

SATIN FINSERV LIMITED



Satin Finserv Limited

Corporate Identity Number (CIN): U65999HR2018PLC099128

Permanent Account Number: ABACS6746H

Date and Place of Incorporation: August 10, 2018, Delhi

Latest registration/identification number issued by any regulatory authority which regulates the Issuer (in this case Reserve Bank of India): N-14.03461 dated January 9, 2019

Registered & Corporate Office: 4th Floor, B Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana: 122016

Telephone No: 0124-4715400, Website: www.satinfinserv.com, Email: info@satinfinserv.com

Company Secretary & Chief Compliance Officer: Mr. Gurvinder Singh, 0124-4715400, gurvinder.singh@satinfinserv.com

Chief Financial Officer: Mr. Arjun Bansal, 0124-4715400, arjun.bansal@satinfinserv.com

Promoter(s): Satin Creditcare Network Limited, 0124-4715400, secretarial@satincreditcare.com

This Issue does not form part of non-equity Tier-II / regulatory capital mentioned under Chapter V of the NCS Listing Regulations, and the Issuer hereby confirms that Chapter V of the NCS Listing Regulations is not applicable to the present Issue. The face value of each Debenture issued on private placement basis under this Issue shall be INR 1,00,000 (Indian Rupees One Lakh).

KEY INFORMATION DOCUMENT

This Key Information Document dated September 11, 2024 is in addition to the General Information Document with Srl. No. 01 dated February 29, 2024. The General Information Document shall be valid for period of 1 (one) year from the date of opening of the first offer of Debentures under the General Information Document.

Date: September 11, 2024

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO THE ISSUE OF 2500 (TWO THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, TAXABLE, TRANSFERABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES ("DEBENTURE(S)" OR "NCD(S)") OF FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, AGGREGATING TO INR 25,00,00,000 /- (INDIAN RUPEES TWENTY FIVE CRORE ONLY), BY WAY OF A PRIVATE PLACEMENT (THE "ISSUE"), BY SATIN FINSERV LIMITED (THE "COMPANY" OR "ISSUER") AND SHALL BE READ WITH THE GENERAL INFORMATION DOCUMENT (reference no 01/2024) DATED FEBRUARY 29, 2024.

Debenture Trustee  Axis Trustee Services Limited The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg Dadar west, Mumbai – 400 028 Tel.: 022 6230 0451 Email: debenturetrustee@axistrustee.in Contact person: Chief Operating Officer Website: https://www.axistrustee.in/	Register & Transfer Agent  Kfin Technologies Limited Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana, 500032 Tel.: 040 – 67161500 Email: einward.ris@karvy.com Contact person: Mr. SP Venugopal Website: www.kfintech.com	Credit Rating Agency  ICRA Limited B-710, Statesman House 148, Barakhamba Road New Delhi New Delhi DL 110001 IN Tel.: +91 44 4596 4315 Email: r.srinivasan@icraindia.com Contact person: R Srinivasan Website: www.icra.in
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Statutory Auditor M/s Rajeev Bhatia & Associates 201, 203, Second Floor, A-20, Indraprastha Bhawan, Dr. Mukherjee Nagar Commercial Complex, Delhi-110009 Tel.: 011-45131008 Email: rajivbhatia251@gmail.com Contact person: Mr. Rajeev Bhatia Website: N.A. Peer Review No: 015574	Arranger  aspero A Yubi Group Company Credavenue Securities Private Limited Address : 12th floor, Credavenue Securities Private Limited, Prestige Polygon, No.471, Annasalai, Nandanam, Chennai, Tamil Nadu, 600035 Tel : 044-4091 2302 Email : bonds.operations@yubisecurities.com Contact Person : Mr. Sarath Bhaskaran Website : https://www.aspero.in/
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ISSUE SCHEDULE	
Issue Opening Date	September 19, 2024
Issue Closing Date	September 19, 2024
Pay in Date	September 20, 2024
Deemed Date Of Allotment	September 20, 2024
Date of earliest closing of the issue, if any	Not Applicable

