58)	(14,928.86)
Write - offs (including death cases)	-	(12,499.33)	(50,730.99)
Gross carrying amount as at March 31, 2023	**5,58,989.93**	**2,018.35**	**19,297.93**
Assets originated*	6,65,062.27	3,457.54	3,542.29
Net transfer between stages			
Transfer to stage 1	(1,941.03)	43.19	1,897.84
Transfer to stage 2	(5,675.09)	5,691.54	(16.45)
Transfer to stage 3	(13,669.61)	(546.93)	14,216.54
Assets derecognized or collected (excluding write offs)	(4,17,645.61)	(4,926.02)	(3,866.32)
Write - offs (including death cases)	-	-	(13,203.26)
Gross carrying amount as at March 31, 2024	**7,85,120.86**	**5,737.67**	**21,868.57**

* Assets originated has been presented net of collection made during the year.

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Loans			Other financial assets
	Stage 1	Stage 2	Stage 3	
Loss allowance as at April 01, 2022	**1,285.51**	**4,216.90**	**28,970.31**	**13.69**
Increase of provision due to assets originated during the year	838.87	227.27	460.90	-
Net transfer between stages				
Transfer to stage 1	106.06	(98.68)	(7.38)	-
Transfer to stage 2	(19.58)	25.94	(6.36)	-
Transfer to stage 3	(64.94)	(253.78)	318.72	-
Assets derecognized or collected	(642.14)	(3,808.97)	(25,747.70)	22.31
Impact of ECL on exposures transferred between stages during the year	(446.16)	432.23	6,098.00	-
Loss allowance as at March 31, 2023	**1,057.62**	**740.91**	**10,086.49**	**36.00**
Increase of provision due to assets originated during the year	1,892.20	1,441.86	2,201.83	18.16
Net transfer between stages				
Transfer to stage 1	16.22	(10.04)	(6.18)	-
Transfer to stage 2	(11.36)	21.06	(9.70)	-
Transfer to stage 3	(64.51)	(200.38)	264.89	-
Assets derecognized or collected	(303.01)	(512.03)	(6,134.55)	(140.27)
Impact of ECL on exposures transferred between stages during the year	(365.59)	896.90	6,580.57	105.98
Loss allowance as at March 31, 2024	**2,221.57**	**2,378.28**	**12,983.35**	**19.87**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

c) Concentration of loans

Particulars	As at March 31, 2024	As at March 31, 2023
Micro finance loans	7,91,508.03	5,45,850.62
Micro, Small and Medium Enterprises (MSME)	29,456.73	39,297.58
Less: Unamortized processing fee	(8,237.66)	(4,841.99)
Total	**8,12,727.10**	**5,80,306.21**

d) Loans secured against collateral

Company's secured portfolio pertains to MSME loans, which are secured largely against property, plant and equipment, book debts, inventories, margin money and other working capital items. Company's collateral policy is consistent throughout the periods presented. The following table presents the maximum exposure to credit risk.

Particulars	Carrying value
As at March 31, 2024	
MSME loans secured by property, plant and equipment (including land, building and plots)	697.95
MSME loans secured by book debts, inventories, margin money and other working capital items	2,176.60
As at March 31, 2023	
MSME loans secured by property, plant and equipment (including land, building and plots)	962.26
MSME loans secured by book debts, inventories, margin money and other working capital items	3,082.64

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralization on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Company initiate the legal proceedings against the defaulted customers.

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities (other than derivatives) that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company has access to the following funding facilities:

As at March 31, 2024	Total facility	Drawn	Undrawn
- Expiring within one year	53,610.97	49,110.97	4,500.00
- Expiring beyond one year	5,84,071.22	4,97,221.22	86,850.00
Total	**6,37,682.19**	**5,46,332.19**	**91,350.00**

As at March 31, 2023	Total facility	Drawn	Undrawn
- Expiring within one year	55,350.00	55,350.00	-
- Expiring beyond one year	2,52,792.90	2,00,292.00	52,500.90
Total	**3,08,142.90**	**2,55,642.00**	**52,500.90**

(ii) Maturities of financial assets and liabilities

The tables below analyzes the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities. The table below shows an analyzis of assets and liabilities analyzed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	35,643.64	-	-	-	**35,643.64**
Bank balances other than cash and cash equivalents	72,985.99	12,660.75	8,076.15	46.48	**93,769.37**
Trade receivables	400.90	-	-	-	**400.90**
Loans	6,00,328.50	1,84,493.08	1,52,705.40	26,646.45	**9,64,173.43**
Other financial assets	2,574.90	25.65	18.72	24.22	**2,643.49**
Derivatives (net settled)					
Derivative financial instruments	1,800.00	-	-	-	**1,800.00**
Total undiscounted financial assets	**7,13,733.93**	**1,97,179.48**	**1,60,800.27**	**26,717.15**	**10,98,430.83**
Financial liabilities					
Non-derivatives					
Debt Securities	36,194.40	53,255.94	33,585.14	4,292.47	**1,27,327.95**
Borrowings other than debt securities	3,73,573.35	1,81,633.60	98,660.10	23,948.12	**6,77,815.17**
Subordinated liabilities	4,248.49	28,675.71	2,311.47	6,488.59	**41,724.26**
Trade payables	241.60	-	-	-	**241.60**
Other payables	1,328.52	-	-	-	**1,328.52**
Other financial liabilities	3,374.72	-	-	-	**3,374.72**
Total undiscounted financial liabilities	**4,18,961.08**	**2,63,565.25**	**1,34,556.71**	**34,729.18**	**8,51,812.22**
Net undiscounted financial assets/(liabilities)	**2,94,772.85**	**(66,385.77)**	**26,243.56**	**(8,012.03)**	**2,46,618.61**

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	21,337.24	-	-	-	**21,337.24**
Bank balances other than cash and cash equivalents	57,644.90	24,776.14	3,077.27	1.26	**85,499.57**
Trade receivables	241.12	-	-	-	**241.12**
Loans	4,05,616.41	2,29,893.18	11,556.84	38,123.59	**6,85,190.02**
Investments	0.51	-	-	-	**0.51**
Other financial assets	1,599.09	17.71	14.41	10.88	**1,642.09**
Derivatives (net settled)					
Derivative financial instruments	2,231.64	-	-	-	**2,231.64**
Total undiscounted financial assets	**4,88,670.91**	**2,54,687.03**	**14,648.52**	**38,135.73**	**7,96,142.19**
Financial liabilities					
Non-derivatives					
Debt Securities	67,343.86	21,028.71	30,928.40	11,606.60	**1,30,907.57**
Borrowings other than debt securities	3,08,410.89	1,20,470.66	24,659.72	24,273.14	**4,77,814.41**
Subordinated liabilities	11,331.27	3,595.63	28,017.96	1,674.47	**44,619.33**
Trade payables	198.23	-	-	-	**198.23**
Other payables	1,149.80	-	-	-	**1,149.80**
Other financial liabilities	20,584.05	-	-	-	**20,584.05**
Provision	0.13	-	-	-	**0.13**
Total undiscounted financial liabilities	**4,09,018.23**	**1,45,095.00**	**83,606.08**	**37,554.21**	**6,75,273.52**
Net undiscounted financial assets/(liabilities)	**79,652.68**	**1,09,592.03**	**(68,957.56)**	**581.52**	**1,20,868.67**

The Company has restructured certain loans in accordance with the RBI circular RBI/2021-22/31 DOR.STR. REC.11/21.04.048/2021-22 dated May 05, 2021. The maturities of financial assets, as above, are the amount due and payable only to the extent the contractual terms with borrowers were amended as at March 31, 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

C) Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of the Company. To mitigate the Company's exposure to foreign currency risk, non-rupee cash flows are monitored and derivative contracts are entered into in accordance with the Company's risk management policies. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	Currency	As at March 31, 2024	As at March 31, 2023
Financial liabilities			
External commercial borrowings (including interest accrued)	**USD**	63,377.48	41,691.24
	EUR	10,780.56	-
(Gain)/loss: Derivative contract		(1,800.00)	(2,231.64)

Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
USD sensitivity*		
INR/USD- increase by 5%	(3,168.87)	(2,084.56)
INR/USD- decrease by 5%	3,168.87	2,084.56
EUR sensitivity*		
INR/EUR- increase by 5%	(539.03)	-
INR/EUR- decrease by 5%	539.03	-

** Holding all other variables constant*

b) Interest rate risk

i) Liabilities

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. 'The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at March 31, 2024, the Company is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate liabilities		
Debt securities	-	-
Borrowings other than debt securities	3,59,439.42	1,29,004.52
Subordinated liabilities	20,000.00	20,000.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate liabilities		
Debt securities	1,01,416.58	1,09,144.08
Borrowings other than debt securities	2,26,089.72	2,71,473.18
Subordinated liabilities	12,767.40	15,126.25
Total	**7,19,713.12**	**5,44,748.03**

Sensitivity

The profits earned by the Company are sensitive to the change in interest rates on variable rate liabilities. The following table shows the sensitivity of profit / (loss) before tax due to change in interest rates:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest sensitivity*		
Interest rates – increase by 0.50%	(1,317.76)	(620.15)
Interest rates – decrease by 0.50%	1,317.76	620.15

** Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Company's equity and profit for the period:

Impact on profit after tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Mutual fund, Certificate of deposits and commercial paper		
Net assets value – increase by 5%	-	-
Net assets value – decrease by 5%	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

45. CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy is to ensure that the Company complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the sub-ordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets (including investments in Subsidiary companies). In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt*	6,13,227.76	4,46,831.33
Total equity	2,66,734.27	1,91,371.68
Net debt to equity ratio	**2.30**	**2.33**

* Net debt includes debt securities + borrowings other than debt securities + sub-ordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash and cash equivalents.

46. MATURITY ANALYZIS OF ASSETS AND LIABILITIES

The table below shows an analyzis of assets and liabilities analyzed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	35,630.21	-	21,335.16	-
Bank balances other than cash and cash equivalents	59,800.75	18,223.20	56,340.15	25,200.13
Derivative financial instruments	1,800.00	-	2,231.64	-
Trade receivables	400.90	-	241.12	-
Loans	4,66,965.39	3,28,178.51	3,08,171.91	2,60,249.28
Investments	-	82,698.51	0.51	74,151.30
Other financial assets	2,550.02	84.27	1,534.05	72.64
	5,67,147.27	**4,29,184.49**	**3,89,854.54**	**3,59,673.35**
Non-financial assets				
Current tax assets (net)	180.66	-	3,321.63	-
Property, plant and equipment	-	8,641.25	-	8,328.99
Investment Property	-	631.91	-	664.26
Other intangible assets	-	41.01	-	144.66
Other non-financial assets	2,283.49	207.89	2,403.07	149.15
	2,464.15	**9,522.06**	**5,724.70**	**9,287.06**
TOTAL ASSETS	**5,69,611.42**	**4,38,706.55**	**3,95,579.24**	**3,68,960.41**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	241.60	-	198.23	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	83.55	-	23.87	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,244.97	-	1,125.93	-
Debt securities	23,292.70	78,123.88	56,875.73	52,268.35
Borrowings (other than debt securities)	3,14,436.31	2,71,092.83	2,36,306.50	1,64,171.20
Subordinated liabilities	-	32,767.40	7,168.00	27,958.25
Other financial liabilities	10,320.56	222.96	25,346.27	196.52
	3,49,619.69	**3,82,207.07**	**3,27,044.53**	**2,44,594.32**
Non-financial liabilities				
Current tax liabilities (net)	234.95	-	-	-
Deferred tax liabilities (net)	-	7,834.74	-	245.64
Provisions	262.71	572.09	216.28	487.57
Other non-financial liabilities	852.45	-	579.63	-
	1,350.11	**8,406.83**	**795.91**	**733.21**
TOTAL LIABILITIES	**3,50,969.80**	**3,90,613.90**	**3,27,840.44**	**2,45,327.53**
Net equity	**2,18,641.62**	**48,092.65**	**67,738.80**	**1,23,632.88**

47. TRANSFERRED FINANCIAL ASSETS

In the course of its micro finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Company has securitized its loan assets to unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee in range of 12% to 20% of the amount securitized and therefore continues to be exposed to significant risk and rewards relating to the underlying loan receivables. Hence, these loan assets are not derecognized and proceeds received are presented as borrowings.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitizations	As at March 31, 2024	As at March 31, 2023
Gross carrying amount of securitized assets	92,552.37	1,29,894.61
Gross carrying amount of associated liabilities	77,548.43	1,14,564.33
Carrying value and fair value of securitized assets	89,565.71	1,28,950.80
Carrying value and fair value of associated liabilities	77,548.43	1,14,564.33
Net position	**12,017.28**	**14,386.47**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

48. EMPLOYEE BENEFITS

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

A Defined contribution plans

Provident and other funds

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employers contribution to provident and other fund	2,804.07	2,422.02

B Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Companies. The liability of Gratuity is recognized on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	1,540.14	1,408.57
Fair value of plan assets	1,695.28	1,495.26
Net (asset) / obligation recognized in balance sheet as non-financial assets	**(155.14)**	**(86.69)**

(ii) Amount recognized in the statement of profit and loss is as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	245.62	230.53
Interest cost on defined benefit obligation	104.09	99.99
Interest income on plan assets	(110.50)	(99.78)
Net expense in statement of profit and loss	**239.21**	**230.74**

Amount recognized in the other comprehensive income:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial gain/(loss) recognized during the year	7.66	(29.67)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation as at the beginning of year	1,408.57	1,377.26
Current service cost	245.62	230.53
Interest cost	104.09	99.99
Past service cost including curtailment gains/losses	-	-
Benefits paid	(276.53)	(320.89)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	(32.17)	-
Actuarial (gain)/loss on arising from change in financial assumption	19.33	(8.63)
Actuarial loss on arising from experience adjustment	71.23	30.31
Present value of defined benefit obligation as at the end of the year	**1,540.14**	**1,408.57**

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	As at March 31, 2024	As at March 31, 2023
Funds managed by Insurers	100%	100%
Total	**100%**	**100%**

(v) Movement in the plan assets recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at beginning of year	1,495.26	1,374.36
Actual return on plan assets	176.55	91.79
Employer's contribution	300.00	350.00
Benefits paid	(276.53)	(320.89)
Fair value of plan assets at the end of the year	**1,695.28**	**1,495.26**

(vi) Actuarial assumptions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discounting rate	7.12%	7.39%
Future salary increase	4.00%	4.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 years	55.20%	49.29%
From 31 to 44 years	16.90%	17.77%
Above 44 years	0.40%	0.28%
Weighted average duration	3.76	3.94

Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012 – 14) Ultimate table.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(vii) Sensitivity analyzis for gratuity liability

Particulars	As at March 31, 2024	As at March 31, 2023
Impact of the change in discount rate		
Present value of obligation at the end of the year	1,540.14	1,408.57
- Impact due to increase of 0.50 %	(38.16)	(32.43)
- Impact due to decrease of 0.50 %	40.86	34.61
Impact of the change in salary increase		
Present value of obligation at the end of the year	1,540.14	1,408.57
- Impact due to increase of 0.50 %	41.92	35.59
- Impact due to decrease of 0.50 %	(39.44)	(33.61)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

Maturity profile of defined benefit obligation (discontinued)	As at March 31, 2024	As at March 31, 2023
0 to 1 year	409.38	390.56
1 to 2 year	184.66	169.97
2 to 3 year	121.52	123.26
3 to 4 year	167.93	92.29
4 to 5 year	83.07	134.08
5 to 6 year	59.75	60.39
6 year onwards	513.83	438.02
Total	**1,540.14**	**1,408.57**

49. RELATED PARTY DISCLOSURES

A List of related parties and disclosures

Subsidiaries:

Satin Housing Finance Limited

Satin Finserv Limited

Taraashna Financial Services Limited (merged with Satin Finserv Limited vide NCLT order dated March 01, 2023)

Key managerial personnel and their relatives:

Name of directors and key managerial personnel	Designation
Mr. Harvinder Pal Singh	Chairman cum Managing Director
Mr. Satvinder Singh	Non-Executive and Non-Independent Director
Mr. Sundeep Kumar Mehta	Non-Executive and Independent Director
Mr. Sanjay Kumar Bhatia	Non-Executive and Independent Director
Mr. Anil Kumar Kalra	Non-Executive and Independent Director
Mr. Goh Colin	Non-Executive and Independent Director
Mrs. Sangeeta Khorana	Non-Executive and Independent Director
Mr. Anil Kaul (w.e.f. January 15, 2024)	Non-Executive and Independent Director
Mr. Chrisitan Bernhard Ramm (till March 1, 2023)	Nominee Director
Mr. Jugal Kataria	Group Controller
Mr. Rakesh Sachdeva	Chief Financial Officer
Mr. Vipul Sharma (till September 10, 2022)	Company Secretary and Compliance Officer
Mr. Vikas Gupta (w.e.f. October 8, 2022)	Company Secretary and Chief Compliance Officer
Mr. Manoj Agrawal (w.e.f. August 11, 2023)	Deputy Chief Financial Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Private Limited

B Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Harvinder Pal Singh	Remuneration	140.69	140.32
	Provident fund and others	14.39	14.39
	Personal guarantees given	44,300.00	14,000.00
	Personal guarantees withdrawn	16,196.73	10,655.81
Mr. Satvinder Singh	Personal guarantees withdrawn	-	10,000.00
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees given (jointly)	2,09,031.25	79,100.00
	Personal guarantees withdrawn (jointly)	1,06,738.33	95,451.53
Mr. Jugal Kataria	Remuneration	155.99	140.29
Mr. Rakesh Sachdeva	Remuneration	80.39	77.53
Mr. Vipul Sharma	Remuneration	-	8.52
Mr. Manoj Agrawal	Remuneration	65.58	-
Mr. Vikas Gupta	Remuneration	38.14	16.14
Mr. Anil Kaul	Commission	5.00	-
Mr. Satvinder Singh	Sitting fees	6.05	4.25
Mr. Sundeep Kumar Mehta	Sitting fees	8.75	5.95
Mrs. Sangeeta Khorana	Sitting fees	5.15	2.50
Mr. Goh Colin	Sitting fees	6.75	4.55
Mr. Sanjay Kumar Bhatia	Sitting fees	7.85	4.55
Mr. Anil Kumar Kalra	Sitting fees	6.05	3.90
Mr. Anil Kaul	Sitting fees	1.25	-
Satin Housing Finance Limited	Interest income	-	65.92
	Inter corporate loan given	-	3,000.00
	Inter corporate loan received back	-	3,500.00
	Investment made	4,999.99	3,999.90
	Corporate Guarantee premium charged	92.91	115.58
	Rent received	37.25	33.57
Satin Finserv Limited	Interest income	266.69	506.39
	Inter corporate loan given	2,700.00	1,850.00
	Inter corporate loan received back	6,050.00	2,050.00
	Investment made	4,000.00	-
	Facilitation fee paid	12.00	12.00
	Received on account of managerial services	90.00	128.60
	Services received on account of sourcing and collections	1,485.38	1,043.60
	Rent received	51.31	45.56
Satin Neo Dimensions Private Limited	Interest income	7.36	15.52
	Inter corporate loan received back	58.15	32.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

C Key management personnel compensation includes the following expenses:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	495.18	397.19
Post employment benefits	21.34	17.06
Other long-term benefits	3.14	8.18

D Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of balance	As at March 31, 2024	As at March 31, 2023
Mr. Harvinder Pal Singh	Personal guarantees against borrowings^	39,780.79	11,677.52
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees (jointly) against borrowings^	2,12,178.15	1,09,885.23
Mr. Anil Kumar Kalra	Sitting fees	-	0.63
Mr. Anil Kaul	Commission	1.80	-
Mr. Goh Colin	Sitting fees	0.69	0.58
Mr. Sanjay Kumar Bhatia	Sitting fees	-	0.63
Mr. Satvinder Singh	Sitting fees	-	0.27
Mr. Sundeep Kumar Mehta	Sitting fees	-	0.27
Mrs. Sangeeta Khorana	Sitting fees	-	0.63
Satin Housing Finance Limited	Investments*	40,387.98	33,568.03
	Inter corporate loan	-	-
	Maximum outstanding against Inter corporate loan	-	2,000.00
Satin Finserv Limited	Investments*	36,975.39	34,407.88
	Inter corporate loan	-	3,350.00
	Maximum outstanding against Inter corporate loan	3,850.00	4,250.00
Satin Neo Dimensions Private Limited	Inter corporate loan	-	58.15
	Maximum outstanding against Inter corporate loan	58.15	90.78
	Interest accrued	-	0.97

^Personal guarantee balances outstanding indicates outstanding of borrowings against which guarantee was given.

*Outstanding balance of investment in subsidiary includes fair valuation gain due to change in accounting policy in previous financial year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

50. LEASES DISCLOSURE AS LESSEE

1 The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognized on balance sheet:

March 31, 2024

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	573	1 Months-59 Months	18.30 months	573	-	-	573
Vehicles	1	34 months	34 months	1	1	-	1

March 31, 2023

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	399	1 Months-64 Months	17.11 months	399	-	-	399
Vehicles	1	46 months	46 months	1	1	-	1

2 Additional information on the Right-of-Use assets by class of assets is as follows:

Right-of use assets	Carrying amount as on April 01, 2023	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2024
Office building	1,068.70	1,454.32	825.40	253.46	1,444.16
Vehicles	74.55	-	23.28	-	51.27

Right-of use assets	Carrying amount as on April 01, 2022	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2023
Office building	411.57	1,177.33	506.91	13.29	1,068.70
Vehicles	-	80.69	6.14	-	74.55

3 Lease liabilities are presented in the statement of financial position as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Current	819.88	578.50
Non-current	791.87	657.87
Total	**1,611.75**	**1,236.37**

4 At March 31, 2024 the Company had not committed to leases which had not commenced.

5 The undiscounted maturity analyzis of lease liabilities is as follows:

As at March 31, 2024

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,021.72	612.79	261.90	420.21
Finance charges	201.84	289.28	135.83	77.92
Net present values	**819.88**	**323.51**	**126.07**	**342.29**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2023

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	683.58	373.60	197.63	185.32
Finance charges	105.08	52.37	26.64	19.67
Net present values	**578.50**	**321.23**	**170.99**	**165.65**

6 The Company has elected not to recognize a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

7 The Company had cash outflows for leases of INR 1,011.13 Lakhs in March 31, 2024 (March 31, 2023: INR 615.42 Lakhs).

The following are the amounts recognized in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	848.68	513.05
Interest expense on lease liabilities	201.22	120.58
Expense relating to short-term leases (included in other expenses)	1,095.69	1,205.91
Total amount recognized in profit or loss	**2,145.59**	**1,839.54**

The Company had lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 1 to 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension, termination options, non financial restrictions and non financial covenants. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Company does not have any lease contracts that contains variable payments.

The Company does not anticipate any material leases to be terminated in next three years or beyond that.

Operating leases

The Company has taken on lease certain assets under operating lease arrangements. The contractual future minimum lease payment obligation in respect of these leases are as under:

Office premises

Particulars	As at March 31, 2024	As at March 31, 2023
Short term leases	527.55	513.63

Operating leases as lessor

The Company has given certain premises under operating lease arrangements. The contractual future minimum lease income in respect of these leases are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum lease receipts:		
- within one year	62.99	75.28
- Later than one year but not later than two years	-	0.95

51. SEGMENT INFORMATION

The Company operates in a single reportable segment i.e. financing which has similar risks and returns for the purpose of Ind AS 108 "Operating segments" is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, the Company operates only in India which is considered as a single geographical segment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

52. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contract remaining to be executed on capital account and not provided for	-	-
Claims against the Company not acknowledged as debt:		
- Litigation matters with respect to direct taxes	225.99	521.71
- Litigation matters with respect to indirect taxes	203.60	-
Corporate guarantee given by the Company to lenders on behalf of subsidiary companies	19,500.00	13,000.00

The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgement is required to determine both probability and the estimated amount. The Company reviews these provisions periodically and adjust these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and update information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2024.

Disputed claims against the Company, including claims raised by the tax authorities and which are pending with appeal / court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes.

53. ASSETS PLEDGED/HYPOTHECATED AS SECURITY

The carrying amounts of assets pledged/hypothecated as security are:

Particulars	As at March 31, 2024	As at March 31, 2023
Loan assets	7,03,036.06	5,31,615.00
Vehicles*	122.69	138.41
Land & Buildings	-	150.36
Total assets pledged as security	**7,03,158.75**	**5,31,903.77**

*This excludes right of use asset of INR 47.10 Lakhs (March 31, 2023 : 74.55 Lakhs).

54. EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)

Pursuant to the approval accorded by Shareholders of Satin Creditcare Network Limited (Company) at their Annual General Meeting held on July 06, 2017, the Nomination and Remuneration Committee of the Company formulated a new scheme 'Satin Employee Stock Option Scheme 2017' (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (or any amendment thereto or any other provisions as may be applicable). ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding Promoters of the Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

There were no grants existed during the year ended March 31, 2024 (previous year: Nil). Hence, other disclosures under Ind AS 102 are not applicable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

However, the ESOP pool under the ESOP 2017 has a balance of 4,82,946 Options available for future grants and Satin Employee Welare Trust holds 4,82,946 shares (including the impact of Right Issue) in its demat account during the year ended March 31, 2024.

The Company has INR 169.74 Lakhs (March 31, 2023: INR 169.69 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes. Satin Employees Welfare Trust is holding 4,82,946 fully paid up equity shares of INR 10 each of the Company.

55. RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended on March 31, 2024, MCA has not notified any new standards or amendments to the existing standards which are applicable from April 01, 2024.

Below notes starting from 56 to 60 are non Ind AS information as required by different laws and regulations.

56. Disclosure as per Master Direction RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (updated from time to time) are as under:-

Disclosure of expected credit loss and provisions required as per Income Recognition and Asset Classification norms;

As at March 31, 2024

Asset Classification as per RBI Norms	Asset classifica-tiontion as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	7,85,120.86	2,218.24	7,82,902.62	3,025.16	(806.92)
	Stage 2	5,737.67	2,378.24	3,359.43	22.21	2,356.03
Subtotal		**7,90,858.53**	**4,596.48**	**7,86,262.05**	**3,047.37**	**1,549.11**
Non-Performing Assets (NPA)						
Substandard	Stage 3	175.15	104.08	71.07	29.90	74.18
Doubtful - up to 1 year*	Stage 3	18,321.16	10,880.09	7,441.07	9,898.31	981.78
1 to 3 years*	Stage 3	3,178.85	1,887.71	1,291.14	1,700.47	187.24
More than 3 years	Stage 3	193.41	114.84	78.57	103.01	11.83
Subtotal for doubtful		**21,693.42**	**12,882.64**	**8,810.78**	**11,701.79**	**1,180.85**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**21,868.57**	**12,986.72**	**8,881.85**	**11,731.69**	**1,255.03**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	2,227.30	1.11	2,226.19	-	1.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**2,227.30**	**1.11**	**2,226.19**	**-**	**1.11**
Total	**Stage 1**	7,87,348.16	2,219.35	7,85,128.81	3,025.16	(805.81)
	Stage 2	5,737.67	2,378.24	3,359.43	22.21	2,356.03
	Stage 3	21,868.57	12,986.72	8,881.85	11,731.69	1,255.03
	Total	**8,14,954.40**	**17,584.31**	**7,97,370.09**	**14,779.06**	**2,805.25**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2023

Asset Classification as per RBI Norms	Asset classifica-tiontion as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	5,58,989.93	1,057.66	5,57,932.27	152.92	904.74
	Stage 2	2,018.35	740.87	1,277.48	0.47	740.40
Subtotal		**5,61,008.28**	**1,798.53**	**5,59,209.75**	**153.39**	**1,645.14**
Non-Performing Assets (NPA)						
Substandard	Stage 3	531.94	531.94	-	50.23	481.71
Doubtful - up to 1 year*	Stage 3	11,323.16	5,765.09	5,558.07	743.31	5,021.78
1 to 3 years*	Stage 3	7,442.83	3,789.46	3,653.37	10,794.28	(7,004.82)
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**18,765.99**	**9,554.55**	**9,211.44**	**11,537.59**	**(1,983.04)**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**19,297.93**	**10,086.49**	**9,211.44**	**11,587.82**	**(1,501.33)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,373.18	35.40	1,337.78	-	35.40
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**1,373.18**	**35.40**	**1,337.78**	**-**	**35.40**
Total	**Stage 1**	5,60,363.11	1,093.06	5,59,270.05	152.92	940.14
	Stage 2	2,018.35	740.87	1,277.48	0.47	740.40
	Stage 3	19,297.93	10,086.49	9,211.44	11,587.82	(1,501.33)
	Total	**5,81,679.39**	**11,920.42**	**5,69,758.97**	**11,741.21**	**179.21**

*- Includes joint liability group loans (JLG) and SME loans.

57. Additional disclosures as required by the Reserve Bank of India: -

(A) Disclosure as per Master Direction DNBR.PD.008/03.10.119/2016-17 (updated from time to time) are as under:-

(i) Capital to Risk Assets Ratio ("CRAR"):-

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR (%)	27.66	26.62
CRAR – Tier I capital (%)	26.25	25.34
CRAR – Tier II capital (%)	1.41	1.28
Amount of subordinated debt raised as Tier-II capital (Outstanding as on reporting date)	32,767.40	35,126.25
Amount raised by issue of perpetual debt instruments	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(ii) Disclosure of investments:-

Particulars			As at March 31, 2024	As at March 31, 2023
1)	Value of investments			
	i)	Gross value of investments	83,980.93	76,845.85
		a) In India	83,980.93	76,845.85
		b) Outside India	-	-
	ii)	Provisions of depreciation	1,282.42	2,694.04
		a) In India	1,282.42	2,694.04
		b) Outside India	-	-
	iii)	Net Value of investments	82,698.51	74,151.81
		a) In India	82,698.51	74,151.81
		b) Outside India	-	-
2)	Movement of provisions held towards depreciation on investments			
	i)	Opening balance	2,694.04	-
	ii)	Add: Provision made during the year	-	2,694.04
	iii)	Less: Write-off/Write back of excess provision during the year	1,411.62	-
	iv)	Closing balance	1,282.42	2,694.04

(iii) Derivatives :-

1) Forward Rate Agreement / Cross Currency Swaps

Particulars	As at March 31, 2024	As at March 31, 2023
Notional Principal of swap agreements	73,109.97	41,518.44
Loss/(profit) which would be incurred if counterparties failed to fulfil their obligations under the agreements	(1,800.00)	(2,231.64)
Collateral required by the applicable NBFC upon entering into swaps	-	-
Concentration of credit risk arising from swaps	-	-
Fair value of the swap book	(1,800.00)	(2,231.64)

2) Exchange Traded Interest Rate (IR) Derivative Nil (March 31, 2023 : Nil).

3) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The Company, in accordance with regulations set forth by the Reserve Bank of India for Non-Banking Financial Companies engaged in Microfinance (NBFC-MFIs), complies with FEMA Regulations, notifications, and circulars issued for External Commercial Borrowings.

Given the inherent volatilities and uncertainties in the global Foreign Exchange markets, the Company faces potential risk due to adverse currency movements as it holds foreign currency liabilities. Additionally, the Company is also exposed to interest rate risk on its long-term Foreign Currency Loans.

To mitigate these risks, the company has implemented a Forex Risk Management policy aimed at reducing the probability and potential costs of financial distress by achieving currency and interest rate neutrality.

Under this policy, any exposure in foreign currency is fully hedged covering the currency risk as well as the interest rate risk on the day of the liability's emergence. The authority to make decisions regarding the quantum and tenor of hedging is delegated by the Board committee/Board of Directors as necessary.

Furthermore, the company adheres to accounting standards and guidance notes issued by the Institute of Chartered Accountants of India for the recognition of losses, gains, creation of assets or liabilities.

In addition to these measures, the management conducts monthly monitoring to track gains and losses recognized. Moreover, foreign currency exposure reporting is provided to the board on an annual basis to ensure comprehensive oversight.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Quantitative Disclosures*

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)	73,109.97	-	41,518.44	-
For Hedging	73,109.97	-	41,518.44	-
Marked to Market Positions				
(a) Assets (+)	1,800.00	-	2,231.64	-
(b) Liability (-)	-	-	-	-
Credit Exposure	73,109.97	-	41,518.44	-
Unhedged Expsosure	-	-	-	-

*The Company has entered into Full Currency Swaps that allows to convert long term FCY liability (Interest and Principal) to a fixed INR liability.

(iv) (a) Disclosures relating to securitization:-

The Company has entered into various agreements for the securitization of loans with assignees, wherein it has securitized a part of its loans portfolio amounting to INR 1,23,480.00 Lakhs during the year ended March 31, 2024 (March 31, 2023 INR 1,82,335.58 Lakhs), being the principal value outstanding as on the date of the deals that are outstanding. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers. In terms of the said securitization agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

(b) Disclosure for securitization of Standard Assets outstanding as on reporting date as per RBI circular no.DOR.STR. REC.53/21.04.177/2021-22 dated September 24, 2021.

Particulars	As at March 31, 2024	As at March 31, 2023
1 No of SPEs holding assets for securitization transactions originated by the originator	27	31
2 Total amount of securitized assets as per books of the SPEs	92,453.04	1,30,634.82
3 Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	34,644.93	42,000.16
a) Off Balance sheet exposures	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
* First loss	14,636.75	22,224.14
* Others	20,008.18	19,776.02
4 Amount of exposures to securitization transactions other than MRR	-	-
a) Off Balance sheet exposures	-	-
i) Exposure to own securitizations	-	-
* First loss	-	-
* Others	-	-
ii) Exposure to third party securitizations	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
i) Exposure to own securitizations	-	-
* First loss	-	-
* Others	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
ii) Exposure to third party securitizations	-	-
* First loss	-	-
* Others	-	-
5 Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	1,63,983.88	1,83,718.35
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitization asset servicing etc	-	-
7 Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided		
(a) Amount paid	-	-
(b) Repayment received	436.55	-
(c) Outstanding amount	34,644.93	42,000.16
8 Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
9 Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10 Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

(v) Detail of assignment transactions undertaken:-

The Company has entered into various agreements for the assignments of loans with assignees, wherein it has assigned a part of its loans portfolio amounting to INR 2,93,090.34 Lakhs during the year ended March 31, 2024 (March 31 2023 INR 2,66,571.74 Lakhs), being the principal value outstanding as on the date of the deals that are outstanding. In terms of accounting policy mentioned in Significant Accounting Policies, the Company has derecognised these loan portfolios. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers In terms of the said assignment agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

(a) Disclosure for transfer of loan exposure as per RBI circular no.DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Total number of loans assets assigned during the year	9,39,786	8,98,030
ii) Book value of loans assets assigned during the year	2,93,090.34	2,66,571.74
iii) Sale consideration received during the year	2,93,090.34	2,66,571.74
iv) Excess Interest spread recognized on loans assigned during the year	27,642.71	23,776.78

(b) Additional Disclosure for transfer of loan exposure as per RBI circular no.DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Weighted average maturity of loans assets assigned (in months)	17.75	18.36
ii) Weighted average holding period of loans assets assigned (in Months)	5.61	4.87
iii) Retention of beneficial economic interest on loans assets assigned (in%)	10.56%	11.27%
iv) Coverage of tangible security coverage	NIL	NIL
v) Rating-wise distribution of rated loans.	Not rated	Not rated
vi) Agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	No	No

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(vi) Details of financial asset sold to Securitization/Reconstruction Company for asset reconstruction:-

The Company has not sold financial asset to Securitisation/Reconstruction Companies for asset reconstruction in the current and previous year.

(vii) Detail of non-performing financial asset purchased/sold:-

The Company has not purchased non-performing financial asset in the current and previous year.

The Company had sold some of its non performing asset in previous year. Details of the same has been given in point (D) below.

(viii) Asset Liability Management Maturity pattern of certain items of assets and liabilities:-

As at March 31, 2024

Particulars	Liabilities					Assets			
	Borrowings from Banks	Market Borrowings (other than Banks)	Foreign Borrowings	Deposits	Payable towards assignment and securitization transactions	Advances		Derivative Financial Instruments	Investments
						a) Portfolio (including Securitization)	b) Advances- Others		
1 to 7 Days	5,803.58	1,799.91	-	-	-	8,946.24	29,811.22	-	-
8 to 14 Days	5,799.41	1,799.92	-	-	600.39	10,617.81	4,708.78	-	-
15 Days to 30/31 (One Month)	14,085.31	4,368.95	-	-	1,143.05	20,455.84	2,687.80	-	-
Over 1 Month to 2 months	21,643.37	5,882.22	1,335.75	-	-	45,767.27	14,852.97	-	-
Over 2 months upto 3 months	28,288.48	15,006.38	-	-	-	38,863.05	7,039.26	-	-
Over 3 months upto 6 months	71,931.90	22,365.36	4,168.70	-	-	1,23,711.31	14,483.33	-	-
Over 6 months upto 1 Year	88,198.67	51,460.27	1,961.05	-	-	2,18,603.87	21,847.61	-	-
Over 1 Year upto 3 Year	1,24,921.18	1,76,806.63	58,766.13	-	-	3,02,267.91	18,196.24	-	5,255.00
Over 3 Year upto 5 Year	14.23	3,256.95	5,002.43	-	-	6,144.13	26.95	-	-
Over 5 Year	4.16	3,811.34	1,230.84	-	-	19,766.47	-	-	77,443.51
Total	**3,60,690.29**	**2,86,557.93**	**72,464.90**	**-**	**1,743.44**	**7,95,143.90**	**1,13,654.16**	**-**	**82,698.51**

As at March 31, 2023

Particulars	Liabilities				Assets		
	Borrowings from Banks	Market Borrowings (other than Banks)	Foreign Borrowings	Payable towards assignment and securitization transactions	Advances		Investments
					a) Portfolio (including Securitization)	b) Advances- Others	
1 to 7 Days	2,787.51	1,632.14	-	0.07	6,912.00	20,392.20	-
8 to 14 Days	2,787.51	1,632.14	-	10,811.60	6,912.00	1,038.58	-
15 Days to 30/31 (One Month)	5,575.02	3,264.27	-	7,224.63	9,216.00	774.43	-
Over 1 Month to 2 months	11,795.22	2,641.87	1,335.75	2.07	31,197.31	11,699.27	-
Over 2 months upto 3 months	19,439.47	36,303.65	-	-	30,807.61	6,111.62	-
Over 3 months upto 6 months	66,146.91	28,671.92	-	-	82,560.29	26,397.42	-
Over 6 months upto 1 Year	1,07,938.81	28,395.56	1,335.75	-	1,55,019.11	11,261.80	-
Over 1 Year upto 3 Year	78,208.92	94,083.49	17,265.00	-	2,38,191.20	25,200.12	6,064.19
Over 3 Year upto 5 Year	26.89	11,832.82	17,265.55	-	7,159.68	-	-
Over 5 Year	-	65.48	4,316.39	-	445.98	-	68,087.62
Total	**2,94,706.26**	**2,08,523.33**	**41,518.44**	**18,038.37**	**5,68,421.19**	**1,02,875.44**	**74,151.81**

Notes:

i) Above mentioned portfolio (own) does not include undrawn facilities amounting to INR 5,000 Lakhs (March 31, 2023: INR 6,650 Lakhs), since there are no sanctioned disbursement schedule.

ii) Unamortized processing fees are included in portfolio and borrowings.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(ix) Exposures:-

(a) Exposure to capital market:- Nil (March 31, 2023 : Nil)

(b) Exposure to real state sector as per below details.

Particulars	As at March 31, 2024	As at March 31, 2023
i) Direct exposure		
a) Residential Mortgages	64.28	90.00
b) Commercial Real Estate	-	-
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	-	-
Total Exposure to Real Estate Sector	**64.28**	**90.00**

(c) Sectoral exposure as per below details.

Sectors	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Retail business loans						
Micro finance loan/SHG Loan	7,63,884.55	19,421.03	2.54%	5,25,896.71	17,754.45	3.38%
2. Others						
Non- Food Credit - SME	29,170.41	356.25	1.22%	39,099.45	787.28	2.01%

(x) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by applicable NBFC.

The Company does not have single or group borrower exceeding the limits.

(xi) Unsecured Advances – Refer note 8 of Balance Sheet notes.

(xii) Details of financing of parent Company product:-

This disclosure is not applicable as the Company does not have any holding/parent Company.

(xiii) Registration obtained from other financial sector regulators:-

The Company is registered with following other financial sector regulators:

(a) Ministry of Corporate Affairs (MCA)

(b) Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)

(xiv) Disclosure of Penalties imposed by RBI & other regulators:-

March 31, 2024

Applicable Regulation	Penalty Levied By	Reason for Penalty	Date of Notice	Date of Payment	Fine levied (in INR)
Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations	BSE Ltd.	Delay in furnishing prior intimation with respect to date of payment of interest / redemption amount or intimation regarding board meeting effecting the rights or interest of holders of NCDs/NCRPS in the months of January 2021.	September 28, 2022	December 01, 2023	1,000

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

March 31, 2023

Applicable Regulation	Penalty Levied By	Reason for Penalty	Date of Notice	Date of Payment	Fine levied (in INR)
Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations	BSE Ltd.	Delay in providing notice of record date regarding certain NCDs during the months of March 2021, September 2021, October 2021 and November 2021	September 28, 2022 & January 09, 2023	January 10, 2023	50,000

(xv) Related party transactions:-

Please refer to note no 49

(xvi) Rating assigned by credit rating agencies and migration of ratings during the year-

During the current year, SMERA Ratings Private Limited has assigned a MFI grading of 'M1'to our company. (For credit rating, refer (note xx: Rating details)).

(xvii) Revenue Recognition

Revenue recogniation has not been postponed by the Company during the year (previous year NIL) due to any pending resolutions of significant uncertainties.

xviii) Net Profit or Loss for the period, prior period items and changes in accounting policies

Prior Period Items - Nil (previous year NIL).

Impact due to Change in accounting policies - There is no change during current year (previous year: Refer note 9).

xix) Loan against the security of Gold

Loan against the security of gold - Nil (March 31, 2023: Nil)

xx) Rating details

During the year, the Company's various instruments were rated, the details of these ratings are as under:-

S. No.	Particulars	Amount (INR in Crores)	Credit rating agency	Current rating	Previous rating
1	Long-term/short-term fund-based term bank facilities programme	4,500.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A- (Negative)
2	Long-term Fund-based Term Loan Facilities Program	7.66	ICRA Limited	[ICRA]A(CE) (Stable)	[ICRA]A(CE) (Stable)
3	Non Convertible Debentures	200.00^	ICRA Limited	[ICRA]A (Stable)	[ICRA]A- (Negative)
4	Non Convertible Debentures	550.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A- (Negative)
5	Non Convertible Debentures	1,111.85	CARE Ratings Limited	CARE BBB+; Stable	CARE BBB+; Stable
6	Subordinate Debt	60.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A- (Negative)
7	Subordinate Debt	30.00	CARE Ratings Limited	CARE BBB+;Stable	CARE BBB+; Stable
8	Commercial Paper	200.00	ICRA Limited	[ICRA] A1	[ICRA] A1
9	Securitization	114.63	ICRA Limited	[ICRA]A+(SO)	
10	Securitization	28.99	ICRA Limited	[ICRA]A+(SO)	
11	Securitization	115.32	ICRA Limited	[ICRA]AA(SO)	
12	Securitization	5.49	ICRA Limited	[ICRA]A+(SO)	
13	Securitization	23.18	ICRA Limited	[ICRA]AA-(SO)	
14	Securitization	1.86	ICRA Limited	[ICRA]A(SO)	
15	Securitization	39.79	ICRA Limited	[ICRA]A(SO)	
16	Securitization	1.02	ICRA Limited	[ICRA]A-(SO)	
17	Securitization	1.11	Unrated Equity Tranche	Unrated Equity Tranche	
18	Securitization	19.02	CRISIL Rating Limited	CRISIL AA- (SO)	
19	Securitization	44.83	CRISIL Rating Limited	CRISIL A+ (SO)	
20	Securitization	29.84	ICRA Limited	[ICRA]A+(SO)	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

S. No.	Particulars	Amount (INR in Crores)	Credit rating agency	Current rating	Previous rating
21	Securitization	86.88	CRISIL Rating Limited	CRISIL AA (SO)	
22	Securitization	31.94	ICRA Limited	[ICRA] AA- (SO)	
23	Securitization	2.35	ICRA Limited	[ICRA] A(SO)	
24	Securitization	72.99	CRISIL Rating Limited	CRISIL AA-(SO)	
25	Securitization	48.17	CRISIL Rating Limited	CRISIL A-(SO)	
26	Securitization	122.99	CRISIL Rating Limited	CRISIL AA (SO)	
27	Securitization	2.86	CRISIL Rating Limited	CRISIL AA- (SO)	
28	Securitization	75.00	CRISIL Rating Limited	CRISIL AA-(SO)	
29	Securitization	1.06	CRISIL Rating Limited	CRISIL A+(SO)	
30	Securitization	95.21	CRISIL Rating Limited	CRISIL A+(SO)	
31	Securitization	100.00	CRISIL Rating Limited	CRISIL AA (SO)	
32	Securitization	28.50	CRISIL Rating Limited	CRISIL AA- (SO)	
33	Securitization	7.12	CRISIL Rating Limited	CRISIL A- (SO)	

^ Proposed Public Issue

(xxi) Remuneration of directors:-

Particulars	Position	Remuneration / Commission		Provident fund and others		Sitting fees	
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Harvinder Pal Singh	Chairman & Managing Director	140.69	140.32	14.39	14.39	Nil	Nil
Mr. Satvinder Singh	Non- Executive Director	-	-	-	-	6.05	4.25
Mr. Sundeep Kumar Mehta	Non- Executive Director	-	-	-	-	8.75	5.95
Mrs. Sangeeta Khorana	Non- Executive Director	-	-	-	-	5.15	2.50
Mr. Goh Colin	Non- Executive Director	-	-	-	-	6.75	4.55
Mr. Sanjay Kumar Bhatia	Non- Executive Director	-	-	-	-	7.85	4.55
Mr. Anil Kumar Kalra	Non- Executive Director	-	-	-	-	6.05	3.90
Mr. Anil Kaul	Non- Executive Director	5.00	-	-	-	1.25	-
Mr. Christian Bernhard Ramm *	Nominee Director	-	-	-	-	-	-

* Mr. Christian Bernhard Ramm had resigned w.e.f. March 01, 2023.

(xxii) Additional disclosures:-

(a) Provisions and contingencies:-

Break up of Provisions and Contingencies shown under the head expenditure in statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for depreciation on investment	(1,411.62)	2,694.04
Provision towards NPA	2,900.23	(18,883.80)
Provision made towards income tax	6,709.27	(30.37)
Other provision and contingencies (with details)		
i) Provision for compensated absences	332.51	163.04
ii) Provision for gratuity	239.21	230.74
Provision for Standard assets	2,797.95	(3,703.90)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(b) Draw down from reserves:-

There has been no draw down from reserve during the year ended March 31, 2024 (March 31, 2023: Nil)

(c) Concentration of advances, exposures and NPAs:-

Particulars	As at March 31, 2024	As at March 31, 2023
Concentration of advances		
Total advance to twenty largest borrowers	22,909.85	28,224.75
% of advance to twenty largest borrowers to total advances	2.82%	4.87%
Concentration of exposures		
Total exposure to twenty largest borrowers/customers	36,299.28	37,665.69
% of exposure to twenty largest borrowers/customers to total exposure	4.39%	6.41%
Concentration of NPAs		
Total exposure of top four NPA account	65.64	61.87
% of exposure to top four NPA account	0.01%	0.01%

(d) Sector-wise NPAs:-

Particulars	As at March 31, 2024	As at March 31, 2023
	Percentage of NPAs to total advance to that sector	
Sector		
1 Agriculture and allied activities	2.53%	3.41%
2 MSME	2.46%	4.96%
3 Corporate borrowers	0.00%	0.00%
4 Services	2.21%	2.11%
5 Unsecured personal loans	0.00%	0.00%
6 Auto loans	0.00%	0.00%
7 Other personal loans	0.00%	0.00%

(e) Movement of NPAs:-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Net NPAs to net advance (%)	0.99%	1.49%
ii) Movement of NPAs (Gross)		
a) Opening balance	18,541.73	41,195.29
b) Addition during the year	14,438.48	40,576.76
c) Reduction/ write off during the year	13,202.93	63,230.32
d) Closing balance	19,777.28	18,541.73
iii) Movement of NPAs (Net)		
a) Opening balance	8,455.24	12,225.00
b) Addition during the year	6,776.04	33,712.86
c) Reduction/ write off during the year	7,408.67	37,482.62
d) Closing balance	7,822.61	8,455.24
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	10,086.49	28,970.29
b) Addition during the year	7,662.44	6,863.90
c) Reduction/ write off during the year	5,794.26	25,747.70
d) Closing balance	11,954.67	10,086.49

Interest due but not received on portfolio are not included in portfolio.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(f) Overseas assets (for those with Joint Ventures and subsidiaries abroad) – Nil

(g) Off-balance sheet SPVs sponsored – N.A.

(h) Customer complaints:-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Number of complaints pending at the beginning of the year	55	51
b) Number of complaint received during the year	6,100	7,528
c) Number of complaint redressed during the year	6,120	7,524
d) Number of complaint pending at the end of the year	35	55

(i) Instances of fraud:-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of cases	249	66
Amount of fraud	42.92	126.04
Recovery	4.92	6.12
Amount written off	38.00	119.92

(B) Information on Net Interest Margin :-

Particulars	Percentage (%)
For the year ended March 31, 2024	11.77%
For the year ended March 31, 2023	9.60%

(C) Disclosure as required by Para 18 of Non-Banking Financial Company – systemically important non-deposit taking Company and deposit taking Company (Reserve Bank) Directions, 2016 is as under:

Particulars	Amount Outstanding	Amount Overdue
Liabilities side:		
1 Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	1,04,550.99	-
Unsecured	12,977.03	-
(other than falling within the meaning of Public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	5,24,940.18	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	5,130.86	-
(f) Public deposits	-	-
(g) Other Loans :		
Other unsecured loans against assets of the Company	-	-
Secured loans against assets of the Company	122.68	-
Overdraft facility	-	-
Liability against securitized assets	77,548.43	-
Liability against leased assets	1,611.75	-
Preference shares other than those that qualify as equity	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Amount Outstanding	Amount Overdue
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

Assets side :	Amount outstanding
3 Break-up of Loans and advances including bills receivables (other than those included in (4) below) :	
(a) Secured	3,095.97
(b) Unsecured	8,09,631.13
4 Break-up of Leased Assets and stock on hire and other assets counting towards	
AFC activities	
(I) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(II) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	-
(b) Repossessed Assets	-
(III) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
5 Break-up of Investments :	
Current Investments :	
1. Quoted :	
(I) Shares :	
(a) Equity	-
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (please specify)	-
2. Unquoted :	
(I) Shares :	
(a) Equity	-
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others :	
(a) Certificate of Deposit	-
(b) Commercial Paper	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Assets side :	Amount outstanding
Long Term Investments :	
1. Quoted :	
(I) Shares :	
(a) Equity	-
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (please specify)	-
2. Unquoted :	
(I) Shares :	
(a) Equity	77,443.50
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (Pass through Certificates and Security Receipts)	6,537.43
Total	**83,980.93**

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

Category	Particulars				Total
	Secured	Unsecured	Provision - Secured	Provision - Unsecured	
1. Related Parties					
(a) Subsidiaries	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-
(c) Other related parties	-	-	-	-	-
2. Other than related Parties	3,095.97	8,09,631.13	221.42	17,361.78	7,95,143.90
Total	**3,095.97**	**8,09,631.13**	**221.42**	**17,361.78**	**7,95,143.90**

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

Category	Market Value/Breakup or fair value or NAV	Book Value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	77,363.37	41,760.14
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related Parties	6,617.56	11,208.85
Total	**83,980.93**	**52,968.99**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

8 Other information

Particulars		Amount
(I)	Gross Non-Performing Assets	19,777.28
(a)	Related parties	-
(b)	Other than related parties	19,777.28
(II)	Net Non-Performing Assets	7,822.61
(a)	Related parties	-
(b)	Other than related parties	7,822.61
(III)	Assets acquired in satisfaction of debt	-

9 Pursuant to RBI circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019, Liquidity credit risk disclosures are presented as below:

Qualitative Disclosure on LCR

As per Reserve Bank of India guidelines, all deposit-taking NBFCs irrespective of their asset size and non-deposit-taking NBFCs with an asset size of INR 5,000.00 crore and above are required to maintain a liquidity coverage ratio (LCR) to ensure availability of adequate high-quality liquid assets (HQLA) to survive any acute liquidity stress scenario i.e, cash outflow increased to 115% and cash inflow decreased to 75%, lasting for 30 days. As per RBI guidelines,LCR has been calculated using the simple average of daily observations (over a period of 90 days).

Cash outflows under secured funding include contractual payments of the term loan, NCDs, and other debt obligations including interest payments. To compute inflow from fully performing exposures, the company considers collection from performing advances including interest due in the next 30 days. Other cash inflows include cash from unencumbered fixed deposits, Certificates of deposits, and mutual fund investments maturing in the next 30 days. The LCR as of March 31, 2024, is 132.39%, which is above the regulatory requirement of 85%.