ISSUE DETAILS	
Nature	Senior, Secured, Rated, Listed, Redeemable, Taxable, Non-Convertible Debentures
Number	2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable ("NCDs" or "Debentures") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only).
Price per Debenture	INR 1,00,000 (Indian Rupees One Lakh) per debentures
Amount	INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only)
Issue size (base issue or green shoe)	Base Issue: INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only) Green Shoe Option: Nil
Coupon	10.80% (Ten decimal eight zero per cent) per annum per quarter.
Coupon Payment Frequency	Quarterly
Redemption Date	September 20, 2026
Redemption Amount	INR 1,00,000 (Indian Rupees One Lakh Only) per debentures
Credit Rating	The Debentures proposed to be issued by the Issuer have been rated by ICRA Limited ("Rating Agency" / "ICRA"). The Rating Agency has vide its letter dated August 21, 2024 and rating rationale dated January 8, 2024 assigned a rating of "A- (Stable)" (pronounced as "ICRA A- (Stable)") with 'A- (Stable)' outlook in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure-II of this Key Information Document for the letter dated August 21, 2024 and rating rationale dated January 8, 2024 from the Rating Agency

	assigning the credit rating abovementioned and the press release by the Rating Agency in this respect.		
Details of Eligible Investors	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“Eligible Investors”): a) Individuals except Politically Exposed Person; b) Hindu Undivided Family; c) Trust; d) Limited Liability Partnerships; e) Partnership Firm(s); f) Portfolio Managers registered with SEBI; g) Association of Persons; h) Companies and Bodies Corporate including Public Sector Undertakings; i) Commercial Banks; j) Regional Rural Banks; k) Financial Institutions; l) Insurance Companies; m) Mutual Funds; n) FPIs /FILs, /sub-accounts of FILs; o) NBFCs; p) Any other investor eligible to invest in these Debentures; All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.		
Details about Underwriting	Not Applicable		
Listing	The Debentures are proposed to be listed on the wholesale debt market segment of the BSE Limited ("BSE" or the "Stock Exchange"). The Issuer shall comply with the requirements of the SEBI LODR Regulations (as defined in Key Information Document) to the extent applicable to it on a continuous basis. Please refer to Annexure VII of the Key Information Document for the ‘in-principle’ listing approval from the Stock Exchange. The Issuer has maintained/shall maintain the Recovery Expense Fund with BSE.		
Electronic Book Provider Platform	The Issue shall be made through the EPB platform in compliance with NCS Listing Regulations read with Listed NCDs Master Circular for details refer to Error! Reference source not found. (Application Process) of the Key Information Document.		
Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the General Information Document on the Electronic Book Provider Platform, if applicable.	This Issue, offer and subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI and BSE under the EBP Guidelines (as defined below) by placing bids on the EBP Platform during the period of the Issue. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines (as defined below) are set out hereinbelow:		
	<table><tr><td>Details of size of the Issue including green shoe option, if any</td><td>Issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable (“NCDs” or “Debentures”) of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only). Green Shoe Option: NIL</td></tr></table>	Details of size of the Issue including green shoe option, if any	Issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable (“ NCDs ” or “ Debentures ”) of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only). Green Shoe Option: NIL
	Details of size of the Issue including green shoe option, if any	Issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable (“ NCDs ” or “ Debentures ”) of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only). Green Shoe Option: NIL	
<table><tr><td>Anchor Portion Details</td><td>Yes/ No If yes, ▪ Total Amount Anchor Portion (not exceeding 30%</td></tr></table>	Anchor Portion Details	Yes/ No If yes, ▪ Total Amount Anchor Portion (not exceeding 30%	
Anchor Portion Details	Yes/ No If yes, ▪ Total Amount Anchor Portion (not exceeding 30%		

		of Base Issue size) ▪ Name of Anchor Investor(s) ▪ Quantum for each Anchor Investor (Rs.)
	Interest rate parameter	Fixed Coupon
	Bid opening and closing date	Bid opening date: September 19, 2024 Bid closing date: September 19, 2024
	Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
	Manner of bidding in the Issue/ Bid Type	Open/Closed
	Manner of allotment in the Issue	Uniform Yield Allotment/ Multiple Yield Allotment
	Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
	Settlement cycle & Deemed Date of Allotment	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on September 20, 2024.
Specific declaration requested by BSE: non-equity regulatory capital	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the NCS Listing Regulations. The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).	
Disclosure of filing	Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Companies Act, 2013.	
Reissuance of Debentures	The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be.	