(i) LCR Disclosure

Particulars		As at March 31, 2024		As at December 31, 2023		As at September 30, 2023		As at June 30, 2023	
		Total Unweighted Amount [1]	Total Weighted Amount [2]	Total Unweighted Amount [1]	Total Weighted Amount [2]	Total Unweighted Amount [1]	Total Weighted Amount [2]	Total Unweighted Amount [1]	Total Weighted Amount [2]
High Quality Liquid Assests (HQLAs)									
1	Total High Quality Liquid Assests (HQLA)	33,177.70	30,655.21	28,585.25	26,422.52	15,049.74	14,289.11	12,541.27	12,163.25
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	5,118.20	5,885.93	1,329.05	1,528.40	5,557.67	6,391.32	956.58	1,100.07
4	Secured wholesale funding	32,100.15	36,915.17	30,813.08	35,435.04	27,888.18	32,071.41	28,765.79	33,080.66
5	Additional requirements, of which								
	i Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	ii Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	iii Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	49,820.53	49,820.53	48,550.37	48,550.37	11,874.31	13,655.45	11,372.45	13,078.32
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**87,038.88**	**92,621.63**	**80,692.50**	**85,513.81**	**45,320.16**	**52,118.18**	**41,094.82**	**47,259.05**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	83,219.06	62,414.29	72,946.03	54,709.52	44,363.71	33,272.78	41,749.32	31,311.99
11	Other cash inflows	74,579.60	55,934.70	77,580.16	58,185.12	20,592.54	15,444.40	10,585.31	7,938.98
12	**TOTAL CASH INFLOWS**	**1,57,798.66**	**1,18,348.99**	**1,50,526.19**	**1,12,894.64**	**64,956.25**	**48,717.18**	**52,334.63**	**39,250.97**
13	TOTAL HQLA	**33,177.70**	**30,655.21**	**28,585.25**	**26,422.52**	**15,049.74**	**14,289.11**	**12,541.27**	**12,163.25**
14	TOTAL NET CASH OUTFLOWS	21,759.72	23,155.41	20,173.13	21,378.45	11,330.04	13,029.55	10,273.71	11,814.76
15	**LIQUIDITY COVERAGE RATIO (%)**		**132.39%**		**123.59%**		**109.67%**		**102.95%**
	Components of HQLA								
	Cash on hand and balance with banks in current accounts	9,201.81	9,201.81	13,128.87	13,128.87	9,703.16	9,703.16	10,021.15	10,021.15
	Investment in commercial papers	16,816.58	14,294.09	14,418.17	12,255.44	5,070.87	4,310.24	2,520.12	2,142.10
	T-Bills	7,159.31	7,159.31	1,038.21	1,038.21	275.71	275.71	-	-

[1]Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

[2]Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow

(ii) Funding Concentration based on significant counterparty

Sr. No.	Number of Significant Counterparties	Amount*	% of Total deposits	% of Total Liabilities
1	Twenty Five	5,62,830.48	N.A.	75.90%

*Accured interest but not due and unamortized transaction costs are included in borrowings.

(iii) Top 20 large deposits

There are no deposits accepted by the company during the year as company is non-deposit taking NBFC.

(iv) Top 10 borrowings

Sr. No.	For the Financial Year ended	Amount*	% of total borrowings
1	March 31, 2024	3,73,646.82	51.40%
2	March 31, 2023	2,93,161.14	54.47%

*Accured interest but not due and unamortized transaction costs are included in borrowings.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(v) Funding Concentration based on significant instrument/product

Sr. No.	Nature of significant instrument/product	As at March 31, 2024		As at March 31, 2023	
		Amount*	% of Total Liabilities	Amount*	% of Total Liabilities
1	Non-convertible debentures	1,14,183.98	15.40%	1,21,770.33	21.25%
2	Term loans	4,48,773.19	60.52%	2,66,278.51	46.46%
3	Overdraft facility against term deposits	-	0.00%	-	0.00%
4	External commercial borrowings	72,464.91	9.77%	40,898.49	7.14%
5	Commercial paper	5,130.86	0.69%	-	0.00%
6	Preference shares other than those that qualify as equity	-	0.00%	-	0.00%
7	Liability against securitized assets	77,548.43	10.46%	1,14,564.33	19.99%
8	Liability against leased assets	1,611.75	0.22%	1,236.37	0.22%
	Total	**7,19,713.12**	**97.06%**	**5,44,748.03**	**95.06%**

*Unamortized processing fees are included in borrowings.

(vi) Stock Ratios:

Particulars		As at March 31, 2024						
		Amount	Total public funds	Total liabilities	Total assets	% of Total public funds	% of Total liabilities	% of Total assets
1	Commercial papers	5,130.86	7,19,713.12	7,41,583.70	10,08,317.97	0.71%	0.69%	0.51%
2	Non-convertible debentures (original maturity of less than one year)	-	7,19,713.12	7,41,583.70	10,08,317.97	0.00%	0.00%	0.00%
3	Other short-term liabilities (excluding commercial paper)	14,288.02	7,19,713.12	7,41,583.70	10,08,317.97	1.99%	1.93%	1.42%

Particulars		As at March 31, 2023						
		Amount	Total public funds	Total liabilities	Total assets	% of Total public funds	% of Total liabilities	% of Total assets
1	Commercial papers	-	5,44,748.04	5,73,167.97	7,64,539.65	0.00%	0.00%	0.00%
2	Non-convertible debentures (original maturity of less than one year)	-	5,44,748.04	5,73,167.97	7,64,539.65	0.00%	0.00%	0.00%
3	Other short-term liabilities (excluding commercial paper)	34,385.72	5,44,748.04	5,73,167.97	7,64,539.65	6.31%	6.00%	4.50%

(vii) Institutional set-up for liquidity risk management

The Company has a robust risk management system in place. To ensure smooth functioning of business operations, the Company maintains adequate liquidity in the form of cash, Bank Balances, and mutual funds. The Company has a Risk Management Committee of the Board (RMCB) and is further sub-delegated to the Executive Risk Management Committee and the Asset Liability Management Committee (ALCO). The responsibility of the ALCO is to manage liquidity risk. ALCO reviews and ensures compliance with policies, frameworks, internal limits, and regulatory limits related to ALM and update the same to the board. The Executive Risk Management Committee is responsible for overseeing the implementation of risk management framework across the Company and providing recommendations to the RMCB. RMCB meetings are held at periodic intervals.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(D) Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA) in accordance with RBI Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(a) Details of NPA loans sold during the year

Sr. No.	Particular	To ARCs		To permitted transferees	
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
1	No. of accounts	-	23,081	-	-
2	Aggregate principal outstanding (including interest accrued) of loans transferred	-	10,000.03	-	-
3	Weighted average residual tenor of the loans transferred (months)	-	3.70	-	-
4	Net book value of loans transferred (at the time of transfer)*	-	10,000.03	-	-
5	Aggregate consideration	-	8,650.00	-	-
6	Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-

*excludes ECL provision of INR Nil (March 31, 2023 : INR 3,555.42 Lakhs) which has been reversed on account of sale of portfolio of such loans.

(b) There are no loans acquired during the year.

(c) Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies.

Sr. No.	Security Receipts	Category of Recovery Ratings		Amount	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
1	Security Receipts in Prudent Trust 67/22	IVR RR3	IVR RR2	2,756.91	3,276.02
2	Security Receipts in Prudent Trust 70/22	IVR RR3	IVR RR3	3,563.46	5,354.41
				6,320.37	**8,630.43**

(E) Pursuant to RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 issued for Resolution Framework for COVID-19-related Stress,

As at March 31, 2024

Sr. No.	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2024
1	Personal Loans	-	-	-	-	-
2	Business Loan - JLG	1,039.76	314.85	-	616.89	108.02
3	Business Loan - Others	41.56	-	-	6.52	35.04
4	Corporate persons*	90.56	-	-	90.56	-
	Total	**1,171.88**	**314.85**	**-**	**713.97**	**143.06**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at September 30, 2023

Sr. No.	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2023
1	Personal Loans	-	-	-	-	-
2	Business Loan - JLG	5,167.99	1,169.08	-	2,959.15	1,039.76
3	Business Loan - Others	50.20	-	-	8.64	41.56
4	Corporate persons*	93.16	-	-	2.60	90.56
	Total	**5,311.35**	**1,169.08**	**-**	**2,970.39**	**1,171.88**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

58. Additional disclosures in terms of RBI circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 which are not covered in above notes.

(A) Unhedged foreign currency exposure

There is no unhedged foreign currency exposure as on reporting date.

(B) Disclosure of complaints

1. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman.

Particulars	As at March 31, 2024	As at March 31, 2023
Complaints received by the NBFC from its customers		
Number of complaints pending at beginning of the year	55	51
Number of complaints received during the year	6,100	7,528
Number of complaints disposed during the year	6,120	7,524
Of which, number of complaints rejected by the NBFC	17	11
Number of complaints pending at the end of the year	35	55
Maintainable complaints received by the NBFC from Office of Ombudsman		
Number of maintainable complaints received by the NBFC from Office of Ombudsman	20	13
Number of complaints resolved in favour of the NBFC by Office of Ombudsman	20	13
Number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
Number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

2. Top five grounds of complaints received by the NBFCs from customers.

Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
As at March 31, 2024					
Related to Insurance/Hospicash	6	1,463	19%	1	-
Related to Staff Behaviour	15	1,351	(12%)	11	-
Credit Bureau Related	7	1,227	21%	2	-
Third Party Product	3	622	34%	-	-
Application Stage Related	1	616	(74%)	-	-
Total	**32**	**5,279**		**14**	**-**
As at March 31, 2023					
Application Stage Related	-	2,337	(35%)	1	-
Related to Staff Behaviour	17	1,534	(14%)	15	-
Related to Insurance/Hospicash	18	1,230	(59%)	6	-
Credit Bureau Related	4	1,010	20%	7	-
Recovery Stage Related	7	544	(53%)	10	-
Total	**46**	**6,655**		**39**	**-**

(C) Intra-group exposures as on March 31, 2024

i) Total amount of intra-group exposures - INR 13,958.81 Lakhs (previous year - INR 13,566.32 Lakhs).

ii) Total amount of top 20 intra-group exposures - INR 13,958.81 Lakhs (previous year - INR 13,566.32 Lakhs).

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers - 1.69% (previous year - 2.30%).

(D) Instances of breach of covenant of loan availed or debt securities issued.

Breach of covenant	As at March 31, 2024	As at March 31, 2023
Number of instances	2	19
Amount involved (INR in Crores)	193.06	1,042.00

(E) There are no instances of Divergence in Asset Classification and Provisioning norms identified by RBI for the financial year.

(F) Loans to Directors, Senior Officers and Relatives of Directors

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Directors and their relatives	-	-
2	Entities associated with directors and their relatives	-	-
3	Senior Officers and their relatives	50.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(G) Disclosure for Credit Default Swaps - NIL (March 31, 2023 - NIL).

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

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	83.55	23.87
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

60. Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule III of Companies Act, 2013

(i) All the borrowings of the company are used for the specific purpose for which it was taken.

(ii) There are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(iii) The Company is not a wilful defaulter as declared by any bank or financial Institution or any other lender.

(iv) The Company reviews transactions on an ongoing basis to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies except as mentioned below.

Name of the company	Nature of transaction	Amount of transaction	Balance outstanding	Relationship
M.S. Hotel Pvt. Ltd.	Tour & Travel Expense	0.09	Nil	None

(v) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(ix) Analytical ratios

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
- Tier I CRAR	2,03,553.64	7,75,323.52	26.25%	25.33%	3.64%	NA
- Tier II CRAR	10,923.73	7,75,323.52	1.41%	1.29%	9.22%	NA
Liquidity coverage ratio	30,655.21	23,155.41	132.39%	133.53%	-1.14%	NA

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

61. Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/ disclosure adopted in the current year.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Satin Creditcare Network Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Satin Creditcare Network Limited (the "Parent Company")** and its subsidiaries **(the Parent Company and its subsidiaries together referred to as the "Group")** which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information **(hereinafter referred to as the "consolidated financial statements")**.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 **("the Act")** in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended **("Ind AS")** and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit & total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing **("SAs")** 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India **("the ICAI")** together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
In Respect of Parent Company **Use of information processing system for accounting and financial reporting** The Company is operating in Financial Services Sector, where in due to large volume processing, the accounting & reporting of financial information is reliant on information processing systems and Information Technology (IT) backed internal controls. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. Since our audit strategy included focus on entity's information processing systems relevant to our audit due to their pervasive impact on the standalone financial statements, we have determined the use of information processing system for accounting and financial reporting as a key audit matter for the current year audit.	**Principle Audit Procedures** Our key audit procedures on this matter included, but were not limited, to the following: (a) obtained an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit; (b) Performance of the following procedures: i. tested the IT General Controls around user access management, system change management, and IT operational controls along with segregation of duties around program maintenance, security administration and over key financial accounting and reporting processes;

Key Audit Matter	Auditor's Response
	ii. tested the design and operating effectiveness of the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; iii. tested the automated controls like interfaces and information generated by the entity's information processing systems for loans, interest income and other significant financial statement items; and iv. in addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting (c) obtained written representations from management and those charged with governance on whether IT general controls and automated IT controls are designed and were operating effectively during the period covered by our audit.
In Respect of Parent Company **Impairment of Financial Assets as at Balance Sheet date (Expected Credit losses on loans)** ***[Refer Note No. 3(j) for the accounting policy and Note No. 44 for the related disclosures of Standalone Financials of the Company]*** As at March 31, 2024, the Company has financial assets (loans) amounting to Rs. 7,95,143.90 lakhs including loans which are carried at fair value through other comprehensive income amounting to Rs. 6,46,447.82 lakhs. As per Ind AS 109 - Financial Instruments, the Company is required to recognize loss allowance for expected credit losses (ECL) on financial assets. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. ECL is calculated using the percentage of probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each of the stages of loan portfolio. ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to: • determining the criteria for a significant increase in credit risk (SICR) • factoring in future economic assumptions • techniques used to determine probability of default, loss given default and exposure at default.	**Principle Audit Procedures** Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through but were not limited to the following procedures: a) performed a walkthrough of the impairment loss allowance process and assessed the design effectiveness of controls; b) read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to guidelines issued by Reserve Bank of India; c) obtained an understanding of the model adopted by the Company including key inputs, assumptions and management overlays for calculation of expected credit losses on the assumptions and how management calculated the expected credit losses and the appropriateness of data on which the calculation is based; d) obtained the reports of the expert appointed by the management and assessed the expert's professional competence, independence and objectivity in reviewing the ECL model; e) evaluated the appropriateness of the Company's determination of significant increase in credit risk in accordance with the applicable Ind AS.

Key Audit Matter	Auditor's Response
These parameters are derived from the Company's internally developed statistical models with the help of experts appointed by the management and other historical data.	f) as modeling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios; Assessed the criteria for staging of loans based on their past due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages g) tested the design and operating effectiveness of the key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognized; h) tested the accuracy of inputs through substantive procedures and assessed the reasonableness of the assumptions used; i) developed a point estimate by making reference to the expected credit losses recognized by entities that carry comparable financial assets; j) tested the arithmetical calculation of the expected credit losses; k) assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying financial statements in accordance with the applicable Ind AS and related RBI circulars and Resolution Framework; and l) obtained written representations from management and those charged with governance whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Parent Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 1,15,257.97 lakhs as at March 31, 2024, total revenues of Rs. 21,371.81 Lakhs, Net Profit after Tax of Rs. 1,389.20 lakhs, total Comprehensive Income of Rs. 2,002.68 lakhs and cash inflow (net) amounting to Rs. 2,339.20 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Parent Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e. On the basis of the written representations received from the directors of the Parent Company as on March 31, 2024 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies incorporated in India.

iv) (a) The respective Management of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Management of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITOR'S REPORT (Contd.)

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent Company or its subsidiaries have not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, the Parent Company and its subsidiaries has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and such logs in relation to applications have operated throughout the year for all relevant transactions recorded in the software. However, edit logs for database in relation to the Parent company are available for part of the year. Further, during the course of our audit we and the auditors of subsidiaries did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and further to the comments in "Annexure A" to Independent Auditor's Report on Standalone Financial Statements issued by us and auditors of its subsidiaries included in the consolidated financial statements of the Parent Company, we report that there are no qualifications or adverse remarks in these CARO reports.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership No.094380
UDIN: 24094380BKBEXU7649
Place : Gurugram
Date : April 29, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satin Creditcare Network Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (the "ACT")

In conjunction with our audit of the consolidated financial statements of the Parent Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of **Satin Creditcare Network Limited** (hereinafter referred to as the "Parent Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Boards of Directors of the Parent Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 respective 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal control with reference to financial statements of the Parent Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 control with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 internal financial controls system with reference to financial statements of the Parent Company and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control with reference to the 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 and to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to the financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership No.094380
UDIN: 24094380BKBEXU7649
Place : Gurugram
Date : April 29, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and cash equivalents	4	42,404.88	25,770.63
Bank balances other than cash and cash equivalents	5	84,708.37	85,665.12
Derivative financial instruments	6	1,800.00	2,231.64
Trade receivables	7	844.74	539.45
Loans	8	8,90,812.44	6,32,885.67
Investments	9	5,648.52	6,175.90
Other financial assets	10	3,558.13	2,312.80
		10,29,777.08	**7,55,581.21**
Non-financial Assets			
Current tax assets (net)	11(a)	1,156.13	4,327.55
Deferred tax assets (net)	12	908.10	8,857.48
Investment Property	13	631.91	664.26
Property, plant and equipment	14	9,169.65	8,681.88
Capital work-in-progress	14	9.21	-
Goodwill		3,370.66	3,370.66
Other intangible assets	15	90.11	179.17
Other non-financial assets	16	3,888.10	3,294.60
		19,223.87	**29,375.60**
TOTAL ASSETS		**10,49,000.95**	**7,84,956.81**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		13.78	10.42
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		371.74	497.45
Other payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		83.55	23.87
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,713.87	1,527.78
Debt securities	19	1,03,353.73	1,09,643.58
Borrowings (other than debt securities)	20	6,53,375.29	4,44,358.26
Subordinated liabilities	21	34,765.04	37,122.90
Other financial liabilities	22	12,470.35	27,071.94
		8,06,147.35	**6,20,256.20**
Non-financial Liabilities			
Current tax liabilities (net)	11(b)	234.95	-
Provisions	22	1,017.40	934.35
Other non-financial liabilities	23	1,516.42	953.82
		2,768.77	**1,888.17**
EQUITY			
Equity share capital	24	11,004.32	8,479.63
Other equity	25	2,29,080.51	1,54,332.81
		2,40,084.83	**1,62,812.44**
TOTAL LIABILITIES AND EQUITY		**10,49,000.95**	**7,84,956.81**

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated Balance Sheet referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I. INCOME			
Revenue from operations			
Interest income	26	1,88,176.35	1,24,896.84
Dividend income	27	-	0.17
Rental income	28	40.69	38.28
Fees and commission income	29	6,536.76	7,674.41
Net gain on fair value changes	30	783.84	1,415.45
Net gain on derecognition of financial instruments	31	27,285.52	20,758.09
Other operating income	32	455.66	132.73
Total revenue from operations		**2,23,278.82**	**1,54,915.97**
Other income	33	773.96	173.29
Total Income		**2,24,052.78**	**1,55,089.26**
II. EXPENSES			
Finance costs	34	90,102.14	61,673.10
Impairment on financial instruments	35	15,079.54	39,995.15
Employee benefit expenses	36	44,791.39	38,760.29
Depreciation and amortization	37	2,266.14	1,839.37
Other expenses	38	13,524.78	12,297.28
Total expenses		**1,65,763.99**	**1,54,565.19**
Profit before tax		**58,288.79**	**524.07**
Tax expense:	39		
Current tax		6,949.62	(48.89)
Deferred tax		7,745.37	91.65
Total tax expenses		**14,694.99**	**42.76**
Profit after tax		**43,593.80**	**481.31**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurements of the defined benefit plans (refer note 46)		(7.53)	(47.92)
Equity instruments through other comprehensive income (refer note 9)		(2,046.87)	(2,731.61)
Income tax relating to above items		517.17	699.85
	A	**(1,537.23)**	**(2,079.68)**
Items that will be reclassified to profit and loss			
Changes in fair value of loan assets (refer note 8)		2,865.44	44.87
Income tax relating to above item		(721.18)	(11.30)
Cash flow hedge reserve (refer note 25)		-	(27.48)
Income tax relating to above item		-	6.92
	B	**2,144.26**	**13.01**
Other comprehensive income	A+B	**607.03**	**(2,066.67)**
Total comprehensive income for the year		**44,200.83**	**(1,585.36)**
Net profit after tax attributable to			
Owners of the Parent Company		43,593.80	481.31
Non-controlling interests		-	-
Other comprehensive income attributable to			
Owners of the Parent Company		607.03	(2,066.67)
Non-controlling interests		-	-
Total comprehensive income attributable to			
Owners of the Parent Company		44,200.83	(1,585.36)
Non-controlling interests		-	-
Earnings per equity share (face value of INR 10 per equity share)	40		
Basic (INR)		44.34	0.62
Diluted (INR)		43.27	0.59

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated statement of profit and loss referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	58,288.79	524.07
Adjustments for:		
Depreciation and amortization	1,291.33	1,229.41
Depreciation of right-of-use assets	974.81	609.96
Net loss / (gain) on derecognition of property, plant and equipment	35.75	(9.95)
Fair value gain on mutual funds	(1,246.54)	(375.37)
Unrealized loss / (gain) on fair value changes of derivatives and investments	462.70	(1,040.08)
Property, plant and equipment written off	6.41	6.01
Impairment on financial instruments	15,079.54	39,995.15
Dividend income	-	(0.17)
Gain on sale of loan portfolio through assignment	(27,285.52)	(20,758.09)
First loss default guarantee (reversal) / expenses	(176.05)	104.69
Effective interest rate adjustment for financial instruments	4,508.60	1,545.17
Interest expense for leasing arrangements	242.97	141.07
Net gain on termination of leases	(15.57)	(7.59)
Unrealized exchange fluctuation loss (net)	924.29	519.90
Operating profit before working capital changes	**53,091.51**	**22,484.18**
Movement in working capital		
(Increase) in trade receivables	(305.29)	(263.37)
(Increase) in loans	(2,41,458.21)	(1,18,516.18)
Decrease in fixed deposits	956.75	5,402.76
(Increase)/ decrease in other financial assets	(1,360.05)	564.72
(Increase)/ decrease in other non-financial assets	(593.50)	588.34
Increase/ (decrease) in trade and other payables	123.42	(911.17)
(Decrease) in other financial liabilities	(14,438.59)	(1,040.32)
Increase/ (decrease) in provisions	75.52	(95.90)
Increase/ (decrease) in other non-financial liabilities	562.60	(81.72)
Cash used in operating activities post working capital changes	**(2,03,345.84)**	**(91,868.66)**
Income taxes paid (net)	(3,543.25)	(3,765.43)
Net cash used in operating activities (A)	**(2,06,889.09)**	**(95,634.09)**
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,280.91)	(969.19)
Proceeds from sale of property, plant and equipment	70.61	72.26
Purchase of intangible assets	(26.19)	(24.51)
Dividend income	-	0.17
Purchase of investments	(13,54,657.43)	(5,30,931.63)
Sale of investments	13,53,071.00	5,24,563.07
Net cash used in investing activities (B)	**(2,822.92)**	**(7,289.83)**
C CASH FLOWS FROM FINANCING ACTIVITIES (REFER TO NOTE I BELOW)		
Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	33,084.63	6,218.75
Proceeds from debt securities	50,725.06	28,209.32
Repayment of debt securities	(57,567.17)	(38,043.56)
Proceeds from borrowings other than debt securities	6,51,610.42	4,24,769.35
Repayment of borrowings other than debt securities	(4,47,969.60)	(3,71,545.96)
Lease payments	(1,146.97)	(730.18)
Proceeds from subordinated liabilities	4,801.07	-
Repayment of subordinated liabilities	(7,191.18)	(9,890.93)
Net cash generated from financing activities (C)	**2,26,346.26**	**38,986.79**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	16,634.30	(63,937.13)
Cash and cash equivalents at the beginning of the year (refer to note ii below)	25,770.63	89,707.76
Cash and cash equivalents at the end of the year	**42,404.88**	**25,770.63**

(i) Refer note 21 for reconciliation of liabilities arising from financing activities.
(ii) Refer note 5 for restricted cash and cash equivalents.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Notes:		
Cash and cash equivalents (as per note 4 to the financial statements)	42,404.88	25,770.63
Less: Overdraft facility against term deposits (as per note 20 to the financial statements)	-	-
	42,404.88	**25,770.63**

Statement of material accounting policies and other explanatory notes. Note 1-3

This consolidated statement of cash flow referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL (Refer note 24)

March 31, 2024

Particulars	Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2023	Changes during the year	Balance as at March 31, 2024
Equity share capital	8,479.63	-	8,479.63	2,524.69	11,004.32

March 31, 2023

Particulars	Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2022	Changes during the year	Balance as at March 31, 2023
Equity share capital	7,459.12	-	7,459.12	1,020.51	8,479.63

B. OTHER EQUITY (Refer note 25)

Particulars	Reserves and surplus					Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	Money received against share warrants	Cash flow hedge reserve	Total attributable to equity holders of the parent	Total non-controlling interest	Total
	Statutory reserve fund	Securities premium	General reserve	Capital redemption reserve	Retained earnings							
Balance as at April 01, 2022	**11,003.98**	**1,06,455.16**	**29.94**	**2,777.00**	**24,864.90**	**(5.00)**	**579.68**	**5,000.00**	**20.56**	**1,50,726.22**	**-**	**1,50,726.22**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated balances as at April 01, 2022	11,003.98	1,06,455.16	29.94	2,777.00	24,864.90	(5.00)	579.68	5,000.00	20.56	1,50,726.22	-	1,50,726.22
Profit for the year	-	-	-	-	481.31	-	-	-	-	481.31	-	481.31
Other comprehensive income (net of tax)	-	-	-	-	(35.57)	(2,044.12)	33.57	-	(20.56)	(2,066.68)	-	(2,066.68)
Issue of equity shares (net of share issue expenses)	-	7,271.15	-	-	-	-	-	(8,291.67)	-	(1,020.52)	-	(1,020.52)
Issue of share warrants (refer note 24(F) and 25)	-	-	-	-	-	-	-	6,218.75	-	6,218.75	-	6,218.75
Transfer to statutory reserves	5,569.32	-	-	-	(5,569.32)	-	-	-	-	-	-	-
Share issue expense of subsidiary	-	-	-	-	(6.27)	-	-	-	-	(6.27)	-	(6.27)
Balance as at March 31, 2023	**16,573.30**	**1,13,726.31**	**29.94**	**2,777.00**	**19,735.05**	**(2,049.12)**	**613.25**	**2,927.08**	**-**	**1,54,332.81**	**-**	**1,54,332.81**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at March 31, 2023	16,573.30	1,13,726.31	29.94	2,777.00	19,735.05	(2,049.12)	613.25	2,927.08	-	1,54,332.81	-	1,54,332.81

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Reserves and surplus					Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	Money received against share warrants	Cash flow hedge reserve	Total attributable to equity holders of the parent	Total non-controlling interest	Total
	Statutory reserve fund	Securities premium	General reserve	Capital redemption reserve	Retained earnings							
Profit for the year	-	-	-	-	43,593.80	-	-	-	-	43,593.80	-	43,593.80
Other comprehensive income (net of tax)	-	-	-	-	(5.52)	(1,531.71)	2,144.26	-	-	607.03	-	607.03
Issue of equity shares (net of share issue expenses)	-	33,487.02	-	-	-	-	-	(11,708.32)	-	21,778.70	-	21,778.70
Issue of share warrants (refer note 24 (F) and 25)	-	-	-	-	-	-	-	8,781.24	-	8,781.24	-	8,781.24
Transfer to statutory reserves	8,734.73	-	-	-	(8,734.73)	-	-	-	-	-	-	-
Share issue expense of subsidiary	-	-	-	-	(13.07)	-	-	-	-	(13.07)	-	(13.07)
Balance as at March 31, 2024	**25,308.03**	**1,47,213.33**	**29.94**	**2,777.00**	**54,575.53**	**(3,580.83)**	**2,757.51**	**-**	**-**	**2,29,080.51**	**-**	**2,29,080.51**

Statement of material accounting policies and other explanatory notes. Note 1-3

This consolidated statement of changes in equity referred to in our report of even date.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

1. GROUP OVERVIEW

Satin Creditcare Network Limited ('the Parent Company') is a public limited company and incorporated under the provisions of Companies Act. The Parent Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with the Reserve Bank of India ("RBI") in November 2013. The Parent Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organized as Joint Liability Groups ('JLG'). The Parent Company is domiciled in India and its registered office is situated at 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

The Parent Company owns 100% equity shares of Satin Housing Finance Limited ("SHFL"). The SHFL is engaged in the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase/construction/repair and renovation of new/existing flats/houses for residential purposes.

The Parent Company owns 100% equity shares of Satin Finserv Limited ("SFL"). The SFL is engaged in the business of providing various financial services to small entrepreneurs, MSMEs, Indian consumers and other eligible consumers as permissible under applicable laws.

2. A. BASIS OF PREPARATION

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The Group has uniformly applied the accounting policies for all the periods presented in this financial statements.

The financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on April 29, 2024.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

(iii) Going Concern

Management is of the view that having regard to the projections of the business prospects, Group shall be able to continue as a going concern. Accordingly, management considers it appropriate to prepare these financials statements on a going concern basis.

B. BASIS OF CONSOLIDATION

The consolidated financial statements has comprised financial statements of the Company and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Parent Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying

amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Corporation's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements have been prepared using the material accounting policies and measurement bases summarized as below. These policies are applied consistently for all the periods presented in the financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down value method over the useful life of the assets estimated by the management. The useful life estimated by the management is as under:

Asset class	Useful life
Building	60 years
Electrical equipment	10-25 years
Office equipment	5 years
Computer equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	8-10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

b) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Group depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The

(All amounts in INR lakhs, unless otherwise stated)

difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

c) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortization method, useful lives and residual value)

Intangible assets are amortized over a period of 3-5 years from the date when the assets are available for use. The estimated useful life (amortization period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

d) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognized as assets when the Group can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project
- The Group has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortization of the asset begins when development is complete and the asset is available for use.

e) Revenue recognition

Interest income on loans

The Group recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

The Group recognizes interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Group recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired Group reverts to calculating interest income on a gross basis.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognized when the related loan assets are de-recognized. Interest income is also recognized on carrying value of remaining assets over the outstanding period of such assets.

Commission income

Income from business correspondent services is recognized as and when the services are rendered as per agreed terms and conditions of the contract.

Dividend income

Dividend income is recognized at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

f) Borrowing costs

Borrowing costs consists of interest and other cost that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Borrowing costs are charged to the Statement of Profit and Loss on the basis of effective interest rate method.

g) Taxation

I. **Current tax**: Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

II. **Deferred Tax:** Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in OCI or in other equity.

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 taxes relate to the same taxable entity and the same taxation authority. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

h) Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a 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 for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and last drawn salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Compensation for impairment

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognized in statement of profit and loss when the compensation becomes receivable.

Financial Guarantees

Financial guarantees are initially recognized at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The premium received (if any) is recognized as income on a straight-line basis over the life of the guarantee.

j) Impairment of financial assets

The Group is recording the allowance for expected credit losses for all loans at amortized cost and FVOCI and other financial assets not held at FVTPL

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Group's policies for determining if there has been a significant increase in credit risk.

Loan assets

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Group expects to be owed at the time of default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Group has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement as they are considered an integral part of the Group's cash management.

l) Equity investment in subsidiaries

Investments representing equity interest in subsidiaries are accounted for at Fair Value through Profit and Loss (FVTPL) in accordance to Ind AS 109 read with Ind AS 27 Separate Financial Statements.

m) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group

  or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized but disclosed where an inflow of economic benefits is probable.

n) Leases

Group as a lessee

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the

(All amounts in INR lakhs, unless otherwise stated)

asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Determining the lease term of contracts with renewal and termination options where Group is lessee -

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

o) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortized cost** – a financial asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

ii. **Financial assets are measured at FVOCI when both of the following conditions are met:** – a financial asset is measured at the FVOCI if both the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income are recognized in profit or loss in the same manner as for financial assets measured at amortized cost.

Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through other comprehensive income (FVOCI).

(All amounts in INR lakhs, unless otherwise stated)

iii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. **Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

v. **Financial assets measured at FVPL** – FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL, with all changes recognized in the P&L.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are de-recognized (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also de-recognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

First loss default guarantee

First loss default guarantee contracts are contracts that require the Group to make specified payments to reimburse the bank for the loss it incurs because a specified debtor defaults in payment on due date, in accordance with the terms of an agreement. Such financial guarantees are given to bank (for whom the Group acts as 'Business Correspondent').

These contracts are initially measured at fair value and subsequently measure at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- Maximum amount payable as on the reporting date to the bank which is based on the amount of loans overdue for more than 75/90 days of due dates.

Further, the maximum liability is restricted to the cash outflow agreed in the agreement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative contracts

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

(All amounts in INR lakhs, unless otherwise stated)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured are categorized with fair value hierachy into Level I, Level II and Level III based on level of input.

p) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

q) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group 's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortized cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis of the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

r) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

I. Changes during the period in operating receivables and payables transactions of a non-cash nature;

II. Non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses; and

III. All other items for which the cash effects are investing or financing cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

4. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	3,917.17	4,701.05
Balances with banks and financial institutions		
- Balance with banks in current accounts*	22,749.02	17,511.53
- Deposits for original maturity of less than 3 months	15,738.69	3,558.05
Total	**42,404.88**	**25,770.63**

*Balance in current accounts includes balance of INR 2.15 Lakhs (March 31, 2023 : INR 2.15 Lakhs) which is earmarked for unpaid dividend.

5. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits for original maturity of more than 3 months and upto 12 months	1,084.70	1,319.84
Deposits with original maturity more than 12 months	9,382.90	3,879.63
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	74,240.77	80,465.65
Total	**84,708.37**	**85,665.12**

The amount under lien as security against term loan and overdraft facility availed, assets securitized, first loss default guarantee are as follows (included above in note 5):-

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans	29,813.47	18,823.68
Overdraft facilities	20,853.86	37,336.81
Securitizations	18,790.49	20,307.79
Derivatives	155.66	-
Bank guarantee	665.11	-
Security against first loss default guarantee	3,959.69	3,994.81
Security against facilities	2.49	2.56
Total	**74,240.77**	**80,465.65**

6. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Notional amount	Fair value	Notional amount	Fair value
Currency and interest swap	73,109.97	1,800.00	41,518.44	2,231.64
	73,109.97	**1,800.00**	**41,518.44**	**2,231.64**
Included in above are derivative held for risk management purpose as follows:				
Undesignated derivatives	73,109.97	1,800.00	41,518.44	2,231.64
Total	**73,109.97**	**1,800.00**	**41,518.44**	**2,231.64**

The Parent Company enters into derivative contracts for risk management purposes. The table above represents the fair value of derivatives financial instruments recorded as assets together with the notional amount. The notional amount indicates the value of transaction outstanding at the year end and are not indicative of either the market risk or credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

The Parent Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

Off-setting

The Parent Company does not have derivative financial assets and financial liabilities which are subject to master netting arrangements. Master netting arrangements are those arrangements wherein in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.

7. TRADE RECEIVABLES (AT AMORTIZED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - unsecured	863.50	540.05
	863.50	**540.05**
Less: Impairment loss allowance	(18.76)	(0.60)
Total	**844.74**	**539.45**

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	472.12	19.92	11.13	1.47	-	504.64
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	358.86
As at March 31, 2024	**472.12**	**19.92**	**11.13**	**1.47**	**-**	**863.50**
(i) Undisputed trade receivables – considered good	361.14	8.74	2.97	1.27	0.19	374.31
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	165.74
As at March 31, 2023	**361.14**	**8.74**	**2.97**	**1.27**	**0.19**	**540.05**

The Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk other than those which are provided for.

8. LOANS

Particulars	As at March 31, 2024		As at March 31, 2023	
	At fair value through other comprehensive income	At amortized cost	At fair value through other comprehensive income	At amortized cost
Portfolio loans (also refer note 42)				
Secured	-	32,122.87	-	22,179.39
Unsecured*	6,59,652.72	1,53,812.57	3,81,675.56	1,95,804.28
Housing loans				
Secured	64,117.50	-	46,149.76	-
Unsecured	-	-	-	-
	7,23,770.22	**1,85,935.44**	**4,27,825.32**	**2,17,983.67**
Less: Impairment loss allowance	(13,846.08)	(5,047.14)	(10,500.96)	(2,422.36)
Sub-total	**7,09,924.14**	**1,80,888.30**	**4,17,324.36**	**2,15,561.31**
Total loans		**8,90,812.44**		**6,32,885.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Secured by tangible assets (property, plant and equipment including land and building)	92,285.96	63,945.82
(ii) Secured by book debts, inventories, margin money and other working capital items	2,426.46	3,082.64
(iii) Unsecured	7,96,100.02	5,65,857.21
Total	**8,90,812.44**	**6,32,885.67**

Particulars	As at March 31, 2024	As at March 31, 2023
Loans in India		
(i) Public sector	-	-
(ii) Others	8,90,812.44	6,32,885.67
Total	**8,90,812.44**	**6,32,885.67**

*During the previous year , unsecured portfolio measured at amortized cost of INR 10,000.03 Lakhs (balance as on June 10, 2022 i.e. cut off date)) sold to an asset reconstruction company at a value of INR 8,650.00 Lakhs on June 29, 2022. Loss on such sale was netted off from net gain as disclosed in Note 31.

The balance outstanding as on March 31, 2024 is INR 12,520.51 Lakhs (March 31, 2023 : INR 13,130.86 Lakhs).

#There are no loans or advances repayable on demand or without specifying any term or period of repayment of the related parties.

9. INVESTMENTS (UNQUOTED)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortized cost	At fair value		Total	Amortized cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Equity instruments								
50,000 (March 31, 2023 : 50,000) equity shares of face value of INR 10 each of Alpha Micro Finance Consultants Private Limited#	-	-	-	-	-	-	-	-
31,471 (March 31, 2023 : Nil) Equity Shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited		-	80.13	80.13	-	-	-	-
Preferential instruments								
Nil (March 31, 2023 : 21,845) Compulsory Convertible Preference Shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited	-	-	-	-	-	-	111.19	111.19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortized cost	At fair value		Total	Amortized cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Security Receipts								
4,50,500 (March 31, 2023 : 4,50,500) security receipts in Prudent Trust 67/22 (Trust floated by Prudent ARC Limited)	-	2,756.91	-	2,756.91	-	3,276.02	-	3,276.02
7,35,250 (March 31, 2023 : 7,35,250) security receipts in Prudent Trust 70/22 (Trust floated by Prudent ARC Limited)	-	3,563.46	-	3,563.46	-	5,354.41	-	5,354.41
Less: Provision	-	(1,282.42)	-	(1,282.42)	-	(2,694.04)	-	(2,694.04)
Pass through certificates	530.44	-	-	530.44	127.81	-	-	127.81
Government securities								
Nil (March 31, 2023 : 500), Government of India, Inscribed stock having face value INR 100 each	-	-	-	-	-	-	0.51	0.51
Total	**530.44**	**5,037.95**	**80.13**	**5,648.52**	**127.81**	**5,936.39**	**111.70**	**6,175.90**
(i) Investments in India	530.44	5,037.95	80.13	5,648.52	127.81	5,936.39	111.70	6,175.90
(ii) Investments outside India	-	-	-	-	-	-	-	-
Total	**530.44**	**5,037.95**	**80.13**	**5,648.52**	**127.81**	**5,936.39**	**111.70**	**6,175.90**

The Group has not entered in to any credit derivative to mitigate the credit risk (if any).
#Investment had been written off in the financial year 2018-19 and therefore shown at zero value.

10. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	260.53	253.59
Staff advances	234.36	106.25
Insurance recoverable	807.44	401.97
Other recoverable	2,135.87	1,215.76
Unbilled revenue	121.04	370.63
	3,559.24	**2,348.20**
Less: Impairment loss allowance	(1.11)	(35.40)
Total	**3,558.13**	**2,312.80**

11. (A) CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income - tax (net)	1,156.13	4,327.55
Total	**1,156.13**	**4,327.55**

11. (B) CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax (net)	234.95	-
Total	**234.95**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

12. DEFERRED TAX ASSETS/(LIABILITIES) (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Deferred tax assets		
Provision for employee benefits	220.26	223.43
Difference in written down value as per Companies Act and Income Tax Act	225.59	223.63
Unabsorbed business losses and depreciation	53.41	8,155.06
Impairment loss allowance and first loss default guarantee	5,206.08	3,932.47
Minimum alternate tax credit entitlement	372.85	222.45
Liability against leases	394.92	296.12
Impairment loss allowance on security receipts	322.76	678.04
Loss on security receipts through other comprehensive income	1,202.65	687.49
Fair valuation of financial instruments through profit and loss	7.82	-
Financial liabilities measured at amortised cost	1.65	2.30
Others	0.18	-
	8,008.17	**14,420.99**
(B) Deferred tax liabilities		
Financial assets measured at amortised cost	452.26	558.99
Fair valuation of loan assets through other comprehensive income	1,539.05	564.76
Special reserve u/s 36 (i) (viii) under Income Tax Act	55.62	35.94
Right of use assets	374.70	289.88
Deferment of excess interest spread	4,678.44	4,113.94
Total deferred tax liabilities	**7,100.07**	**5,563.51**
	908.10	**8,857.48**

(i) Movement in deferred tax assets/(liabilities) (net)

Particulars	As at March 31, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2024
Assets				
Provision for employee benefits	223.43	(5.18)	2.01	220.26
Difference in written down value as per Companies Act and Income Tax Act	223.63	1.96	-	225.59
Unabsorbed business losses and depreciation	8,155.06	(8,101.65)	-	53.41
Impairment loss allowance and first loss default guarantee	3,932.47	1,273.61	-	5,206.08
Minimum alternate tax credit entitlement	222.45	150.40	-	372.85
Liability against leases	296.12	98.80	-	394.92
Impairment loss allowance on security receipts	678.04	(355.28)	-	322.76
Loss on security receipts through other comprehensive income	687.49	-	515.16	1,202.65
Fair valuation of financial instruments through profit and loss	-	7.82	-	7.82
Financial liabilities measured at amortised cost	2.30	(0.65)	-	1.65
Others	-	0.18	-	0.18
Liabilities				
Financial assets measured at amortised cost	558.99	(106.73)	-	452.26
Fair valuation of loan assets through other comprehensive income	564.76	253.11	721.18	1,539.05
Special reserve u/s 36 (i) (viii) under Income Tax Act	35.94	19.68	-	55.62
Right of use assets	289.88	84.82	-	374.70
Deferment of excess interest spread	4,113.94	564.50	-	4,678.44
Total	**8,857.48**	**(7,745.37)**	**(204.01)**	**908.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2023
Assets				
Provision for employee benefits	247.53	(36.46)	12.36	223.43
Difference in written down value as per Companies Act and Income Tax Act	234.50	(10.87)	-	223.63
Unabsorbed business losses and depreciation	737.82	7,417.24	-	8,155.06
Impairment loss allowance and first loss default guarantee	9,696.32	(5,763.85)	-	3,932.47
Minimum alternate tax credit entitlement	124.88	97.57	-	222.45
Liability against leases	131.05	165.07	-	296.12
Impairment loss allowance on security receipts	-	678.04	-	678.04
Loss on Security Receipts through other comprehensive income	-	-	687.49	687.49
Others	0.45	(0.45)	-	-
Liabilities				
Financial assets measured at amortised cost	295.33	263.66	-	558.99
Financial liabilities measured at amortised cost	8.35	(10.65)	-	(2.30)
Fair valuation of financial instruments through profit and loss	-	-	-	-
Fair valuation of loan assets through other comprehensive income	323.31	230.15	11.30	564.76
Cash flow hedge reserve	-	6.92	(6.92)	-
Special reserve u/s 36 (i) (viii) under Income Tax Act	29.68	6.26	-	35.94
Right of use assets	107.31	182.57	-	289.88
Deferment of excess interest spread	2,154.91	1,959.03	-	4,113.94
Total	**8,253.66**	**(91.65)**	**695.47**	**8,857.48**

13. INVESTMENT PROPERTY

Particulars	As at March 31, 2024	As at March 31, 2023
A. Reconciliation of carrying amount (Cost or deemed cost)		
Opening balance	**769.52**	**769.52**
Additions during the year	-	-
Total	**769.52**	**769.52**
Accumulated depreciation		
Opening balance	**105.26**	**71.26**
Additions during the year	32.35	34.00
Total	**137.61**	**105.26**
Carrying amount (Balance at date)	**631.91**	**664.26**
B. Amounts recognized in Statement of profit and loss for investment property		
Rental income	36.81	30.40
Less: Depreciation expense	32.35	34.00
Gain / (loss) from investment property	**4.46**	**(3.60)**
C. Measurement of fair value		
Investment property	1,158.55	828.52
	1,158.55	**828.52**

The Parent Company's investment properties consist of two residential properties in India. The fair values of the properties are INR 1,158.55 Lakhs (March 31, 2023 : INR 828.52 Lakhs). These valuations are based on valuations performed by an independent valuer, the valuer is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Valuation techniques used by the valuer is fair market value.

The Parent Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

14. PROPERTY, PLANT AND EQUIPMENT

Gross carrying amount	Freehold land	Buildings	Right of use (Leased building)	Right of use (Vehicle)	Electric equipment	Office equipment	Furniture & fixtures	Vehicles (refer note (ii))	Computer equipment	Total	Capital work in progress
Balance as at April 01, 2022	**1,518.37**	**4,498.33**	**1,759.14**	-	**817.30**	**800.43**	**1,852.05**	**277.94**	**3,022.52**	**14,546.08**	**17.89**
Additions	-	17.89	1,256.53	80.69	-	74.97	78.21	99.77	610.20	2,218.26	-
Adjustment on account of disposals	-	-	(718.99)	-	-	(27.55)	(25.70)	(65.61)	(291.14)	(1,128.99)	(17.89)
Balance as at March 31, 2023	**1,518.37**	**4,516.22**	**2,296.68**	**80.69**	**817.30**	**847.85**	**1,904.56**	**312.10**	**3,341.57**	**15,635.35**	**-**
Additions	-	-	1,782.07	-	-	132.79	173.75	101.97	872.41	3,062.99	9.21
Adjustment on account of disposals	-	-	(964.45)	-	-	(52.37)	(53.24)	(87.02)	(737.85)	(1,894.93)	-
Balance as at March 31, 2024	**1,518.37**	**4,516.22**	**3,114.30**	**80.69**	**817.30**	**928.27**	**2,025.07**	**327.05**	**3,476.13**	**16,803.41**	**9.21**
Accumulated depreciation											
Balance as at April 01, 2022	**-**	**553.45**	**1,139.48**	-	**174.31**	**603.45**	**1,128.40**	**140.14**	**2,524.65**	**6,263.89**	**-**
Depreciation charge for the year	-	193.88	603.82	6.14	116.25	98.85	193.26	60.21	457.99	1,730.41	-
Adjustment on account of disposals	-	-	(673.03)	-	-	(24.96)	(20.34)	(53.22)	(269.28)	(1,040.83)	-
Balance as at March 31, 2023	**-**	**747.33**	**1,070.27**	**6.14**	**290.56**	**677.34**	**1,301.32**	**147.13**	**2,713.36**	**6,953.47**	**-**
Depreciation charge for the year	-	184.29	951.53	23.28	93.74	95.94	174.68	60.68	576.27	2,160.41	-
Adjustment on account of disposals	-	-	(658.17)	-	-	(47.70)	(39.06)	(49.18)	(686.01)	(1,480.12)	-
Balance as at March 31, 2024	**-**	**931.62**	**1,363.63**	**29.42**	**384.30**	**725.58**	**1,436.94**	**158.63**	**2,603.62**	**7,633.76**	**-**
Net carrying amount											
Balance as at March 31, 2023	**1,518.37**	**3,768.89**	**1,226.40**	**74.55**	**526.74**	**170.51**	**603.24**	**164.97**	**628.21**	**8,681.88**	**-**
Balance as at March 31, 2024	**1,518.37**	**3,584.60**	**1,750.66**	**51.27**	**433.00**	**202.69**	**588.13**	**168.42**	**872.51**	**9,169.65**	**9.21**

Notes:

(i) For disclosure of contractual commitments to be executed on capital account, refer note 50.

(ii) Vehicles are taken on finance lease; monthly instalments are paid as per agreed terms and conditions.

(iii) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 51 .

(iv) Capital work in progress ageing schedule.

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at March 31, 2024	9.21	-	-	-	**9.21**
As at March 31, 2023	-	-	-	-	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

15. OTHER INTANGIBLE ASSETS

Gross Block	Intangible assets	Total
Balance as at April 01, 2022	**1,291.23**	**1,291.23**
Additions		
- Additions – being internally developed	-	-
- Additions – others	24.51	24.51
Disposals	(65.40)	(65.40)
Balance as at March 31, 2023	**1,250.34**	**1,250.34**
Additions		
- Additions – being internally developed	-	-
- Additions – others	26.19	26.19
Disposals	(250.52)	(250.52)
Balance as at March 31, 2024	**1,026.01**	**1,026.01**
Accumulated amortization		
Balance as at April 01, 2022	**1,060.83**	**1,060.83**
Amortization charge for the year	74.97	74.97
Adjustment on account of disposal	(64.63)	(64.63)
Balance as at March 31, 2023	**1,071.17**	**1,071.17**
Amortization charge for the year	72.69	72.69
Adjustment on account of disposal	(207.96)	(207.96)
Balance as at March 31, 2024	**935.90**	**935.90**
Net block		
Balance as at March 31, 2023	**179.17**	**179.17**
Balance as at March 31, 2024	**90.11**	**90.11**

16. OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	3,266.69	1,947.78
Balances with government authorities	114.64	120.20
Gratuity fund asset (refer note 46)	155.14	86.69
Acquired property (held for sale)*	137.12	110.63
Other assets	242.62	1,029.30
	3,916.21	3,294.60
Less: Impairment loss allowance	(28.11)	-
Total	**3,888.10**	**3,294.60**

*Acquired property (held for sale) by subsidiary Satin Housing Finance Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Description of item of property	As at March 31, 2024	As at March 31, 2023	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held date	Reason for not being held in the name of the subsidiary
Land & Building	9.57	-	Ravi Kalindi	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	17.26	17.26	Purnima Behra	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	17.94	17.94	Sadhna Sharma	No	February 28, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	21.22	-	Babita	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	12.89	-	Priyanka Yadav	No	February 29, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	15.33	-	Raj Kumar Gupta	No	June 17, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	18.93	18.93	Shri Chand	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	8.62	-	Suraj Bhan	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	1.74	1.74	Shri Chand	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	0.90	-	Ravi Kalindi	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	1.91	-	Babita	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	9.17	-	Tej Singh	No	December 30, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	1.64	-	Sunil Sunil	No	March 31, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	-	3.54	Kiran W/O Mukesh Chauhan	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	-	20.37	Kiran W/O Mukesh Chauhan	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	-	24.46	Shailo Devi W/O Vijay Singh	No	January 22, 2022	Assets acquired under court order as per SARFAESI Act
Land & Building	-	6.39	Subhash Dagar	No	February 28, 2023	Assets acquired under court order as per SARFAESI Act
Total	**137.12**	**110.63**				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

17. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	13.78	10.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	371.74	497.45
Total	**385.52**	**507.87**

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	-	13.78	-	-	-	13.78
(ii) Others	241.60	119.65	4.11	2.08	4.30	371.74
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2024	**241.60**	**133.43**	**4.11**	**2.08**	**4.30**	**385.52**

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	-	10.42	-	-	-	10.42
(ii) Others	198.23	291.28	5.47	1.94	0.54	497.45
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2023	**198.23**	**301.70**	**5.47**	**1.94**	**0.54**	**507.87**

18. OTHER PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	83.55	23.87
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,713.87	1,527.78
Total	**1,797.42**	**1,551.65**

19. DEBT SECURITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures	1,03,353.73	1,09,643.58
Total	**1,03,353.73**	**1,09,643.58**
Debt securities in India	1,03,353.73	1,09,643.58
Debt securities outside India	-	-
Total	**1,03,353.73**	**1,09,643.58**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
(A) Non-convertible debentures (secured)				
1	9,750 (March 31, 2023: 9,750) @10.50% (Previous year: 10.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 5 each (March 31, 2023: INR 5 each) The date of allotment is December 16, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par INR 4,874.51 Lakhs (99.99%) on May 6, 2022 and rest INR 0.49 Lakhs (.01%) on May 6, 2024 and frequency of Interest payment is half yearly.	0.49	0.49
2	600 (March 31, 2023: 600) @11.50% (Previous year: 11.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is October 23, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding with exclusivity on security interest).	Redeemable INR 1,500 Lakhs (25%) on April 24, 2023, INR 1,500 Lakhs (25%) on October 24, 2023 rest INR 3,000 Lakhs (50%) on April 23, 2024 and frequency of Interest payment is half yearly.	2,999.98	5,998.72
3	18,750 (March 31, 2023: 18,750) @11.10% (Previous year: 11.10%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR 1,00,000 each). The date of allotment is December 22, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable INR 18,748.13 Lakhs (99.99%) on June 05, 2023 and rest INR 1.87 Lakhs (.01%) on June 05, 2025 and frequency of Interest payment is half yearly.	1.88	18,640.21
4	Nil (March 31, 2023: 250) @Nil (Previous year: 11.25%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is June 30, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding).	Redeemable at par on June 30, 2023 and frequency of Interest payment is annually.	-	2,498.79
5	Nil (March 31, 2023: 50), @Nil (Previous year: @15.75%), rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,0,00,000 each, The date of allotment is June, 29, 2020. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 110% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on June 29, 2023	-	499.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
6	Nil (March 31, 2023: 200), @Nil (Previous year : 12.75%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 25,00,000 each). The date of allotment is July 15, 2014 and roll over date is July 15, 2020. (Secured by way of hypothecation of book debts which shall be maintained at 110% of principal amount of the debentures outstanding).	Redeemable at par on June 30, 2023 (rolled over on July 15, 2020) and frequency of Interest payment is half yearly.	-	4,999.78
7	Nil (March 31, 2023: 250) @Nil (Previous year: 11.00%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is July 28, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on July 28, 2023 and frequency of Interest payment is quarterly.	-	2,495.86
8	Nil (March 31, 2023: 250) @Nil (Previous year: 10.95%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 3,33,333,34 each). The date of allotment is July 31, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding)	Redeemable at par on July 31, 2023 and frequency of Interest payment is half yearly.	-	830.73
9	Nil (March 31, 2023: 970), @Nil (Previous year : 11.40%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is July 31, 2018 and roll over date is July 27, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable on July 31, 2023 and frequency of Interest payment is half yearly.	-	9,699.54
10	Nil (March 31, 2023: 1,200), @Nil (Previous year: 11.45%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 2,50,000 each). The date of allotment is September 27, 2019. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on September 27, 2023 and frequency of Interest payment is half yearly.	-	2,999.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
11	Nil (March 31, 2023: 2,130), @Nil (Previous year: 11.0950%), Secured, Not Guarnateed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 2,85,714.29 each). The date of allotment is December 14, 2018. (Secured by way of hypothecation of book debts which shall be maintained at 100% of principal amount and coupon of the debentures outstanding)	Redeemable on December 14, 2023 and frequency of Interest payment is half yearly.	-	6,043.57
12	680 (March 31, 2023: 680), @12.00% (Previous year: 12.00%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is June 15, 2016 and roll over date is June 2, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on June 15, 2025 (subject to put option, Exercise Date is June 15, 2024) and frequency of Interest payment is half yearly.	6,800.00	6,800.00
13	19,250 (March 31, 2023: 19,250) @11.15% (Previous year: 11.15%), Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2023: 50,000 each). The date of allotment is June 24, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable INR 9,624.03 Lakhs (99.99%) on June 24, 2025 and rest INR 0.96 Lakhs (.01%) on June 24, 2027 and frequency of Interest payment is half yearly.	9,459.01	9,496.47
14	2,000 (March 31, 2023: Nil), @10.85%, rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,00,000 each, The date of allotment is March 04, 2024. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 105% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on August 04, 2025	1,937.15	-
15	2,060 (March 31, 2023: 2,060) @11.6880% (Previous year: 11.6880%), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: 1,00,000 each). The date of allotment is February 24, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on February 24, 2026 and frequency of Interest payment is quarterly.	2,043.84	2,037.57

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
16	750 (March 31, 2023: 750), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is March 7, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on March 6, 2026 and frequency of Interest payment is half yearly.	7,484.10	7,475.60
17	300 (March 31, 2023: 300), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is March 30, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on March 30, 2026 and frequency of Interest payment is half yearly.	2,998.37	2,997.53
18	373 (March 31, 2023: 373), @11.50% (Previous year: 11.50%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is September 2, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on September 02, 2026 (Subject to Call Put Option is exercised on August 30, 2024) and frequency of Interest payment is half yearly.	3,729.40	3,727.82
19	2,500 (March 31, 2023: 2,500), @12.30% (Previous year: 12.30%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR 1,00,000 each). The date of allotment is January 16, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on January 16, 2027 and frequency of Interest payment is half yearly.	2,497.72	2,496.89
20	7,840 (March 31, 2023: 7,840) @11.7160% (Previous year: 11.7160%) Previous year, Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: 1,00,000 each). The date of allotment is March 13, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding).	Redeemable at par on March 12, 2027 and frequency of Interest payment is quarterly.	7,778.10	7,756.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
21	650 (March 31, 2023: 650), @12.15% (Previous year: 12.15%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023: INR 10,00,000 each). The date of allotment is December 12, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued).	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is semi-annualy.	6,464.75	6,451.38
22	5,000 (March 31, 2023: Nil), @ minimum floor coupon of 2.00% XIRR p.a. (Previous year: Nil), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is April 6, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding principal plus accrued interest/ obligations).	Redeemable at premium on October 06, 2024 and frequency of Interest payment is yearly.	4,907.85	-
23	2,000 (March 31, 2023: Nil), @11% p.a. (Previous year: Nil), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is June 20, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is semi-annually.	1,952.96	-
24	5,382 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Rated, Unlisted, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is June 28, 2023. (Secured by way of hypothecation of loans (and/ or other assets) in the form of a fixed charge, whereas the cumulative amount of all assets subject to the hypothecation shall be, at any time, not less than 100% of the outstanding amount).	Redeemable at par INR 5,381.46 Lakhs (99.99%) on May 08, 2025 and rest INR 0.54 Lakhs (.01%) on May 08, 2027 and frequency of Interest payment is semi-annually.	5,279.81	-
25	1,500 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is July 28, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 28, 2025 and frequency of Interest payment is monthly.	1,475.30	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
26	2,683 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 09, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 09, 2027 and frequency of Interest payment is quarterly.	2,652.39	-
27	1,417 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 14, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 14, 2027 and frequency of Interest payment is quarterly.	1,401.73	-
28	2,000 (March 31, 2023: Nil), @10.95% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is August 21, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on May 21, 2025 and frequency of Interest payment is monthly.	1,953.45	-
29	5,000 (March 31, 2023: Nil), @11.00% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is October 13, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 13, 2026 and frequency of Interest payment is monthly.	4,996.98	-
30	10,000 (March 31, 2023: Nil), @13.00% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 01, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 120% of the value of the outstanding amount).	Redeemable at par on September 11, 2026 and frequency of Interest payment is semi-annually.	9,778.13	-
31	2,000 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 07, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on March 28, 2025 and frequency of Interest payment is monthly.	1,999.38	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars		Terms of repayment	As at March 31, 2024	As at March 31, 2023
32	3,500 (March 31, 2023: Nil), @10.90% p.a. (Previous year: Nil), Secured Rated Listed Redeeamble Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is November 24, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on May 23, 2025 and frequency of Interest payment is annually.	3,440.94	-
33	45,650 (March 31, 2023: Nil), @11.70% p.a. (Previous year: Nil), Secured Rated Unlisted Redeemable Non-Convertible Debenture of face value of INR 10,000 each (March 31, 2023: INR Nil). The date of allotment is December 01, 2023. (Secured by way of hypothecation over certain identified book debts/loan receivables of the Company with security cover at least 100% of the outstanding amounts under the NCD).	Redeemable at par INR 4,564.54 Lakhs (99.99%) on December 01, 2026 and rest INR 0.45 Lakhs (.01%) on December 01, 2028 and frequency of Interest payment is semi-annually.	4,464.20	-
34	5,000 (March 31, 2023: Nil), @10.85% p.a. (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2023: INR Nil). The date of allotment is January 12, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on July 10, 2026 and frequency of Interest payment is annually.	4,855.83	-
	Total (A)		**1,03,353.73**	**1,03,946.27**
(B) Non convertible debentures (unsecured)				
1	Nil (March 31, 2023: 570), @Nil, (Previous year: 11.50%) Unsecured, Senior, Rated, Unlisted, Redeemable,Transferable, Non Convertible Debentures of face value of INR Nil each (March 31, 2023: INR 10,00,000 each). The date of allotment is February 28, 2022.	Redeemable at par on February 28, 2028 (subject to put & call options, Exercise Date is February 28, 2024 and February 28, 2025, respectively), frequency of Interest payment is half yearly.	-	5,697.31
	Total (B)		**-**	**5,697.31**
	Total (A+B)		**1,03,353.73**	**1,09,643.58**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

20. BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTIZED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans		
From banks		
Secured*	3,14,727.85	1,85,152.59
From other parties		
Secured#	1,81,465.25	1,02,332.63
External commercial borrowings		
Secured	60,027.09	21,310.46
Unsecured	12,437.82	19,588.03
Commercial paper (unsecured)	5,130.86	-
Liability against securitized assets (secured)	77,548.43	1,14,564.33
Liability against leased assets (unsecured)	1,938.04	1,410.22
Loan repayble on demand (secured)	99.95	-
Total	**6,53,375.29**	**4,44,358.26**
Borrowings in India	5,80,910.38	4,03,459.77
Borrowings outside India	72,464.91	40,898.49
Total	**6,53,375.29**	**4,44,358.26**

*Includes amount guaranteed by directors in their personal capacity of INR 1,86,312.04 (March 31, 2023 : INR 83,364.45 Lakhs)
#Includes amount guaranteed by directors in their personal capacity of INR 99,414.40 (March 31, 2023 : INR 54,652.48 Lakhs)

21. SUBORDINATED LIABILITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures (refer note A)	14,765.04	14,622.90
Term loans from banks	20,000.00	22,500.00
Total	**34,765.04**	**37,122.90**
Sub-ordinated liabilities in India	34,765.04	37,122.90
Sub-ordinated liabilities outside India	-	-
Total	**34,765.04**	**37,122.90**

A. Non convertible debentures (unsecured)

Particulars		Terms of repayment	As at March 31, 2024	As at March 31, 2023
1	Nil (March 31, 2023: 350), @Nil (Previous year: 13.85%), Unsecured, Unrated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,00,000 each). The date of allotment is March 29, 2017.	Redeemable on April 30, 2023 and frequency of Interest payment is quarterly.	-	3,499.79
2	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 38,795.83 each). The date of allotment is June 29, 2016.	Redeemable on June 30, 2023 and frequency of Interest payment is monthly.	-	36.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars		Terms of repayment	As at March 31, 2024	As at March 31, 2023
3	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 76,193.08 each). The date of allotment is June 29, 2016.	Redeemable on September 30, 2023 and frequency of Interest payment is monthly.	-	73.65
4	Nil (March 31, 2023: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of INR Nil (March 31, 2023: INR 10,76,193.08 each). The date of allotment is June 29, 2016.	Redeemable on December 31, 2023 and frequency of Interest payment is quarterly.	-	1,073.65
5	20 (March 31, 2023: 20) @14% Unsecured listed redeemable nonconvertible debentures of face value of INR 1,00,00,000 each (Previous year: 1,00,000 each). The date of allotment was December 17, 2019.	Redeemable in equally 4 tranches starting from June 30, 2025 to December 31, 2026	1,997.64	1,996.65
6	300 (March 31, 2023: 300), @15.50% (Previous year: 15.50%), Unsecured, Rated, Listed, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2023:INR10,00,000 each). The date of allotment is December 17, 2019.	Redeemable on December 31, 2026 and frequency of Interest payment is half yearly.	2,993.84	2,991.48
7	10,010 (March 31, 2023: 10,010), @ 13.14 % (Previous year: 13.14%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2023: INR 50,000 each)., The date of allotment is March 24, 2020.	Redeemable on April 24, 2027 and frequency of Interest payment is half yearly.	4,965.26	4,951.43
8	5,000 (March 31, 2023: Nil), @ 12.75% (Previous year: Nil), Subordinated, Unsecured, Rated, Listed, Taxable, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2023: INR Nil each)., The date of allotment is March 19, 2024.	Redeemable on July 19, 2029 and frequency of Interest payment is monthly.	4,808.30	-
	Total		**14,765.04**	**14,622.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt)	Subordinated liabilities	Liability against leased assets	Total
April 01, 2022	1,19,241.39	4,07,351.30	47,030.53	728.66	5,74,351.88
Cash flows:					
- Repayment	(38,043.56)	(3,71,545.96)	(9,890.93)	(730.18)	(4,20,210.63)
- Proceeds from / (repayment of) overdraft facility	-	(19,418.35)	-	-	(19,418.35)
- Proceeds other than overdraft facility	28,525.00	4,26,524.32	-	73.83	4,55,123.15
	(9,518.56)	**35,560.01**	**(9,890.93)**	**(656.35)**	**15,494.17**
Non-cash:					
- Addition during the year	-	-	-	1,256.53	1,256.53
- Foreign exchange	-	593.54	(53.08)	-	540.46
- Amortization of upfront fees and others	236.43	1,272.36	36.38	-	1,545.17
- Deferment of upfront processing fee	(315.68)	(1,838.73)	-	-	(2,154.41)
- Others	-	9.56	-	81.38	90.94
March 31, 2023	**1,09,643.58**	**4,42,948.04**	**37,122.90**	**1,410.22**	**5,91,124.74**
Cash flows:					
- Repayment	(57,567.17)	(4,47,969.60)	(7,191.18)	(1,146.97)	(5,13,874.92)
- Proceeds from / (repayment of) overdraft facility	-	100.00	-	-	100.00
- Proceeds other than overdraft facility	52,047.00	6,57,273.63	5,000.00	-	7,14,320.63
	(5,520.17)	**2,09,404.03**	**(2,191.18)**	**(1,146.97)**	**2,00,545.71**
Non-cash:					
- Addition during the year	-	-	-	1,782.08	1,782.08
- Foreign exchange	-	924.29	-	-	924.29
- Amortization of upfront fees and others	552.26	3,924.10	32.24	-	4,508.60
- Deferment of upfront processing fee	(1,321.94)	(5,859.30)	(198.92)	-	(7,380.16)
- Others	-	96.10	-	(107.29)	(11.19)
March 31, 2024	**1,03,353.73**	**6,51,437.26**	**34,765.04**	**1,938.04**	**7,91,494.07**

Notes:

i) The Borrowings together with debt securities and subordinate liabilities referred in notes 19, 20 and 21 are secured by way hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits.

ii) Vehicles and building are hypothecated for respective borrowings availed for purchase of property plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2024 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	311	78.53	207	59.78	124	44.26	35	18.25	37	12.54	213.35
	9% to 12%	7,354	2,32,071.57	6,238	1,14,453.99	4,967	45,343.95	3,787	4,012.54	5,106	2,743.37	3,98,625.42
	12.01% to 15%	1,434	61,947.97	843	20,948.27	417	5,360.96	217	1,741.93	46	88.82	90,087.96
	Above 15%	24	476.65	25	528.54	-	-	-	-	-	-	1,005.19
Quarterly	Below 9.00%	25	1,332.62	24	1,107.08	24	1,104.06	17	656.05	82	3,028.37	7,228.18
	9% to 12%	61	53,285.20	38	32,230.83	10	5,834.55	4	2,501.22	7	4,377.13	98,228.93
	12.01% to 15%	28	5,413.64	15	3,049.05	5	873.48	-	-	-	-	9,336.17
Semi-annually	Below 9.00%	2	2,671.50	-	-	-	-	-	-	-	-	2,671.50
	9% to 12%	4	1,843.75	2	1,243.75	-	-	-	-	-	-	3,087.50
	12.01% to 15%	1	3,000.00	2	1,000.00	2	1,000.00	-	-	-	-	5,000.00
	Above 15%	-	-	2	1,500.00	2	1,500.00	-	-	-	-	3,000.00
Annually	12.01% to 15%	1	1,875.00	3	8,625.00	-	-	-	-	-	-	10,500.00
Bullet	9% to 12%	8	18,382.94	10	27,507.37	5	22,070.63	4	1.50	2	0.46	67,962.90
	12.01% to 15%	2	10,530.00	7	43,068.15	8	54,093.96	5	4,100.70	1	5,000.00	1,16,792.81
Total		**9,255**	**3,92,909.37**	**7,416**	**2,55,321.82**	**5,564**	**1,37,225.85**	**4,069**	**13,032.19**	**5,281**	**15,250.69**	**8,13,739.92**

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2023 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	233	6,305.44	183	1,702.89	124	30.78	99	26.93	15	3.62	8,069.65
	9% to 12%	4,546	155,148.67	2,235	53,041.16	901	4,478.94	244	2,085.37	123	922.65	2,15,676.79
	12.01% to 15%	734	29,521.94	540	22,240.79	235	4,924.91	100	1,912.76	26	771.42	59,371.82
	Above 15%	101	1,575.41	58	1,253.04	40	947.83	-	-	-	-	3,776.28
Quarterly	Below 9.00%	19	1,107.28	23	1,394.42	16	807.08	16	804.06	49	1,919.54	6,032.38
	9% to 12%	62	52,575.53	38	28,382.59	14	10,654.01	4	2,466.51	11	6,782.89	1,00,861.53
	12.01% to 15%	27	12,229.17	11	6,583.33	2	500.00	-	-	-	-	19,312.50
Semi-annually	Below 9.00%	2	2,671.50	2	2,671.50	-	-	-	-	-	-	5,343.00
	9% to 12%	8	8,685.71	3	1,000.00	-	-	-	-	-	-	9,685.71
	Above 15%	-	-	-	-	2	1,500.00	2	1,500.00	-	-	3,000.00
Annually	9% to 12%	1	833.33	-	-	-	-	-	-	-	-	833.33
Bullet	Below 9.00%	1	2,500.00	1	4,110.85	-	-	-	-	-	-	6,610.85
	9% to 12%	8	19,600.00	-	-	-	-	2	12,332.54	-	-	31,932.54
	12.01% to 15%	13	25,091.18	2	10,530.00	4	35,959.52	2	10,340.00	-	-	81,920.70
	Above 15%	2	3,000.00	-	-	-	-	-	-	-	-	3,000.00
On demand	9% to 12%	2	18,748.13	2	0.49	4	9,625.91	-	-	2	0.96	28,375.49
	12.01% to 15%	3	6,000.00	2	4,875.00	5	13,629.50	-	-	2	0.50	24,505.00
Total		**5,762**	**3,45,593.28**	**3,100**	**1,37,786.05**	**1,347**	**83,058.48**	**469**	**31,468.16**	**228**	**10,401.58**	**6,08,307.56**

All the above mentioned repayments disclosed as per the contractual maturities of debt securities, borrowing other than debt securities and subordinate liabilities at gross carrying value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

22. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on debt securities	3,149.39	2,990.37
Interest accrued on borrowings other than debt securities	3,828.92	1,734.94
Interest accrued on subordinated liabilities	518.94	489.49
Payable towards assignment/securitization transactions	2,086.00	18,178.63
First loss default guarantee	1,514.08	2,462.84
Payable to employees	1,260.53	1,123.33
Security deposit received	41.39	36.75
Insurance payables	62.84	47.33
Unclaimed amount of preference shares	8.26	8.26
Total	**12,470.35**	**27,071.94**

22. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note 46)	22.32	59.87
Provision for compensation absences	995.08	874.35
Provision for compassionate	-	0.13
Total	**1,017.40**	**934.35**

23. OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Interest received in advance	425.14	217.47
Statutory dues payables	1,091.28	736.35
Total	**1,516.42**	**953.82**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

24. EQUITY SHARE CAPITAL

		As at March 31, 2024		As at March 31, 2023	
		Number	Amount	Number	Amount
A	**Authorized**				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	10,50,00,000	10,500.00	10,50,00,000	10,500.00
	Additions during the year	2,00,00,000	2,000.00	-	-
		12,50,00,000	**12,500.00**	**10,50,00,000**	**10,500.00**
B	**Issued and subscribed**				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	8,53,49,021	8,534.90	7,51,43,893	7,514.39
	Additions during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,05,95,861	**11,059.59**	**8,53,49,021**	**8,534.90**
C	**Issued and Paid-up**				
	Fully paid-up				
	Equity share capital of face value of INR 10 each				
	At the beginning of the year	8,52,24,125	8,522.41	7,50,18,997	7,501.90
	Additions during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,04,70,965	**11,047.10**	**8,52,24,125**	**8,522.41**
	Less: Amount recoverable from Satin Employees Welfare Trust	(4,82,946)	(48.29)	(4,82,946)	(48.29)
	(Equity shares of INR 10/- each allotted to the Satin Employees Welfare Trust)	**10,99,88,019**	**10,998.81**	**8,47,41,179**	**8,474.12**
	Add: Forfeited shares (amount originally paid on 1,24,896 equity shares (March 31, 2023: 1,24,896 equity shares)	-	5.51	-	5.51
		10,99,88,019	**11,004.32**	**8,47,41,179**	**8,479.63**
D	**Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**				
	Balance at the beginning of the year	8,52,24,125	8,522.41	7,50,18,997	7,501.90
	Add: Issued during the year	2,52,46,840	2,524.69	1,02,05,128	1,020.51
		11,04,70,965	**11,047.10**	**8,52,24,125**	**8,522.41**
E	**Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year**				
	Balance at the beginning of the year	4,82,946	48.29	4,82,946	48.29
	Add: Addition during the year	-	-	-	-
		4,82,946	**48.29**	**4,82,946**	**48.29**

F i) Pursuant to the approval accorded by the Board of Directors of the Parent Company ("the Board"), at its meeting held on October 19, 2023 and the special resolution passed by the shareholders of the Parent Company at the Extra-ordinary General Meeting (EGM) held on November 27, 2023, the Fund Raising Committee of the Board at its meeting held on December 14, 2023 had approved the Qualified Institutions Placement of equity shares of face value of INR 10 each of the Parent Company.

Subsequently, the Fund Raising Committee at its meeting held on December 19, 2023 had approved the allotment of 1,08,36,584 equity shares of face value of INR 10 each to eligible qualified institutional buyers at the issue price of INR 230.70 per equity share (including a premium of INR 220.70 per equity share) aggregating to INR 25,000.00 Lakh.

ii) During the year ended March 31, 2024, the Parent Company has allotted 1,44,10,256 (previous year 1,02,05,128) equity shares of face value of INR 10/- each to Trishashna Holdings & Investments Private Ltd' (THIPL) (entity belonging to promoter group) and Florintree Ventures LLP (entity belonging to non-promoter group) pursuant to conversion of Fully Convertible Warrants of INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

G Rights, preferences and restrictions

The Parent Company has only one class of equity shares having face value of INR 10 per share. Each equity shareholder is eligible for one vote per fully paid share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Parent Company, the holders of equity share will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders or in case of partly paid shares the paid-up amount.

H Details of shareholder holding more than 5% share capital:

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	%	Number	%
Trishashna Holdings & Investments Private Limited (THIPL)	3,79,14,820	34.32%	3,15,79,692	37.05%
Florintree Ventures LLP*	1,23,07,692	11.14%	-	-
Nordic Microfinance Initiative Fund III KS	-	-	46,63,136	5.47%

* held 41,02,654 shares (4.81%) as on March 31, 2023.

I Aggregate number of shares issued for consideration other than cash during the last five years

On June 27, 2019, the Parent Company has allotted 13,43,283 equity shares of INR 10 each on conversion of 13,43,283, Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of INR 10 each fully paid-up to Indusind Bank Limited (entities belonging to non-promoter group).

J Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note to 55.

K The information required to be disclosed that enables user of its financial statements to evaluate its objectives, policies and process for managing capital is disclosed in note 43.

L Shareholdings of Promoters

Promoter Name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mrs. Anureet HP Singh	7,27,474	0.66%	7,26,148	0.85%	(0.19%)
Mr. Harbans Singh (deceased)	4,06,402	0.37%	4,06,402	0.48%	(0.11%)
Mr. Satvinder Singh	3,85,703	0.35%	3,85,703	0.45%	(0.10%)
Mrs. Neeti Singh	2,04,092	0.19%	2,04,092	0.24%	(0.05%)
Trishashna Holdings & Investments Private Limited	3,79,14,820	34.32%	3,15,79,692	37.05%	(2.73%)
Wisteria Holdings & Investments Private Limited	3,22,262	0.29%	3,22,262	0.38%	(0.09%)
Total	**3,99,60,753**	**36.18%**	**3,36,24,299**	**39.45%**	**(3.27%)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

25. OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve	2,777.00	2,777.00
Statutory reserve	25,308.03	16,573.30
General reserve	29.94	29.94
Securities premium	1,47,213.33	1,13,726.31
Retained earnings	54,575.53	19,735.05
Money received against share warrants	-	2,927.08
Other comprehensive income:		
Equity instruments through other comprehensive income	(3,580.83)	(2,049.12)
Changes in fair value of loan assets	2,757.51	613.25
Cash flow hedge reserve	-	-
Total	**2,29,080.51**	**1,54,332.81**

Nature and purpose of other reserve

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act, 2013 on account of redemption of preference shares.

Statutory reserve

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

General reserve

The management has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilized in accordance with the provisions of the Companies Act 2013.

Retained earnings

This represents undistributed accumulated earnings of the Group as on the balance sheet date.

Money received against share warrants

During the year March 2022, the Company had allotted Fully Convertible Warrants of INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant (25% of which was paid on allotment of warrant and 75% shall be payable at the time of exercising the warrants) on preferential basis to Trishashna Holdings & Investments Private Ltd (THIPL) (1,23,07,692 warrants) (entity belonging to promoter group) and Florintree Ventures LLP (1,23,07,692 warrants) (entity belonging to non-promoter group) on January 25, 2022. Out of the said warrants 1,02,05,128 warrants (61,02,564 warrants by THIPL and 41,02,564 warrants by Florintree Ventures LLP) were converted during the year ended March 2023 and remaining 1,44,10,256 warrants (62,05,128 warrants by THIPL and 82,05,128 warrants by Florintree Ventures LLP) have been converted during the year ended March 31, 2024 upon receipt of balance 75% amount of warrants by respective investors.

Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

Changes in fair value of loan assets

This represents the cumulative gains and losses arising on the fair valuation of loan assets classified under business model of hold and hold to collect and sell.

Cash flow hedge reserve

Cash flow hedge reserve is used to eliminate or reduce the exposure that arises from changes in the cash flows of a financial asset or liability (or other eligible exposure) due to changes in a particular risk, such as interest rate risk on a floating rate debt instrument.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

26. INTEREST INCOME

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI
Interest income on portfolio loans	45,823.49	-	1,23,368.29	27,029.70	-	85,674.99
Income from housing loans	-	-	6,501.28	-	-	5,112.33
Interest income on deposits	6,974.61	-	-	4,850.99	-	-
Interest income on certificate of deposits and commercial papers and T-bill	-	1,714.41	-	-	256.56	-
Interest income on unwinding of assigned portfolio	3,794.27	-	-	1,972.27	-	-
Sub-total	**56,592.37**	**1,714.41**	**1,29,869.57**	**33,852.96**	**256.56**	**90,787.32**
Total			**1,88,176.35**			**1,24,896.84**

27. DIVIDEND INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend income	-	0.17
Total	**-**	**0.17**

28. RENTAL INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental income on building	40.69	38.28
Total	**40.69**	**38.28**

29. FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service fee and facilitation charges	3,144.58	2,158.30
Income from business correspondent operations*	3,392.18	5,516.11
Total	**6,536.76**	**7,674.41**

*Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to profit and loss account:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of Services or service		
Income from business correspondent operations	3,392.18	5,516.11
Total revenue from contracts with customers	**3,392.18**	**5,516.11**
Geographical markets		
India	3,392.18	5,516.11
Outside India	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total revenue from contracts with customers	**3,392.18**	**5,516.11**
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	3,392.18	5,516.11
Total revenue from contracts with customers	**3,392.18**	**5,516.11**

Particulars	As at March 31, 2024	As at March 31, 2023
Contract balances		
Trade receivable	**-**	698.53
Contract Assets	**-**	825.64
Contract Liabilities	**-**	**-**

Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per Contract	3,392.18	5,516.11
Adjustments	**-**	**-**
Discount	**-**	**-**
Revenue from contract with customers	**3,392.18**	**5,516.11**

30. NET GAIN/(LOSS) ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Net gain on financial instruments measured at fair value through profit and loss		
- Investments		
Fair value gain on mutual funds	1,246.54	375.37
Gain on fair valuation of other investments	(31.06)	1.19
(B) Others		
- Derivatives	(431.64)	1,038.89
Total	**783.84**	**1,415.45**
Fair value changes		
- Realised	1,246.54	375.37
- Unrealised	(462.70)	1,040.08
Total	**783.84**	**1,415.45**

31. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on sale of loan portfolio through assignment	27,285.52	20,758.09
Total	**27,285.52**	**20,758.09**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

32. OTHER OPERATING INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commitment and other charges	455.66	132.73
Total	**455.66**	**132.73**

33. OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Promotion of financial products	430.00	90.00
Net gain on derecognition of property, plant and equipment	14.67	9.95
Net gain on termination of leases	15.57	7.59
Interest income on income - tax refund	116.89	-
Miscellaneous income	196.83	65.75
Total	**773.96**	**173.29**

34. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on borrowings (other than debt securities)	70,049.61	41,624.35
Interest on debt securities	13,308.04	12,703.81
Interest on subordinated liabilities	4,614.95	5,848.88
Interest expense for leasing arrangements	242.97	141.07
Other interest expenses	1,506.53	972.25
Bank charges	380.04	382.74
Total	**90,102.14**	**61,673.10**

35. IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	On financial assets measured at amortized cost	On financial assets measured at FVTOCI	On financial assets measured at amortized cost	On financial assets measured at FVTOCI
Loans written off	616.58	9,233.27	356.80	58,656.84
Impairment loss allowance on trade receivable and other receivable	114.72	-	25.37	-
Impairment loss allowance on housing and other loans	2,624.77	2,490.20	225.45	(19,269.31)
Total	**3,356.07**	**11,723.47**	**607.62**	**39,387.53**

36. EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	40,893.36	35,340.71
Contribution to provident and other funds	3,350.00	2,946.28
Staff welfare expenses	548.03	473.30
Total	**44,791.39**	**38,760.29**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

37. DEPRECIATION AND AMORTIZATION

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	1,186.29	1,120.44
Depreciation on right-of-use assets	974.81	609.96
Depreciation on investment property	32.35	34.00
Amortization on intangible assets	72.69	74.97
Total	**2,266.14**	**1,839.37**

38. OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Travelling and conveyance	3,149.41	2,366.79
Legal and professional charges	2,381.30	1,630.78
Insurance	330.52	430.50
Rent	1,291.85	1,401.63
Auditor's fee and expenses*	108.15	81.32
Rates and taxes	105.60	169.42
Repairs and maintenance	705.03	737.68
Director's fees, allowances and expenses	145.33	91.19
Software expenses	91.27	80.26
Corporate social responsibility	159.48	175.45
Net loss on derecognition of property, plant and equipment	50.42	-
Property, plant and equipment written off	6.41	6.01
Printing and stationery	634.59	592.45
Communication costs	517.91	507.37
Write off against first loss default guarantee	772.71	640.18
First loss default guarantee expenses	(948.76)	(535.49)
Website and maintenance charges	27.97	38.41
Advertisement and publicity	439.10	241.91
Cash embezzlement	38.00	119.92
Other administrative expenses	1,818.28	1,739.60
Miscellaneous expenses	1,700.21	1,781.90
Total	**13,524.78**	**12,297.28**
*** Remuneration to auditors comprises of (excluding applicable taxes):**		
As auditors	57.28	53.81
Other services	26.06	14.40
Reimbursement of expenses	24.81	13.11
	108.15	**81.32**

Above excludes fee of INR 44.83 Lakhs (previous year Nil) towards QIP issue which is adjusted against securities premium account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

39. TAX EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	6,949.62	193.96
Income tax for earlier years	-	(242.85)
Deferred tax credit	7,745.37	91.65
Tax expense reported in the Statement of Profit and Loss	**14,694.99**	**42.76**

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (March 31, 2023: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax expense	**58,288.79**	**524.07**
Income tax rate	25.168%	25.168%
Expected tax expense	14,670.12	131.90
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which is non deductible	42.28	58.11
Income tax for earlier years	4.53	(242.85)
Impact of change in tax rates	18.66	-
Tax on profit elimination	(55.11)	(8.62)
Others	14.51	104.22
Tax expense	**14,694.99**	**42.76**

40. EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit for the year for basic earnings per share	**43,593.80**	**481.31**
Dilutive impact of share warrants	**-**	**-**
Net profit for the year for diluted earnings per share	**43,593.80**	**481.31**
Nominal value of equity share (INR)	10	10
Weighted-average number of equity shares for basis earnings per share	9,83,12,931	7,82,31,361
Effect of dilution:		
Share warrants	24,32,055	36,02,564
Weighted-average number of equity shares used to compute diluted earnings per share	**10,07,44,986**	**8,18,33,925**
Basic earnings per share (INR)	**44.34**	**0.62**
Diluted earnings per share (INR)	**43.27**	**0.59**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

41. FINANCIAL INSTRUMENTS

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Financial assets measured at fair value			
Derivative financial instruments	Note - 6	1,800.00	2,231.64
Loans measured at fair value through other comprehensive income	Note - 8	7,09,924.14	4,17,324.36
Investments measured at			
Fair value through other comprehensive income	Note - 9	5,037.95	5,936.39
Fair value through profit and loss	Note - 9	80.13	111.70
Financial assets measured at amortized cost			
Cash and cash equivalents	Note - 4	42,404.88	25,770.63
Bank balances other cash and cash equivalents	Note - 5	84,708.37	85,665.12
Trade receivables	Note - 7	844.74	539.45
Loans	Note - 8	1,80,888.30	2,15,561.31
Investments	Note - 9	530.44	127.81
Security deposits	Note - 10	260.53	253.59
Other financial assets	Note - 10	3,297.60	2,059.21
Total		**10,29,777.08**	**7,55,581.21**
Financial liabilities measured at amortized cost			
Trade payables	Note - 17	385.52	507.87
Other payables	Note - 18	1,797.42	1,551.65
Debt securities (including interest accrued)	Note - 19 and 22	1,06,503.12	1,12,633.95
Borrowings other than debt securities (including interest accrued)	Note - 20 and 22	6,57,204.21	4,46,093.20
Sub-ordinated liabilities (including interest accrued)	Note - 21 and 22	35,283.98	37,612.39
Other financial liabilities	Note - 22	4,973.10	21,857.14
Total		**8,06,147.35**	**6,20,256.20**

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Valuation technique used to determine fair value

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	7,09,924.14	**7,09,924.14**
Investments at fair value through other comprehensive income				
Security Receipts	-	-	5,037.95	**5,037.95**
Investments at fair value through profit and loss				
Equity instruments	-	-	80.13	**80.13**
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,800.00	-	**1,800.00**

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	4,17,324.36	**4,17,324.36**
Investments at fair value through other comprehensive income				
Security Receipts	-	-	5,936.39	**5,936.39**
Investments at fair value through profit and loss				
Government securities	-	0.51	-	**0.51**
Preferential instruments	-	-	111.19	**111.19**
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	2,231.64	-	**2,231.64**

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) Eligible loans valued by discounting the aggregate future cash flows (both principal and interest cash flows) with discount rate that commensurate with the risk inherent in the expected cash flows for the remaining portfolio tenor.

(b) The use of net asset value for mutual funds and certificate of deposits on the basis of the statement received from investee party.

(c) The value of derivative contracts are determined using mark to market value shared by contracting bank at balance sheet date.

(d) The use of net asset value for security receipts on the basis of the value declared by investee party.

(e) The use of net asset value for government securities on the basis of the value declared by government.

(All amounts in INR lakhs, unless otherwise stated)

B.2 Fair value of instruments measured at amortized cost

Fair value of instruments measured at amortized cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	42,404.88	42,404.88	25,770.63	25,770.63
Bank balances other than cash and cash equivalents	84,708.37	84,708.37	85,665.12	85,665.12
Trade receivables	844.74	844.74	539.45	539.45
Loans	1,80,888.30	1,82,477.73	2,15,561.31	2,16,734.21
Investments	530.44	530.44	127.81	127.81
Security deposits	260.53	244.58	253.59	248.16
Other financial assets	3,297.60	3,348.33	2,059.21	2,128.31
Total	**3,12,934.86**	**3,14,559.07**	**3,29,977.12**	**3,31,213.69**
Financial liabilities				
Trade payables	385.52	385.52	507.87	507.87
Other payables	1,797.42	1,797.42	1,551.65	1,551.65
Debt securities (including interest accrued)	1,06,503.12	1,10,780.28	1,12,633.95	1,16,948.44
Borrowings other than debt securities (including interest accrued)	6,57,204.21	6,59,053.47	4,46,093.20	4,46,573.75
Sub-ordinated liabilities (including interest accrued)	35,283.98	35,592.93	37,612.39	37,947.69
Other financial liabilities	4,973.10	4,211.25	21,857.14	20,911.52
Total	**8,06,147.35**	**8,11,820.87**	**6,20,256.20**	**6,24,440.92**

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

(i) The fair values of fixed interest bearing loans are determined by applying set of discount rates and then averaged out to arrive at the fair value.

(ii) The fair values of fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

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FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

42. FINANCIAL RISK MANAGEMENT

i) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's Board of directors has overall responsibility for the establishment and oversight of the Group risk management framework. The Group manages the risk basis policies approved by the board of directors. The board of directors provides principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, lending to customers, trade receivables and other financial assets.	Credit limit, ageing analysis, default rate, customer efficiency.	Highly rated bank deposits and diversification of asset base and collaterals taken for assets. Continuous monitoring and follow up.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities	Cash flow forecasts, LCR (HQLA, net outflow)	Committed borrowing and other credit facilities and sale of loan assets (whenever required) Maintaining high level of liquidity by investing in liquid instruments
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee INR	Cash flow forecasting, unhedged open position	Currency and interest rate swaps, no unhedged open overnight position.
Market risk - interest rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities	Sensitivity analysis	Review of cost of funds and pricing of disbursement
Market risk - security price	Investments in equity securities, mutual funds, certificate of deposits and commercial papers	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

The Group provides for expected credit loss based on the following:

Nature	Assets covered	Provision for expected credit loss
Low credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	Loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2024	As at March 31, 2023
(i) **Low credit risk**		
Cash and cash equivalents	38,487.71	21,069.58
Bank balances other than cash and cash equivalents	84,708.37	85,665.12
Trade receivables	845.74	540.05
Loans	8,74,122.04	6,21,155.74
Investments	6,930.94	8,869.94
Security deposits	260.53	253.59
Other financial assets	3,298.71	1,954.34
(ii) **Moderate credit risk**		
Loans	11,868.33	4,314.06
Trade receivable	17.76	-
(iii) **High credit risk**		
Loans	23,715.29	20,339.19
Other financial assets	-	140.27

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Group closely monitors the credit worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due..

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client's household must be engaged in some form of economic activity which ensures regular and assured income
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the organization
- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organization undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organization in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Micro finance loans	1. Ageing of historical data 2. Latest available interest rate as discounting factor	1. Recoverability assumptions for stage 3 loan assets 2. Averaging of best case and worst case scenarios
Micro, Small and Medium Enterprises loans		
Housing and other loans		

* The Parent Company has used forward looking information in form of real domestic demand, consumer price index, real GDP and agriculture growth rate for Micro finance loans and real domestic demand and consumer prices growth rate for Micro Small and Medium Enterprises loans and subsidiary Companies has used forward looking information in form of inflation rate for housing and other loans.

Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at March 31, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	38,487.71	-	38,487.71
Bank balances other than cash and cash equivalents	84,708.37	-	84,708.37
Trade receivables	863.50	18.76	844.74
Investments	6,930.94	1,282.42	5,648.52
Security deposits	260.53	-	260.53
Other financial assets	3,298.71	1.11	3,297.60

As at March 31, 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	21,069.58	-	21,069.58
Bank balances other than cash and cash equivalents	85,665.12	-	85,665.12
Trade receivables	540.05	0.60	539.45
Investments	8,869.94	2,694.04	6,175.90
Security deposits	253.59	-	253.59
Other financial assets	2,094.61	35.40	2,059.21

ii) Expected credit loss for loans

Definition of default:

The Group considers default in all cases when the borrower becomes 90 days past due on its contractual payments. 'The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2022	**5,12,239.61**	**8,341.44**	**45,549.30**
Assets originated*	4,93,707.59	1,059.98	1,026.80
Net transfer between stages			
Transfer to stage 1	1,948.85	(1,823.77)	(125.07)
Transfer to stage 2	(17,241.09)	17,255.74	(14.65)
Transfer to stage 3	(36,365.47)	(3,695.59)	40,061.06
Assets derecognized or collected (excluding write offs)	(3,33,274.65)	(4,215.82)	(15,038.15)
Write - offs (including death cases)	-	(12,499.33)	(51,087.79)
Gross carrying amount as at March 31, 2023	**6,21,014.84**	**4,422.65**	**20,371.50**
Assets originated*	7,27,402.44	5,209.96	3,636.67
Net transfer between stages			
Transfer to stage 1	(1,379.16)	(458.43)	1,837.59
Transfer to stage 2	(9,425.94)	9,447.14	(21.20)
Transfer to stage 3	(14,426.23)	(974.75)	15,400.98
Assets derecognized or collected (excluding write offs)	(4,49,137.26)	(5,778.23)	(3,967.57)
Write - offs (including death cases)	-	-	(13,469.34)
Gross carrying amount as at March 31, 2024	**8,74,048.69**	**11,868.34**	**23,788.63**

* Assets originated has been presented net of collection made during the year.

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Loans			Other financial assets
	Stage 1	Stage 2	Stage 3	
Loss allowance on April 01, 2022	**1,453.53**	**4,501.49**	**29,333.06**	**13.69**
Increase of provision due to assets originated during the year	1,072.86	259.97	535.54	-
Net transfer between stages				
Transfer to stage 1	206.01	(182.98)	(23.03)	-
Transfer to stage 2	(38.29)	45.66	(7.36)	-
Transfer to stage 3	(68.46)	(293.05)	361.51	-
Assets derecognized or collected	(747.65)	(3,798.66)	(25,596.43)	22.31
Impact of ECL on exposures transferred between stages during the year	(463.92)	450.11	5,922.40	-
Loss allowance on March 31, 2023	**1,414.08**	**982.54**	**10,525.69**	**36.00**
Increase of provision due to assets originated during the year	2,021.94	1,552.73	2,236.17	18.16
Net transfer between stages				
Transfer to stage 1	75.87	(44.93)	(30.93)	-
Transfer to stage 2	(44.26)	56.07	(11.81)	-
Transfer to stage 3	(71.33)	(268.56)	339.88	-
Assets derecognized or collected	(406.72)	(465.93)	(5,956.33)	(140.27)
Impact of ECL on exposures transferred between stages during the year	(567.43)	1,063.85	6,492.63	105.98
Loss allowance on March 31, 2024	**2,422.15**	**2,875.77**	**13,595.30**	**19.87**

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(All amounts in INR lakhs, unless otherwise stated)

c) Concentration of loans

Particulars	As at March 31, 2024	As at March 31, 2023
Micro finance loans	7,91,508.03	5,45,850.62
Micro, Small and Medium Enterprises (MSME)	62,829.80	58,934.27
Housing finance and other loans	65,516.25	47,011.93
Less: Unamortized processing fee	(10,148.42)	(5,988.84)
Total	**9,09,705.66**	**6,45,807.98**

d) Loans secured against collateral

The Group secured portfolio pertains to MSME, housing and other loans, which are secured largely against property, plant and equipment, book debts, inventories, margin money and other working capital items. The Group collateral policy is consistent throughout the periods presented. The following table presents the maximum exposure to credit risk.

Particulars	Carrying value
As at March 31, 2024	
MSME loans secured by property, plant and equipment (including land, building and plots)	92,285.96
MSME loans secured by book debts, inventories, margin money and other working capital items	2,426.46
As at March 31, 2023	
MSME loans secured by property, plant and equipment (including land, building and plots)	63,945.82
MSME loans secured by book debts, inventories, margin money and other working capital items	3,082.64

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Group does not physically possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Group initiate the legal proceedings against the defaulted customers.

B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities (other than derivatives) that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Group's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Group also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities:

As at March 31, 2024	Total facility	Drawn	Undrawn
- Expiring within one year	65,560.97	58,060.97	7,500.00
- Expiring beyond one year	6,50,916.22	5,56,066.22	94,850.00
Total	**7,16,477.19**	**6,14,127.19**	**1,02,350.00**

As at March 31, 2023	Total facility	Drawn	Undrawn
- Expiring within one year	55,850.00	55,350.00	500.00
- Expiring beyond one year	2,58,792.90	2,00,292.00	58,500.90
Total	**3,14,642.90**	**2,55,642.00**	**59,000.90**

(ii) Maturities of financial assets and liabilities

The tables below analyse the Group financial assets and liabilities into relevant maturity groupings based on their contractual maturities. The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	42,418.31	-	-	-	**42,418.31**
Bank balances other than cash and cash equivalents	75,325.60	12,716.82	11,728.00	683.37	**1,00,453.79**
Trade receivables	844.74	-	-	-	**844.74**
Loans	6,32,370.61	2,11,969.78	1,74,267.57	77,976.55	**10,96,584.51**
Other financial assets	3,549.47	25.65	18.72	24.22	**3,618.06**
Derivatives (net settled)					
Derivative financial instruments	1,800.00	-	-	-	**1,800.00**
Total undiscounted financial assets	**7,56,308.73**	**2,24,712.25**	**1,86,014.29**	**78,684.14**	**12,45,719.41**
Financial liabilities					
Non-derivatives					
Debt Securities	36,194.40	55,208.07	33,585.14	4,292.47	**1,29,280.08**
Borrowings other than debt securities	4,01,136.36	2,06,509.77	1,11,023.30	37,961.48	**7,56,630.91**
Subordinated liabilities	4,528.49	29,920.42	3,416.18	6,488.59	**44,353.68**
Trade payables	385.54	-	-	-	**385.54**
Other payables	1,571.64	-	-	-	**1,571.64**
Other financial liabilities	3,968.13	-	-	-	**3,968.13**
Total undiscounted financial liabilities	**4,47,784.56**	**2,91,638.26**	**1,48,024.62**	**48,742.54**	**9,36,189.98**
Net undiscounted financial assets/(liabilities)	**3,08,524.17**	**(66,926.01)**	**37,989.67**	**29,941.60**	**3,09,529.43**

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	25,772.71	-	-	-	**25,772.71**
Bank balances other than cash and cash equivalents	58,803.78	27,338.00	3,178.73	151.93	**89,472.44**
Trade receivables	539.45	-	-	-	**539.45**
Loans	4,27,315.86	2,49,808.01	27,194.68	74,137.34	**7,78,455.89**
Investments	0.51	-	-	-	**0.51**
Other financial assets	2,374.30	17.71	14.41	10.88	**2,417.30**
Derivatives (net settled)					
Derivative financial instruments	2,231.64	-	-	-	**2,231.64**
Total undiscounted financial assets	**5,17,038.25**	**2,77,163.72**	**30,387.82**	**74,300.15**	**8,98,889.94**
Financial liabilities					
Non-derivatives					
Debt Securities	67,896.95	21,028.71	30,928.40	11,606.60	**1,31,460.66**
Borrowings other than debt securities	3,25,521.23	1,35,285.08	35,079.11	33,744.58	**5,29,630.00**
Subordinated liabilities	11,611.27	3,875.63	29,262.67	2,779.18	**47,528.75**
Trade payables	507.87	-	-	-	**507.87**
Other payables	1,551.65	-	-	-	**1,551.65**
Other financial liabilities	21,857.14	-	-	-	**21,857.14**
Provision	0.13	-	-	-	**0.13**
Total undiscounted financial liabilities	**4,28,946.24**	**1,60,189.42**	**95,270.18**	**48,130.36**	**7,32,536.20**
Net undiscounted financial assets/(liabilities)	**88,092.01**	**1,16,974.30**	**(64,882.36)**	**26,169.79**	**1,66,353.74**

The Group has restructured certain loans in accordance with the RBI circular RBI/2021-22/31 DOR.STR. REC.11/21.04.048/2021-22 dated May 05, 2021. The maturities of financial assets as above, are the amount due and payable only to the extent the contractual terms with borrowers were amended as at March 31, 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

C) Market risk

a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of the Group. To mitigate the Group's exposure to foreign currency risk, non-rupee cash flows are monitored and derivative contracts are entered into in accordance with the Group's risk management policies. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure.

Foreign currency risk exposure:

The Group exposure to foreign currency risk at the end of the reporting period expressed in INR Lakhs, are as follows:

Particulars	Currency	As at March 31, 2024	As at March 31, 2023
Financial liabilities			
External commercial borrowings (including interest accrued)	**USD**	63,377.48	41,691.24
	EUR	10,780.56	-
(Gain)/loss: Derivative contract		(1,800.00)	(2,231.64)

Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
USD sensitivity*		
INR/USD- increase by 5%	(3,168.87)	(2,084.56)
INR/USD- decrease by 5%	3,168.87	2,084.56
EUR sensitivity*		
INR/EUR- increase by 5%	(539.03)	-
INR/EUR- decrease by 5%	539.03	-

** Holding all other variables constant*

b) Interest rate risk

i) Liabilities

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. 'The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2024, the Group is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate liabilities		
Debt securities	-	-
Borrowings other than debt securities	4,11,216.43	1,70,303.80
Subordinated liabilities	20,000.00	20,000.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate liabilities		
Debt securities	1,03,353.73	1,09,643.58
Borrowings other than debt securities	2,42,158.86	2,74,054.46
Subordinated liabilities	14,765.04	17,122.90
Total	**7,91,494.06**	**5,91,124.74**

Sensitivity

The profits earned by the Group are sensitive to the change in interest rates on variable rate liabilities. The following table shows the sensitivity of profit/(loss) before tax due to change in interest rates:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest sensitivity*		
Interest rates – increase by 0.50%	(1,526.95)	(774.96)
Interest rates – decrease by 0.50%	1,526.95	774.96

** Holding all other variables constant*

ii) Assets

The Group's fixed deposits are carried at amortized cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the period:

Impact on profit after tax

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Mutual fund, Certificate of deposits and commercial paper		
Net assets value – increase by 5%	-	-
Net assets value – decrease by 5%	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

43. CAPITAL MANAGEMENT

The primary objectives of the Group's capital management policy is to ensure that the Group complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the sub-ordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt*	6,71,878.06	4,84,903.79
Total equity	2,40,084.83	1,62,812.44
Net debt to equity ratio	**2.80**	**2.98**

* Net debt includes debt securities + borrowings other than debt securities + sub-ordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash and cash equivalents.

44. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	42,404.88	-	25,770.63	-
Bank balances other than cash and cash equivalents	62,140.36	22,568.01	57,206.38	28,458.74
Derivative financial instruments	1,800.00	-	2,231.64	-
Trade receivables	844.74	-	539.45	-
Loans	4,89,683.65	4,01,128.79	3,22,586.32	3,10,299.35
Investments	-	5,648.52	0.51	6,175.39
Other financial assets	3,473.86	84.27	2,240.16	72.64
	6,00,347.49	**4,29,429.59**	**4,10,575.09**	**3,45,006.12**
Non-financial assets				
Current tax assets (net)	180.66	975.47	3,321.63	1,005.92
Deferred tax assets (net)	-	908.10	-	8,857.48
Property, plant and equipment	-	9,169.65	-	8,681.88
Capital work-in-progress	-	9.21	-	-
Investment Property	-	631.91	-	664.26
Goodwill	-	3,370.66	-	3,370.66
Other intangible assets	2.36	87.75	-	179.17
Other non-financial assets	3,035.14	852.96	2,482.17	812.43
	3,218.16	**16,005.71**	**5,803.80**	**23,571.80**
TOTAL ASSETS	**6,03,565.65**	**4,45,435.30**	**4,16,378.89**	**3,68,577.92**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	13.78	-	10.42	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	371.74	-	497.45	-
Other payables		-		
(i) total outstanding dues of micro enterprises and small enterprises	83.55	-	23.87	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,713.87	-	1,527.78	-
Debt securities	23,292.70	80,061.03	57,375.23	52,268.35
Borrowings (other than debt securities)	3,38,140.53	3,15,234.76	2,50,304.41	1,94,053.85
Subordinated liabilities	-	34,765.04	7,168.00	29,954.90
Other financial liabilities	10,956.27	1,514.08	25,527.97	1,543.97
	3,74,572.44	**4,31,574.91**	**3,42,435.13**	**2,77,821.07**
Non-financial liabilities				
Current tax liabilities (net)	234.95	-	-	-
Provisions	305.63	711.77	226.85	707.50
Other non-financial liabilities	1,516.42	-	953.82	-
	2,057.00	**711.77**	**1,180.67**	**707.50**
TOTAL LIABILITIES	**3,76,629.44**	**4,32,286.68**	**3,43,615.80**	**2,78,528.57**
Net equity	**2,26,936.21**	**13,148.62**	**72,763.09**	**90,049.35**

45. TRANSFERRED FINANCIAL ASSETS

In the course of its financing activity, the group transfers financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the group retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The group has securitized its loan assets to unrelated and unconsolidated entities. As per the terms of the agreements, the group is exposed to first loss default guarantee in range of 12% to 20% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying loan receivables. Hence, these loan assets are not derecognized and proceeds received are presented as borrowings.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitizations	As at March 31, 2024	As at March 31, 2023
Gross carrying amount of securitised assets	96,984.03	1,30,709.80
Gross carrying amount of associated liabilities	81,792.77	1,15,267.09
Carrying value and fair value of securitised assets	93,966.02	1,29,764.99
Carrying value and fair value of associated liabilities	81,792.77	1,15,267.09
Net position	**12,173.25**	**14,497.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

46. EMPLOYEE BENEFITS

The Group has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

A Defined contribution plans

Provident and other funds

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. the Group has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employers contribution to provident and other fund	3,350.00	2,946.28

B Defined benefit plans

Gratuity

The Group has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Companies. The liability of Gratuity is recognized on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	1,707.40	1,585.86
Fair value of plan assets	1,840.22	1,612.68
Net (assets)/ obligation recognized in balance sheet as non-financial assets	**(132.82)**	**(26.82)**

(ii) Amount recognized in the statement of profit and loss is as under:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	293.14	291.01
Interest cost on defined benefit obligation	112.90	102.48
Interest income on plan assets	(110.50)	(104.49)
Net expense in statement of profit and loss	**295.54**	**289.00**

Amount recognized in the other comprehensive income:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (loss) recognized during the year	(7.53)	(47.92)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation as at the beginning of year	1,585.86	1,524.78
Current service cost	293.14	291.01
Interest cost	117.20	103.76
Past service cost including curtailment gains/losses	-	-
Benefits paid	(355.65)	(373.63)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	(28.36)	-
Actuarial (gain)/loss on arising from change in financial assumption	23.69	(11.18)
Actuarial loss on arising from experience adjustment	71.52	51.12
Present value of defined benefit obligation as at the end of the year	**1,707.40**	**1,585.86**

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	As at March 31, 2024	As at March 31, 2023
Funds managed by insurers	100%	100%
Total	**100%**	**100%**

(v) Movement in the plan assets recognized in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at beginning of year	1,612.68	1,490.84
Actual return on plan assets	182.00	94.31
Employer's contribution	389.73	401.24
Benefits paid	(344.19)	(373.63)
Expected return on plan assets	-	2.39
Actuarial loss/(gain) on plan assets	-	(2.47)
Fair value of plan assets at the end of the year	**1,840.22**	**1,612.68**

(vi) Actuarial assumptions

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discounting rate	7.12%	7.39%
Future salary increase	8.00% - 4.00%	4.00%
Retirement age (years)	58-60	60
Withdrawal rate		
Up to 30 years	55.20% - 25.50%	56.21% - 25.50%
From 31 to 44 years	38.10% - 16.90%	43.75% - 17.77%
Above 44 years	10.00% - 0.40%	50.00% - 0.00%
Weighted average duration	3.35 - 3.76	1.36 - 3.94

Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012 – 14) Ultimate table.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

(vii) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2024	As at March 31, 2023
Impact of the change in discount rate		
Present value of obligation at the end of the year	1,707.40	1,585.86
- Impact due to increase of 0.50 %	(43.18)	(42.52)
- Impact due to decrease of 0.50 %	46.16	45.71
Impact of the change in salary increase		
Present value of obligation at the end of the year	1,707.40	1,585.86
- Impact due to increase of 0.50 %	47.24	46.93
- Impact due to decrease of 0.50 %	(44.53)	(43.98)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

Maturity profile of defined benefit obligation (discounted)	As at March 31, 2024	As at March 31, 2023
0 to 1 year	430.17	398.57
1 to 2 year	214.05	179.64
2 to 3 year	144.16	130.63
3 to 4 year	186.38	98.88
4 to 5 year	97.52	139.82
5 to 6 year	70.20	64.57
6 year onwards	564.92	573.75
Total	**1,707.40**	**1,585.86**

47. RELATED PARTY DISCLOSURES

A List of related parties and disclosures

Key managerial personnel and their relatives:

Name of directors and key managerial personnel	Designation
Mr. Harvinder Pal Singh	Chairman cum Managing Director
Mr. Satvinder Singh	Non-Executive and Non-Independent Director
Mr. Sanjay Kumar Bhatia	Non-Executive and Independent Director
Mr. Sundeep Kumar Mehta	Non-Executive and Independent Director
Mr. Anil Kumar Kalra	Non-Executive and Independent Director
Mr. Goh Colin	Non-Executive and Independent Director
Mrs. Sangeeta Khorana	Non-Executive and Independent Director
Mr. Anil Kaul (w.e.f. January 15, 2024)	Non-Executive and Independent Director
Mr. Christian Bernhard Ramm (till March 1, 2023)	Nominee Director
Mr. Jugal Kataria	Group Controller
Mr. Rakesh Sachdeva	Chief Financial Officer
Mr. Manoj Agrawal (w.e.f. August 11, 2023)	Deputy Chief Financial Officer
Mr. Vikas Gupta (w.e.f. October 8, 2022)	Company Secretary and Chief Compliance Officer
Mr. Vipul Sharma (till September 10, 2022)	Company Secretary and Compliance Officer
Satin Housing Finance Limited	
Mr. Amit Sharma	Managing Director and Chief Executive Officer
Mr. Harvinder Pal Singh	Director
Mr. Sundeep Kumar Mehta	Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

Name of directors and key managerial personnel	Designation
Mr. Anil Kumar Kalra	Director
Dr. Jyoti Ahluwalia (w.e.f. April 27, 2022)	Director
Mr. Sachin Sharma	Chief Financial Officer
Ms. Vaishali Goyal (w.e.f. April 28, 2022)	Company Secretary
Mr. Prince Kumar (till April 27, 2022)	Company Secretary
Mr. Brajesh Kumar (w.e.f. October 1, 2023)	Chief Compliance Officer
Satin Finserv Limited*	
Mr. Bhuvnesh Khanna (w.e.f. January 19, 2024)	Whole-time Director and Chief Executive Officer
Mr. Sumit Mukherjee (till May 31, 2023)	Director & Chief Executive Officer
Mr. Partha Mukherjee (till August 31, 2022) #	Director
Mr. Arjun Bansal	Chief Financial Officer
Mr. Rahul Garg (till February 28, 2023) #	Chief Financial Officer
Mr. Puneet Jolly (till December 19, 2023)	Company Secretary
Ms. Sneha Khanduja (w.e.f. July 29, 2022 till February 28, 2023) #	Company Secretary
Mr. Gurvinder Singh (w.e.f. January 20, 2024)	Company Secretary and Chief Compliance Officer

**Taraashna Financial Services Limited got merged with Satin Finserv Limited vide NCLT order dated March 1, 2023).*
 # For Taraashna Financial Services Limited

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Private Limited

B Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Harvinder Pal Singh	Remuneration	140.69	140.32
	Provident fund and others	14.39	14.39
	Personal guarantees given	67,937.50	25,780.00
	Personal guarantees withdrawn	22,520.91	10,655.81
Mr. Satvinder Singh	Personal guarantees withdrawn	-	10,000.00
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees given (jointly)	2,09,031.25	79,100.00
	Personal guarantees withdrawn (jointly)	1,06,738.33	95,451.53
Mr. Jugal Kataria	Remuneration	155.99	140.29
Mr. Rakesh Sachdeva	Remuneration	80.39	77.53
Mr. Vipul Sharma	Remuneration	-	8.52
Mr. Manoj Agrawal	Remuneration	65.58	-
Mr. Vikas Gupta	Remuneration	38.14	16.14
Mr. Anil Kaul	Commission	5.00	-
Mr. Partha Mukherjee	Remuneration	-	17.50
Mr. Bhuvnesh Khanna	Remuneration	32.39	-
Mr. Rahul Garg	Remuneration	-	21.08
Ms Sneha Khanduja	Remuneration	-	3.18
Mr. Amit Sharma	Remuneration	114.78	93.25
Mr. Sachin Sharma	Remuneration	64.35	50.01
Mr. Prince Kumar	Remuneration	-	0.56
Mr. Brajesh Kumar	Remuneration	5.00	-
Ms Vaishali Goyal	Remuneration	14.12	11.64
Mr. Sumit Mukherjee	Remuneration	17.60	105.60
Mr. Arjun Bansal	Remuneration	27.80	23.49
Mr. Puneet Jolly	Remuneration	12.74	15.08
Mr. Gurvinder Singh	Remuneration	3.28	-
Mr. Amit Sharma	Advance given and repaid	35.00	-
Mr. Sachin Sharma	Advance given and repaid	10.00	-
Mr. Satvinder Singh	Sitting fees	6.05	4.25
Mr. Sundeep Kumar Mehta	Sitting fees	10.65	7.45
Mrs. Sangeeta Khorana	Sitting fees	5.15	2.50
Mr. Goh Colin	Sitting fees	6.75	4.55
Mr. Sanjay Kumar Bhatia	Sitting fees	7.85	4.55
Dr. Jyoti Ahluwalia	Sitting fees	1.00	0.70
Mr. Anil Kumar Kalra	Sitting fees	7.95	5.40
Mr. Anil Kaul	Sitting fees	1.25	-
Satin Neo Dimensions Private Limited	Interest income	9.44	27.24
	Inter corporate loan received back	97.48	85.09

C Key management personnel compensation includes the following expenses:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	787.24	738.57
Post employment benefits	28.02	28.64
Other long-term benefits	(1.09)	17.85

D Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of balance	As at March 31, 2024	As at March 31, 2023
Mr. Harvinder Pal Singh	Personal guarantees against borrowings^	73,548.29	28,131.70
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees (jointly) against borrowings^	2,12,178.15	1,09,885.23
Mr. Anil Kaul	Commission	1.80	-
Mr. Goh Colin	Sitting fees	0.69	0.58
Mr. Anil Kumar Kalra	Sitting fees	-	0.63
Mr. Sanjay Kumar Bhatia	Sitting fees	-	0.63
Mr. Satvinder Singh	Sitting fees	-	0.27
Mr. Sundeep Kumar Mehta	Sitting fees	-	0.27
Mrs. Sangeeta Khorana	Sitting fees	-	0.63
Satin Neo Dimensions Private Limited	Inter corporate loan	-	97.48
	Interest accrued	-	1.52

^Personal guarantee balances outstanding indicates outstanding amount of borrowings against which guarantee was given.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

48. LEASES DISCLOSURE AS LESSEE

1 The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized on balance sheet:

March 31, 2024

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	625	1 Months-59 Months	18.5 months	573	-	-	625
Vehicles	1	34 months	34 months	1	1	-	1

March 31, 2023

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	450	1 Months-64 Months	16 months	399	-	-	450
Vehicles	1	46 months	46 Months	1	1	-	1

2 Additional information on the Right-Of-Use assets by class of assets is as follows:

March 31, 2024

Right-of use assets	Carrying amount as on April 01, 2023	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2024
Office building	1,226.40	1,782.07	951.53	306.28	1,750.66
Vehicles	74.55	-	23.28	-	51.27

March 31, 2023

Right-of use assets	Carrying amount as on April 01, 2022	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2023
Office building	619.65	1,256.53	603.82	45.96	1,226.40
Vehicles	-	80.69	6.14	-	74.55

Note: The right-of-use assets are included in the same line item as where the corresponding underlying assets would be presented if they were owned.

3 Lease liabilities are presented in the statement of financial position as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Current	918.44	651.47
Non-current	1,019.60	758.75
Total	**1,938.04**	**1,410.22**

4 At March 31, 2024 the Group had not committed to leases which had not commenced.

5 The undiscounted maturity analysis of lease liabilities is as follows:

March 31, 2024

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,154.16	717.96	357.87	490.91
Finance charges	235.71	311.96	151.71	83.48
Net present values	**918.45**	**406.00**	**206.16**	**407.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

March 31, 2023

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	772.71	430.44	230.81	213.25
Finance charges	121.25	61.77	31.45	22.52
Net present values	**651.46**	**368.67**	**199.36**	**190.73**

6 The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

7 The Group had cash outflows for leases of INR 1,146.97 Lakhs in March 31, 2024 (March 31, 2023: INR 730.18 Lakhs)..

The following are the amounts recognized in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	974.81	609.96
Interest expense on lease liabilities	242.97	141.07
Expense relating to short-term leases (included in other expenses)	1,291.85	1,480.76
Total amount recognized in profit or loss	**2,509.63**	**2,231.79**

The Group had lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 1 and 9 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group has several lease contracts that include extension, termination options, non financial restrictions and non financial covenants. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group does not have any lease contracts that contains variable payments.

The Group does not anticipate any material leases to be terminated in next three years or beyond that.

Operating leases

The Group has taken on lease certain assets under operating lease arrangements. The contractual future minimum lease payment obligation in respect of these leases are as under:

Office premises

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases	749.89	794.84

Operating leases as lessor

The Group has given certain premises under operating lease arrangements. The contractual future minimum lease income in respect of these leases are as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum lease receipts:		
- within one year	73.48	20.86
- Later than one year but not later than two years	161.03	0.73

49. SEGMENT INFORMATION

The Group operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. the Group derives its major revenues from financing activities and its customers are widespread. Further, the Group operates only in India which is considered as a single geographical segment.

(All amounts in INR lakhs, unless otherwise stated)

50. CONTINGENT LIABILITIES AND COMMITMENTS:

(to the extent not provided for)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contract remaining to be executed on capital account and not provided for	-	-
The Group has undrawn exposure towards borrowers	3,975.50	4,210.80
Claims against the Company not acknowledged as debt:		
- Litigation matters with respect to direct taxes	225.99	521.71
- Litigation matters with respect to indirect taxes	203.60	-

The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgement is required to determine both probability and the estimated amount. The Company reviews these provisions periodically and adjust these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and update information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2024.

Disputed claims against the Company, including claims raised by the tax authorities and which are pending with appeal / court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes.

51. ASSETS PLEDGED/HYPOTHECATED AS SECURITY

The carrying amounts of assets pledged/hypothecated as security are:

Particulars	As at March 31, 2024	As at March 31, 2023
Loan assets	7,84,511.16	5,81,734.82
Vehicles*	140.41	156.02
Land & Buildings	-	150.36
Total assets pledged as security	**7,84,651.57**	**5,82,041.20**

*This excludes right of use asset of INR 51.27 Lakhs (March 31, 2023 : INR 74.55 Lakhs).

52. RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended on March 31, 2024, MCA has not notified any new standards or amendments to the existing standards which are applicable from April 01, 2024.

53. INTEREST IN OTHER ENTITIES

Subsidiaries

Name of entities	Country of incorporation	Functional currency	Ownership interest held by the Group		Principal activities
			As at March 31, 2024	As at March 31, 2023	
Satin Housing Finance Limited	India	INR	100.00%	100.00%	Financing
Satin Finserv Limited*	India	INR	100.00%	100.00%	Financing

*Due to amalgamation of Taraashna Financial Services Limited ("TFSL") (erstwhile wholly owned subsidiary) with Satin Finserv Limited ("SFL"), which is registered as a Non Banking Finance Company (NBFC) as on March 31, 2023, SFL was not fulfilling

(All amounts in INR lakhs, unless otherwise stated)

principal business criteria laid down by Reserve Bank of India (RBI). As per the criteria, atleast 50% of total assets of SFL should be financial assets and atleast 50% of gross income should be from financing activities. SFL was meeting the first criteria only but did not meet the second criteria as on March 31, 2023. RBI vide letter dated July 22, 2022 had granted time till March 31, 2024 for fulfilling the said criteria. SFL is meeting both the criterias for principal business criteria as on March 31, 2024.

Subsidiary with material non-controlling interests (NCI)

No subsidiary company has non-controlling interests that are material to the group for the year ended March 31, 2024 and March 31, 2023.

54. ADDITIONAL INFORMATION IN PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss) after tax		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
Satin Creditcare Network Limited	111.10%	2,66,734.27	97.00%	42,284.41	(1.06%)	(6.45)	95.65%	42,277.96
Indian subsidiaries								
Satin Housing Finance Limited	8.76%	21,034.25	2.00%	874.43	101.60%	616.72	3.37%	1,491.15
Satin Finserv Limited*	7.61%	18,279.05	1.18%	514.77	(0.54%)	(3.24)	1.16%	511.53
Elimination	(27.47%)	(65,962.74)	(0.18%)	(79.81)	-	-	(0.18%)	(79.81)
Total	**100.00%**	**2,40,084.83**	**100.00%**	**43,593.80**	**100.00%**	**607.03**	**100.00%**	**44,200.83**

55. EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)

Pursuant to the approval accorded by Shareholders of Satin Creditcare Network Limited (Parent Company) at their Annual General Meeting held on July 6, 2017, the Nomination and Remuneration Committee of the Parent Company formulated a new scheme 'Satin Employee Stock Option Scheme 2017' (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (or any amendment thereto or any other provisions as may be applicable). ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding Promoters of the Promoter Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Parent Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

There were no grants existed during the year ended March 31, 2024 (previous year: Nil). Hence, other disclosures under Ind AS 102 are not applicable.

However, the ESOP pool under the ESOP 2017 has a balance of 4,82,946 Options available for future grants and Satin Employee Welfare Trust holds 4,82,946 shares (including the impact of Right Issue) in its demat account during the year ended March 31, 2024.

The Parent Company has INR 169.74 Lakhs (March 31, 2023: INR 169.69 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes. Satin Employees Welfare Trust is holding 4,82,946 fully paid up equity shares of INR 10 each of the Parent Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024 (Contd.)

(All amounts in INR lakhs, unless otherwise stated)

56. ADDITIONAL INFORMATION PURSUANT TO MINISTRY OF CORPORATE AFFAIRS NOTIFICATION DATED MARCH 24, 2021 WITH RESPECT TO AMENDMENTS IN SCHEDULE III OF COMPANIES ACT, 2013

(i) All the borrowings of the group are used for the specific purpose for which it was taken.

(ii) There are no proceedings which have been initiated or pending against any company of the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(iii) No company in the group is a wilful defaulter as declared by any bank or financial Institution or any other lender.

(iv) The group reviews transactions on an ongoing basis to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies except as mentioned below.

Name of the Company	Nature of transaction	Amount of transaction	Balance outstanding	Relationship
M.S. Hotel Pvt. Ltd.	Tour & Travel Expense	0.09	Nil	None

(v) The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vi) With respect to Companies in the Group, there are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The group has not traded or invested in Crypto currency or Virtual Currency during the year.

57. Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/ disclosure adopted in the current year.

For **S S Kothari Mehta & Co. LLP**
Chartered Accountants
Firm's Registration No. 000756N/ N500441

Naveen Aggarwal
Partner
Membership Number: 094380

Place : Gurugram
Date: April 29, 2024

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

Harvinder Pal Singh
(Chairman cum Managing Director)
DIN: 00333754

Satvinder Singh
(Director)
DIN: 00332521

Sanjay Kumar Bhatia
(Chairman Audit Committee cum Director)
DIN: 07033027

Rakesh Sachdeva
(Chief Financial Officer)

Vikas Gupta
(Company Secretary & Chief Compliance Officer)
Membership Number: A24281

Place : Gurugram
Date: April 29, 2024

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part- A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR Lakhs)

S.No.	1	2
Name of subsidiary	**Satin Housing Finance Limited**	**Satin Finserv Limited***
The date since when subsidiary was acquired	April 17, 2017	August 10, 2018
Reporting period for the subsidiary concerned, if different from the Parent Company's reporting period :-	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries :-	NA	NA
Share capital	12,962.32	15,755.79
Other equity	8,071.93	2,523.26
Total assets excluding investments	69,139.47	45,805.12
Total Liabilities	48,105.22	27,839.45
Investments	Nil	313.38
Revenue	9,231.30	12,140.51
Profit /(loss) before taxation	1,168.80	703.52
Tax expenses	294.37	188.75
Profit /(loss) after taxation	874.43	514.77
Other comprehensive income	616.72	(3.24)
Total comprehensive income	1,491.15	511.53
Proposed dividend	Nil	Nil
Extent of shareholding (in percentage)	100%	100%

i) Names of subsidiaries which are yet to commence operations: N.A.

ii) Names of subsidiaries which have been liquidated or sold during the year. - N.A.

SATIN CREDITCARE NETWORK LIMITED

CIN: L65991DL1990PLC041796

Regd. Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033

Corporate Office: Plot No. 492, Udyog Vihar, Phase – III, Gurugram – 122016, Haryana, India

Phone: 0124-4715400

Website: www.satincreditcare.com

Email Id: secretarial@satincreditcare.com

NOTICE

NOTICE is hereby given that the 34th (Thirty-fourth) Annual General Meeting ("**AGM**") of the Members of **Satin Creditcare Network Limited ("the Company")** will be held on Friday, August 09, 2024 at 11.00 A.M. (IST) through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**"), to transact the following businesses:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements and the Reports of Board of Directors and Auditors**

   To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors of the Company and the Auditors thereon.

2. **Re-Appointment of Director**

   To appoint a Director in place of **Mr. Satvinder Singh (DIN: 00332521)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

3. **Appointment of Statutory Auditors**

   To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with rules framed thereunder, in terms of RBI guidelines for appointment of Statutory Auditors dated April 27, 2021 ('**RBI Guidelines**') read with the policy for appointment of Statutory Auditors and in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof for the time being in force) and based on recommendation of Audit Committee and the Board of Directors, M/s J C Bhalla & Co., Chartered Accountants (Firm Registration No. 001111N) issued by Institute of Chartered Accountants of India ("ICAI"), having a valid Peer Review Certificate issued by the Peer Review Board of ICAI, who being eligible for appointment as Statutory Auditors in terms of Section 141 of the Act & applicable rules, guidelines and circulars issued by the Reserve Bank of India, from time to time, be and are hereby appointed as Statutory Auditors of the Company for a continuous period of 3 (three years) effective from the conclusion of ensuing 34th Annual General Meeting till the conclusion of 37th Annual General Meeting to be held in the year 2027 on such terms and conditions, including remuneration, reimbursement of expenses (if any) as may be fixed and determined by the Board of Directors, as per recommendation of the Audit Committee and in consultation with the said Auditors.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and are hereby authorized on behalf of the Company to finalize their terms of engagement according to the scope of their services as Statutory Auditors and other permissible assignments, if any, in line with the relevant, prevailing statutory/regulatory provisions including their terms of appointment as per RBI Guidelines and policy for appointment of Statutory Auditors of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company, including any Committee thereof, be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. **Appointment of Mr. Joydeep Datta Gupta (DIN: 00176737) as Non-Executive & Independent Director of the Company**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 197, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read with Companies (Appointment and Qualification of Directors) Rules, 2014 ("**Rules**"), as amended and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI Listing Regulations**"), Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof for the time being in force) or any other law for the time being in force in India, the relevant provisions of Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors (**'the Board'**, which term shall also include any committee thereof), **Mr. Joydeep Datta Gupta (DIN: 00176737)**, who was appointed as an Additional Director (Non-Executive & Independent) with effect from June 24, 2024 and who has submitted declaration that he meets the criteria of independence under Section 149(6) of the Act & the rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for office of a Director and subject to such necessary approval(s), consent(s) or permission(s), as may be required, be and is hereby appointed as Non-Executive & Independent Director of the Company, not liable to retire by rotation, on such terms and conditions, including remuneration upto INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable as prescribed under the Act, for a period of 3 (three) years with effect from June 24, 2024 till June 23, 2027 (both days inclusive).

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to or any other Officer(s) / Authorized Representative(s) of the Company to do all such acts, deeds, matters and things and to take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. **Payment of remuneration by way of commission to Non-Executive Directors (including Independent Directors) of the Company**

   To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to provisions of Sections 149(9), 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("**the Act**") and the rules made thereunder and in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ("**SEBI Listing Regulations**"), Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof for the time being in force) or any other law for the time being in force in India, the relevant provisions of Articles of Association of the Company, based on the recommendation of Nomination and Remuneration Committee and that of the Board of Directors (**'the Board'**, which term shall also include any committee thereof), consent of Members of the Company be and is hereby accorded for payment of remuneration by way of commission, in addition to the sitting fees being paid/payable for attending the meetings of Board of Directors and its Committees thereof, to Non-Executive Directors (including Independent Directors) of the Company, for each financial year commencing from September 01, 2024 onwards, upto an amount not exceeding INR 30,00,000 (Indian Rupees Thirty Lakhs only) per annum, individually, subject to meeting such criteria, as may be decided by the Board from time to time and subject to the overall maximum limit of 1% (one percent) of the net profits of the Company calculated in accordance to provisions of the Act.

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year commencing from the financial year 2024-25, the Board may pay the remuneration by way of commission to its Non-Executive Directors (including Independent Directors) as set out above, subject to requirements of the applicable provisions as contained in the Act, SEBI or RBI Regulations, as amended from time to time.

   RESOLVED FURTHER THAT for giving effect to above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, without being required to seek any further consent or approval of the members of the Company."

6. **Revision in the remuneration of Mr. Harvinder Pal Singh (DIN: 00333754), Chairman cum Managing Director of the Company**

   To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** in partial modification of resolution passed by Members at the 31st Annual General Meeting of the Company held on August 05, 2020 and pursuant to provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any of

the Companies Act, 2013 **("the Act")** and rules made thereunder and in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, **("SEBI Listing Regulations")**, the relevant provisions of the Articles of Association and Nomination and Remuneration Policy of the Company and all applicable regulations or guidelines issued by the Reserve Bank of India or any governmental/statutory authorities (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, from time to time) and subject to all other applicable provisions, laws, approval(s) or sanction(s) or consent(s) as may be required and based on recommendation of Nomination and Remuneration Committee and that of Board of Directors (**'the Board'**, which term shall also include any committee thereof), consent of Members of the Company be and is hereby accorded for revision in remuneration of Mr. Harvinder Pal Singh (DIN: 00333754), Chairman cum Managing Director of the Company, i.e. from existing remuneration of INR 9,99,450 per month to INR 26,80,000 per month excluding variable pay of 20% of basic salary which will be paid based on the performance of the Company, with effect from April 1, 2024 till completion of his present tenure i.e. upto September 30, 2025 and all other existing terms and conditions shall remain unchanged.

RESOLVED FURTHER THAT if in any financial year during the currency of his remaining tenure, the Company has no profits or its profits are inadequate, remuneration as set out above, shall be paid to Mr. Harvinder Pal Singh, subject to requirements of the applicable provisions as contained in the Act, SEBI or RBI Regulations, as amended from time to time

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company and to do all such acts, deeds, matters and things including the finalisation of Variable Pay and to take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

7. **Issuance of Non-Convertible Debentures (NCDs), in one or more series/tranches on private placement basis**

   To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in supersession of the earlier special resolution passed by Members at the 33rd Annual General Meeting of the Company held on August 09, 2023 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, as amended (including any statutory modification(s), amendment(s) or enactment(s) or re-enactment(s) thereof for the time being in force), the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the SEBI circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 on "Operational Circular for issue and listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", as amended from time to time and the enabling provision of the listing agreements entered into with the stock exchanges where the shares or other securities of the Company are listed, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India ("**RBI**") and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any statutory/regulatory authority, as may be applicable, the Memorandum and Articles of Association of the Company and subject to such consents, approvals, permissions and sanctions of the concerned statutory and regulatory authorities, if any and to the extent necessary, consent of Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "**Board**" which term shall include any committee constituted / may be constituted by the Board to exercise its powers including the powers conferred under this resolution) to create, offer, invite for subscription, issue and allot secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, perpetual or non-perpetual, redeemable (including market linked debentures), cumulative or non-cumulative Non-Convertible Debentures ("**NCDs**") by way of private placement, in 1(one) or more series or tranches, from time to time, to any category of investors eligible to invest in the NCDs and the aggregate amount to be raised through the issuance of NCDs shall not collectively exceed an overall limit of upto INR 5000,00,00,000 (Indian Rupees Five Thousand Crore only) ("**Limit**") on such terms and conditions including the price, coupon, premium/discount, tenor etc., and at such times whether at par/premium/discount, as may be determined by the Board to such person or persons including one or more company(ies), bodies corporate, foreign portfolio investor(s), overseas fund(s), statutory corporation(s), commercial bank(s), domestic and multilateral lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), alternative investment fund(s), pension/provident fund(s), family office(s), and individual(s), as the case may be or such other person/persons/investors as the Board may so decide/approve in its absolute discretion, for a period of 1(one) year or for such other period as permissible under applicable laws, from the date of approval of this resolution by the Members of the Company and the Limit shall be subject to the overall borrowing limits of the Company, as approved by the Members of the Company from time to time under Section 180(1)(c) of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to determine the terms of issue of NCDs including but not limited to determining size, issue price, timing, tenure, interest rate, listing, if required, creation of security, utilization of the issue proceeds, appointment of debenture trustee(s), registrar and transfer agent, legal counsel and other agency(ies) and to do all necessary acts and things and to execute all deeds, documents, instruments, papers and writings as may be required and to settle all questions, difficulties or doubts that may arise in this regard in its sole and absolute discretion as deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred herein to any committee authorized by the Board or any Director(s) or Executive(s)/Officer(s) of the Company."

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Sd/-
(Vikas Gupta)
Company Secretary & Chief Compliance Officer
Membership No. ACS24281

Place: Gurugram
Date: June 24, 2024

NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 ("**the Act**") in respect of the ordinary and special businesses specified above is annexed hereto.

   Information pursuant to provisions of Regulation 36(3) and 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") for Item(s) No. 2 to 4 are annexed as **Annexure-1** to this notice.

2. The Ministry of Corporate Affairs had issued General Circulars bearing Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 28/2020 dated August 17, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 and latest Circular being, General Circular No. 09/2023 dated September 25, 2023 (*hereinafter collectively referred to as* "**MCA Circulars**") and any updates thereto issued by the Ministry of Corporate Affairs ("MCA") read with Circular number SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI/HO/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India ("**SEBI**") (*hereinafter collectively referred to as* "**SEBI Circulars**"), companies are permitted to conduct the Annual General Meeting which are due in the year 2024 through Video Conferencing / Other Audio Visual Means ("VC" / "OAVM") on or before September 30, 2024, in accordance with the requirements in accordance to MCA Circulars without the physical presence of Members at a common venue. Hence, in accordance with the MCA Circulars, provisions of the Act and SEBI LODR Regulations, the Annual General Meeting ("**AGM**") of the Members of the Company is scheduled to be held through VC / OAVM facility on Friday, August 09, 2024 at 11.00 A.M. (IST). Hence, the Members can attend and participate in the AGM through VC / OAVM only. In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with guidance/ clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and also available at the Company's website www.satincreditcare.com

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a

proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this AGM Notice.

4. Pursuant to the provisions of Section 113 of the Act, Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution / Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting or e-Voting during the AGM. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to rajivbhatia251@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

5. The Company has fixed Friday, August 2, 2024 as the '**Cut-off Date'** for determining eligibility of Members who will be eligible to attend and vote at the Meeting. Members of the Company whose names appear on the Register of Members/list of Beneficial Owners, as received from the Depositories i.e. National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on Cut-Off Date shall be entitled to vote on the resolutions set forth in this Notice.

6. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

a) **For shares held in electronic form:** to their Depository Participants (DPs);

b) **For shares held in physical form:** to the Company / Company's Registrar and Transfer Agents, M/s Link Intime India Private Limited ("**RTA**") in prescribed Form ISR-1 and other forms pursuant to Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021. The Company has sent letters to the members about which folios are incomplete for furnishing the required details under aforesaid SEBI Circular. Members may also refer to Frequently Asked Questions ("FAQs") under "*Updation of KYC Details & Compulsory Issue of Shares in Dematerialized Form"* under Investor FAQ on Company's website https://satincreditcare.com/investor-relations-satin-creditcare/#Other

7. As per Regulation 40 of SEBI LODR Regulations and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, securities of listed companies can be transferred only in dematerialized form w.e.f. April 01, 2019. Further pursuant to SEBI Notification dated January 24, 2022, it has been mandated that the listed companies, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of security certificates/ folios and transmission of securities, shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to convert their shareholdings to dematerialized form by submitting a duly filled and signed Form ISR – 4, the format of which is available under "*Updation of KYC Details & Compulsory Issue of Shares in Dematerialized Form"* under Investor FAQ on Company's website https://satincreditcare.com/investor-relations-satin-creditcare/#Other. Members can contact the RTA at delhi@linkintime.co.in for assistance in this regard.

Further, SEBI vide its' circulars dated March 16, 2023, November 17, 2023, as amended and directive vide e-mail to RTA on January 01, 2024 has mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from **April 01, 2024**, upon their furnishing all the aforesaid details in entirety. Accordingly, such Members are requested to submit the aforesaid requisite information/documents at the earliest with RTA of the Company at delhi@linkintime.co.in. The relevant documents for same may be accessed from the Company's website at: https://satincreditcare.com/investor-relations-satin-creditcare/#Other.

In this regard, the Company has sent intimation/ reminder through postal service to Members (holding shares in physical form), to update their KYC details along with "Choice of Nomination" with RTA.

8. As per the provisions of Section 72 of the Act and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://satincreditcare.com/investor-relations-satin-creditcare/#Other. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Request for consolidation of share certificates shall be processed in dematerialized form.

10. Notice of the AGM along with Integrated Annual Report 2023-24 are being sent to all the Members of the Company, whose names appear on the Register of Members/ record(s) of Depositories as on Friday, July 05, 2024. A person who is not a member as on aforesaid date should treat this Notice for information purpose only.

11. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ADDRESSES:

In accordance with the guidelines issued under the MCA Circulars and SEBI Circulars, in relation to owing the difficulties involved in dispatching of physical copies of the financial statements (including Directors' Report, Auditor's Report or other Statutory Reports) including other Statutory statements/documents including the Notice of 34th AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s), unless any Member has requested for a physical copy of the same.

Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website www.satincreditcare.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Central Depository Services (India) Limited ("CDSL") https://www.evotingindia.com.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act, certificate from the Secretarial Auditors of the Company certifying that the ESOP Schemes are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and all the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection at the Registered Office and Corporate Office of the Company on all working days between 11:00 A.M. to 1:00 p.m. from the date of circulation of this Notice and up to the date of this 34th AGM.

13. We urge Members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your DPs.

14. Members holding Equity Shares as on Cut-Off Date shall have one vote per share as shown against their holding.

15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

16. The Board of Directors of the Company has appointed Mr. Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) of M/s Rajeev Bhatia & Associates, as Scrutinizer to scrutinize the voting at Annual General Meeting and remote e-Voting process in a fair and transparent manner. Mr. Bhatia has communicated his willingness to be appointed and will be available for same purpose.

17. The Company is providing e-Voting facility to its Members to enable them to cast their votes electronically on the resolutions included in this Notice. The Company has appointed Central Depository Services (India) Limited ("**CDSL**/**Agency**") for providing and supervising e-Voting services, so as to enable the Members to cast their votes electronically instead of physical mode.

18. SEBI vide its Circulars issued during 2023, established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian

Securities Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated August 11, 2023. Pursuant to the same, investors shall first take up a grievance with the Company directly, escalate the same through the SCORES Portal and if still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. Link to the ODR Portal is also available on the homepage of Company's website at https://satincreditcare.com/investor-relations-satin-creditcare/#Other

19. CDSL e-Voting System – For Remote e-Voting and e-Voting during AGM

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR Regulations 2015, as amended and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
2. The Shareholders can join the AGM in the VC/OAVM 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Shareholders on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the Shareholders is not available for this AGM. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Shareholders such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.satincreditcare.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www.evotingindia.com.
6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with the MCA Circulars and SEBI Circulars.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of Shareholders holding shares in physical mode and non-individual Shareholders in demat mode.

(i) The remote e-Voting period begins on **Tuesday, August 06, 2024 (9:00 A.M. IST)** and ends on **Thursday, August 08, 2024 (5:00 P.M. IST).** During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date **i.e. Friday, August 02, 2024** may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the AGM date would not be entitled to vote during the AGM.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020,** under Regulation 44 of SEBI LODR Regulations, listed entities are required to provide remote e-Voting facility to its Shareholders, in respect of all Shareholders' resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/retail Shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual Shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile numbers and email ids in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual Shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & new System Myeasi Tab and then click on registration option or can directly access though the following link https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders'/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2) After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password options available at abovementioned websites.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of Shareholders holding shares in physical mode and non-individual Shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical Shareholders and Shareholders other than individual holding in Demat form.**

1) The Shareholders should log on to the e-Voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID as per below:
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next, enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

For Physical Shareholders and non-individual Shareholders holding shares in demat mode	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Shareholders as well as physical Shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For Shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(ix) Click on the "EVSN" for the relevant **Satin Creditcare Network Limited** on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Custodian / Corporate Shareholders'" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rajivbhatia251@gmail.com and secretarial@satincreditcare.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@satincreditcare.com. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@satincreditcare.com. These queries will be replied by the Company suitably by email / during the meeting.
8. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and otherwise are not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any vote casted by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes casted by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. **For Physical Shareholders** - please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@satincreditcare.com/ swapann@linkintime.co.in
2. **For Demat Shareholders** please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat Shareholders** – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.satincreditcare.com and on the website of CDSL www.evotingindia.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the Stock Exchanges.

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Sd/-
(Vikas Gupta)
Company Secretary & Chief Compliance Officer
Membership No. ACS24281

Place: Gurugram
Date: June 24, 2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to the provisions of RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 ("**RBI Guidelines**"), the Board, based on the recommendation of the Audit Committee, at its meeting held on July 14, 2021 had approved the appointment of M/s S S Kothari Mehta & Co. LLP (formerly known as M/s S S Kothari Mehta & Company) ("**SSKM**"), as Statutory Auditors of the Company, the said appointment was further approved by the Members of the Company on August 11, 2021, for a period of 3 (three) years i.e. upto the conclusion of the 34th AGM of the Company which is scheduled to be held in year 2024.

Accordingly, basis the recommendation of the Audit Committee and pursuant to the applicable provisions of the Companies Act, 2013 ("**Act**") and RBI Guidelines, the Board of Directors, at its meeting held on June 24, 2024, has approved the appointment of M/s J C Bhalla & Co., Chartered Accountants, (Firm Registration No. 001111N), as Statutory Auditors of the Company for a continuous period of 3 (three) years effective from the conclusion of 34th Annual General Meeting till the conclusion of 37th Annual General Meeting scheduled to be held in calendar year 2027, subject to approval of the Members of the Company.

M/s J C Bhalla & Co., is a multi-dimensional, professional service organisation, having an excellent blend of youth and experience of more than six decades. It has dedicated assurance staff strength of 175+ professionals based out of New Delhi and NCR along with 250+ professionals in Associate Offices in Mumbai, Bengaluru, Pune, Kochi and Ahmedabad. It's service offerings include assurance, risk advisory, tax advisory, corporate advisory and outsourcing etc. Further, its clients include listed and non-listed companies and cover a broad spectrum of industries which includes financial sector.

M/s J C Bhalla & Co., Chartered Accountants have provided their consent under Section 139 of the Act for appointment as Statutory Auditors along with a certificate stating that their appointment will be as per the criteria as specified under Section 141(3) of the Act and in accordance to the RBI Guidelines.

None of the Directors/Key Managerial Personnel and/or their relatives are in any way interested or concerned financially or otherwise, in the resolution set out in the Notice.

The Board recommends the resolution as mentioned at item no. 3 above for approval of the Members by way of an Ordinary Resolution.

Item No. 4

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on June 24, 2024, has appointed Mr. Joydeep Datta Gupta (DIN: 00176737) as an Additional Director (Non-Executive & Independent) for a period of 3 (three) years w.e.f. June 24, 2024 till June 23, 2027, on such terms and conditions, including a remuneration of INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable under Section 197(5) of the Act and that during the said tenure Mr. Joydeep Datta Gupta shall not be liable to retire by rotation, subject to the approval of Members of the Company.

Further, the Company has received all the requisite disclosures from Mr. Joydeep Datta Gupta with respect to his appointment as an Additional Director (Non-Executive & Independent). Basis the declarations received from Mr. Joydeep Datta Gupta under Section 149(6) of the Act read with the rules made thereunder and Regulation 16(1)(b) of the SEBI LODR Regulations, he fulfils the criteria of independence and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director. Details of his profile, qualification, experience, expertise and the information pursuant to Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standards on General Meetings are disclosed herein below.

In terms of Regulation 25(8) of the SEBI LODR Regulations, Mr. Joydeep Datta Gupta has confirmed that he is not aware of any circumstance or situation, which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as a Non-Executive & Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act nor debarred from holding the office of Director by virtue of any SEBI order or any other such authority and has successfully registered himself in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

The Board of Directors believes that appointment of Mr. Joydeep Datta Gupta will be of immense benefit to the Company. Accordingly, approval of Members is sought by way of Special Resolution to appoint Mr. Joydeep Datta Gupta (DIN: 00176737) as Non-Executive & Independent Director on the Board of the Company for a period of 3 (three) years with effect from June 24, 2024 till June 23, 2027.

None of other Directors/ Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested financially or otherwise, in the proposed Resolution, except the appointee.

The Board recommends the resolution as mentioned at item no. 4 above for approval of the Members by way of Special Resolution.

Item No. 5

Members of the Company may note that the Non-Executive Directors (including Independent Directors) are devoting their valuable time in deliberating on the strategic & critical

issues in the course of the Board & Committee meetings of the Company and give their valuable advice, suggestion & guidance to the management of the Company from time to time. Further, in view of nature of work and responsibilities entrusted upon them and time devoted by them, it is proposed to pay remuneration, by way of commission, to all Non-Executive Directors (including Independent Directors) ("**NEDs**") of the Company within the overall maximum permissible limit as prescribed under Section 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 ("**the Act**") and rules made thereunder.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ("**Board**") at its meeting held on June 24, 2024 considered and recommended the payment of remuneration by way of commission to all NEDs, individually, for an amount not exceeding INR 30,00,000 (Indian Rupees Thirty Lakhs only) per annum plus applicable taxes, in addition to the sitting fees payable under Section 197(5) of the Act, subject to the overall maximum permissible limit of 1% (one percent) of the net profits of the Company, calculated in accordance to the provisions of Section 198 of the Act and subject to approval of the Members of the Company, with effect from September 01, 2024 onwards.

Regulation 17(6) of the SEBI LODR Regulations, authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, and the same would require approval of members in general meeting. The quantum of remuneration payable to each of the Non-Executive Directors, shall not exceed INR 30,00,000 (Indian Rupees Thirty Lakhs only) per annum plus applicable taxes, shall be fixed and decided by the Board of Directors after considering the recommendations of the Nomination and Remuneration Committee, taking into consideration parameters such as attendance at Board and Committee meetings, contribution at or other than at meetings, etc.

Further, in the event of loss or inadequacy of profits in any financial year commencing from the year 2024-25 onwards, the Board may pay the above remuneration by way of commission to its NEDs as set out above, subject to requirements of the applicable provisions as contained in the Act, SEBI or RBI Regulations, as amended from time to time.

All the Directors and their relatives, except Key Managerial Personnel and their relatives, may be deemed to be concerned or interested, directly or indirectly, financially or otherwise, to the extent of their shareholding, if any, and remuneration that may be received by them in the resolution set out in item no. 5 of the Notice.

The Board recommends the resolution as mentioned at item no. 5 above for approval of the Members by way of Special Resolution.

Item No. 6

Members of the Company, at the 30th Annual General Meeting held on August 5, 2020, had approved the re-appointment of Mr. Harvinder Pal Singh, as Chairman cum Managing Director of the Company for a period of 5 (five) years from October 1, 2020 till September 30, 2025.

Prior to his re-appointment, Members of the Company at the 28th Annual General Meeting held on July 6, 2018 had last approved the revision in overall remuneration to be paid to Mr. Harvinder Pal Singh. The Members may please note that by March 31, 2020, he was withdrawing the monthly remuneration of INR 19.99 Lakhs per month. However, in view of the financial crisis due to the outbreak of COVID-19 pandemic, Mr. Harvinder Pal Singh had voluntarily agreed to a reduction in his approved remuneration by 50% with effect from April 1, 2020 until September 30, 2020 and agreed to continue with reduced remuneration in his current tenure i.e. from October 1, 2020 till September 2025.

Under the leadership and guidance of Mr. Harvinder Pal Singh, the Company has consistently delivered good results and achieved greater heights, despite battling industry turbulence and unprecedented challenges posed by market dynamics. During this challenging period, he also guided both the wholly owned subsidiaries, making them profitable organisation(s) which eventually contributed to overall performance of the group. On the other hand, Members may note that, in contrast to other corporates in the banking & finance sector, he has received the same amount of compensation over the previous four years.

Members may also take note of the fact that Mr. Harvinder Pal Singh's compensation has not changed despite the organization's strong performance over the past few fiscal years, surpassing pre-COVID levels. However, his present remuneration is much lesser than the pre-covid remuneration.

The summary of performance of the Company from 2019-20 to 2023-24 and his remuneration are given below:

(INR in Lakhs)

Particulars	Asset Under Management	Profit after tax	Remuneration per month excluding perquisites
2019-20	7,21,989.65	15,626.71	19.99
2020-21	7,27,459.78	(1,355.49)	9.99
2021-22	6,40,933.54	4,022.51	9.99
2022-23	7,92,852.54	26,432.92	9.99
2023-24	10,59,281.81	42,284.41	9.99

In view of Company's performance during last 5 years (as highlighted in the table above), his compensation approved by the Members for the period prior to Covid (INR 19.99 Lakhs per month), his present compensation (INR 9.99 Lakhs) and in line with industry standards, the proposed compensation with a combination of fixed and variable components, in accordance with RBI guidelines is proposed for approval of the Members.

Based on the recommendation of the Nomination and Remuneration Committee and having considered the contribution of Mr. Harvinder Pal Singh in terms of leadership, strategy formulation and execution, financial planning, maintaining relations both with the Board and external entities, improving the turnover and profitability of the Company, the Board of Directors at its meeting held on June 24, 2024, subject to approval of the Members of the Company, has approved the proposal to revise his existing remuneration to INR 26,80,000 per month excluding Variable Pay of 20% of basic salary which will be paid based on the performance of the Company and decided by Board of Directors on the recommendation of Nomination and Remuneration Committee, effective from April 1, 2024 until the completion of his remaining tenure i.e. upto September 30, 2025.

Members may please note that the other existing terms and conditions of Mr. Harvinder Pal Singh shall remain unchanged. Further, in the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as set out above, shall be paid to Mr. Harvinder Pal Singh, subject to applicable provisions as contained in the Companies Act, 2013, SEBI and RBI Regulations, as amended from time to time.

None of the other Directors/Key Managerial Personnel and/or their relatives, except Mr. Harvinder Pal Singh and Mr. Satvinder Singh, Non-Executive Non Independent Director, (being brother of Mr. Harvinder Pal Singh) is in any way interested or concerned financially or otherwise, in the resolution set out in the Notice.

The Board recommends the resolution as mentioned at item no. 6 above for approval of the Members by way of an Ordinary Resolution.

Item No. 7

The Company, in the ordinary course of its business, is required to borrow from time to time, by way of loans, external commercial borrowings, issue of non-convertible debentures (secured or unsecured) and/or other instruments and through acceptance of deposits. The inter-mix of borrowings by the Company depends upon the market conditions, cost of funds, tenor, etc.

Pursuant to Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, the Company is required to obtain the approval of its Members by way of a special resolution, before making any offer or invitation for issuance of Non-Convertible Debentures ("**NCDs**") on a private placement basis. The said approval shall be the basis for the Board of Directors of the Company (including any committee duly authorized by the Board) ("**Board**") to determine the terms and conditions of any issuance of NCDs by the Company for a period of 1 (One) year from the date on which the members have provided the approval by way of special resolution.

In order to augment resources for on-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes and for any other purposes, the Company may invite subscription for secured / unsecured, subordinated / senior, rated / unrated, listed / unlisted, perpetual / non-perpetual, redeemable (including market linked debentures), cumulative / non-cumulative NCDs, in one or more series / tranches on private placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the Board on the basis of various factors including the interest rate / effective yield determined, based on market conditions prevailing at the time of the issue(s).

The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:

Particulars of the offer including date of passing Board Resolution	The third proviso to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("**Prospectus and Allotment Rules**"), prescribes that where the proposed amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed under Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient if a company passes a special resolution once in a year for all the offers or invitations to be made for such NCDs to be issued during the year. In view of this, pursuant to this resolution passed under Section 42 of the Act, the specific terms of each offer/issue of NCDs shall be decided from time to time, within a period of 1 (one) year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant resolution of the Board of Directors shall be mentioned/disclosed in the private placement offer cum application letter for each offer/issue of the NCDs. The particulars of each offer shall be determined by the Board from time to time.

Kind of securities offered and the price at which the security is being offered	Non-convertible debt instruments/NCDs. The non-convertible debt instruments/NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Not applicable, as the securities proposed to be issued (in a single issue or multiple issues/tranches) are non-convertible debt instruments/NCDs which will be issued either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).
Name and address of valuer who performed valuation	Not applicable as the securities proposed to be issued (in a single issue or multiple issues/tranches) are non-convertible debt instruments/NCDs.
Amount which the Company intends to raise by way of securities	The specific terms of each offer/issue of NCDs shall be decided from time to time, for a period of 1 (one) year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued during such period of 1 (one) year from the date of passing of the aforementioned special resolution shall not exceed in the aggregate, the limit specified in the resolution under Section 42 of the Act, i.e. upto INR 5,000 Crore (Indian Rupees Five Thousand Crore only) and shall be subject to the overall borrowing limits of the Company as approved by the members of the Company from time to time under Section 180(1)(c) of the Act.
Material terms of raising of securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities	The material/specific terms of each offer/issue of NCDs and the other information being sought herein shall be decided by the Board from time to time within the period of 1 (one) year from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in the respective transaction documents executed in respect of each offer/issue.

Accordingly, consent of the Members of the Company is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to issue such NCDs for a period of 1 (one) year on private placement basis upto INR 5,000 Crore (Indian Rupees Five Thousand Crore only) as stipulated above, in one or more series/tranches on private placement basis subject to the overall borrowing limits of the Company, as approved by the Members of the Company from time to time under Section 180(1)(c) of the Act.

None of the Directors/Key Managerial Personnel and/or their relatives are in any way concerned or interested, financially or otherwise in this Resolution.

The Board recommends the resolution as mentioned at item no. 7 above for approval of the Members by way of Special Resolution.

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Sd/-
(Vikas Gupta)
Company Secretary & Chief Compliance Officer
Membership No. ACS24281

Place: Gurugram
Date: June 24, 2024

ANNEXURE-1 TO THE NOTICE

Details of director seeking appointment / re-appointment at the Annual General Meeting in accordance with Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 (SS 2) issued by the Institute of Company Secretaries of India

Name of the Director	Mr. Satvinder Singh
DIN	00332521
Date of first Appointment on the Board of the Company	October 16, 1990
Age	57 Years
Qualification	Mr. Singh has a post graduate diploma in Business Management from Institute of Management Technology, Ghaziabad
Brief Resume / Nature of Expertise	Mr. Singh hold extensive consumer marketing and finance experience and has developed new methods of credit appraisal and marketing for SCNL as Company Director. Associated with SCNL since its inception in 1990, Mr. Singh also acted as Managing Director between September 1995 and February 2011.
Terms and conditions of re-appointment along with details of remuneration sought to be paid	As per the resolution at item no. 2 of the Notice convening this meeting.
Remuneration last drawn	Nil
Names of other companies in which the person also holds the directorship as at March 31, 2024	I. Satin Neo Dimensions Private Limited II. Wisteria Holdings & Investments Private Limited
Names of companies in which the person also holds the membership/Chairmanship of Committees of the Board as at March 31, 2024	**Membership:** 1. Satin Creditcare Network Limited – Audit Committee – Risk Committee – Working Committee **Chairmanship -** Nil
Resignation details in the listed entities during the last three years.	Nil
Shareholding in Satin Creditcare Network Limited	3,85,703 Equity Shares
Relationship with Directors, Key Managerial Personnel of the Company	Mr. Satvinder Singh is brother of Mr. Harvinder Pal Singh, Promoter, Chairman cum Managing Director of the Company. He is not related with any other Director or Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the Financial Year – 2023-24	10 out of 10 Meetings.

Details of Auditors seeking appointment / re-appointment as Statutory Auditors at the Annual General Meeting in accordance with Regulation 36 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given herein below:

Name of the Proposed Statutory Auditor	M/s J C Bhalla & Co., Chartered Accountants
Proposed fees payable to the statutory auditor(s)	As may be mutually agreed between the Board of Directors and the Auditors from time to time
Terms of Appointment	Three (3) years (From the conclusion of ensuing AGM to AGM to be held in the year 2027)
Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	The proposed fee will not materially vary from the fee paid to M/s S.S. Kothari Mehta & Co. LLP, outgoing Auditors
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory Auditor(s) proposed to be appointed	**Basis of Recommendation:** The Board of Directors of the Company vide its Resolution dated June 24, 2024, based on the recommendations of the Audit Committee, had recommended M/s J C Bhalla & Co. Chartered Accountants (ICAI Firm Registration No. 001111N) first preferred firm after carrying out detailed analysis, among other shortlisted firms for appointment as Statutory Auditors of the Company for the period of three years with effect from the conclusion of this AGM until the AGM to be held in the year 2027. **Credentials:** M/s J C Bhalla & Co., is a multi-dimensional, professional service organisation, having an excellent blend of youth and experience of more than six decades. It has a well-established reputation for delivering quality and excellence in all its services. It has dedicated assurance staff strength of 175+ professionals based out of New Delhi and NCR along with 250+ professionals in Associate Offices in Mumbai, Bengaluru, Pune, Kochi and Ahmedabad. It's service offerings include assurance, risk advisory, tax advisory, corporate advisory and outsourcing etc. Further, its clients include listed and non-listed companies and cover a broad spectrum of industries which includes financial sector.

Details of Director seeking appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards:

Sr. No.	Particulars	Details
1	Name & Age of the Director	Joydeep Datta Gupta, 60 years
2	Director Identification Number (DIN)	00176737
3	Date of Birth	06/06/1964
4	Qualification	Chartered Accountant
5	Brief resume, Experience and expertise in specific functional areas	Mr. Joydeep Datta Gupta is a former Deloitte India, Partner and Board Member of Deloitte Asia Pacific. He had also held senior leadership positions at Deloitte India. He is a Chartered Accountant and has thirty-three years of experience across two Big 4 professional services firms. Among his many roles over sixteen years at Deloitte India, he has led the go-to-market function. Prior to that, he was the Chief Operating Officer for the Consulting business. He has been Technology Consulting leader for Deloitte South Asia. He also set up the Advisory Practice for Deloitte in Bangladesh. Prior to Deloitte India, he was at PricewaterhouseCoopers and led the Business Transformation Consulting practice, the Oracle ERP practice, the Human Capital Consulting practice, the Risk Management practice and the BPO practice. He had served on senior leadership positions at PricewaterhouseCoopers. His internal roles included serving as the HR Leader and the Technology Leader. Apart from experience in governance, management and leadership, He specializes in business process, technology and risk management. He has served on Boards of several Chambers of Commerce, Social and Charitable organizations and a Municipality. He has been a speaker and chaired several panels at leading National and Global seminars.
6	Disclosure of relationships between Directors inter-se	Nil
7	Listed companies (other than Satin Creditcare Network Limited) in which Mr. Joydeep Dattagupta holds directorship and committee membership	Nil
8	Companies (other than Satin Creditcare Network Limited) in which Mr. Joydeep Dattagupta holds directorships and Committee membership in these companies	Mr. Joydeep Datta Gupta holds directorship in Nabadiganta Industrial Township Authority (A Municipal Corporation in West Bengal)
9	Names of the Listed Entities from which the appointee has resigned in the past three years	Nil
10	Shareholding in the Company (including beneficial ownership)	Nil
11	Date of first appointment on Board, last drawn remuneration and number of board meetings attended	Mr. Joydeep Datta Gupta was appointed as Additional Director (Non-Executive & Independent) by the Board of Directors with effect from June 24, 2024.
12	Chairman/ Member of the Committee of the Board of Director of the Company	Nil
13	Terms and conditions of appointment along with details of remuneration sought to be paid	As per resolution at item no. 4 of this Notice read with explanatory statement thereto.

NOTES

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