BACKGROUND

This Key Information Document (as defined below) is related to the Debentures to be issued by **SATIN FINSERV LIMITED** (the “**Issuer**” or “**Company**”) on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on January 19, 2024 and the Board of Directors of the Issuer on January 19, 2024 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company’s shareholders dated January 19, 2024 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding Rs. 200 Crore (Indian Rupees Two Hundred Crore Only).

ISSUER’S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this issue document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the issue document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

GENERAL RISK

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 4 of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

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SECTION 1 DISCLAIMERS

Please refer to Section 1 (*Disclaimers*) of the General Information Document for the disclaimers in respect of the issuance of Debentures.

1.1 **DISCLAIMER IN RESPECT OF THE ARRANGER**

The Issuer has authorised CredAvenue Securities Private Limited (the "**Arranger**") to distribute this KID on behalf of the issuer to eligible investors in connection with the Debentures proposed to be issued by the Issuer. The Issuer has prepared this KID and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Debentures. All the information contained in this KID has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger for the accuracy, completeness, reliability, correctness or fairness of this KID or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this KID and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this KID or any information or errors contained therein or any omissions therefrom. By accepting this KID, the investor agrees that the Arranger will not have any such liability.

It is hereby declared that the Issuer has exercised due diligence to ensure complete compliance of prescribed disclosure norms in this KID. Each person receiving this KID acknowledges that such person has not relied on the Arranger, nor any person affiliated with the Arranger, in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Debentures. The Arranger: (a) has no obligations of any kind to any invited Investor under or in connection with any Transaction Documents; (b) is not acting as trustee or fiduciary for the investors The Issuer has authorised CredAvenue Securities Private Limited (the "**Arranger**") to distribute this KID on behalf of the issuer to eligible investors in connection with the Debentures proposed to be issued by the Issuer.

It is hereby declared that the Issuer has exercised due diligence to ensure complete compliance of prescribed disclosure norms in this KID. Each person receiving this KID acknowledges that such person has not relied on the Arranger, nor any person affiliated with the Arranger, in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Debentures. The Arranger: (a) has no obligations of any kind to any invited Investor under or in connection with any Transaction Documents; (b) is not acting as trustee or fiduciary for the investors or any other person; and (c) is under no obligation to conduct any "know your customer" or other procedures in relation to any person on behalf of any investor. Neither the Arranger or its respective officers, directors, employees are responsible for: (a) the adequacy, accuracy, completeness and/ or use of any information (whether oral or written) supplied by the Issuer or any other person in or in connection with any Transaction Document including this KID; (b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Transaction Document; or (c) any determination as to whether any information provided or to be provided to any finance party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

The role of the Arranger in the assignment is confined to marketing and placement of the Debentures on the basis of this KID as prepared by the Issuer. The Arranger has neither scrutinized nor vetted nor has it done any due-diligence for verification of the contents of this KID. The Arranger is authorized to deliver copies of this KID on behalf of the Issuer to Eligible Investors which are considering participation in the Issue and shall use this KID for the purpose of soliciting subscriptions from Eligible Investors in the Debentures to be issued by the Issuer on a private placement basis. It is to be distinctly understood that the use of this KID by the Arranger should not in any way be deemed or construed to mean that the KID has been prepared, cleared, approved or vetted by the Arranger; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this KID; nor does it take responsibility for the financial

or other soundness of this Issuer, its management or any scheme or project of the Issuer. The Arranger or any of their directors, employees, do not accept any responsibility and/or liability for any expenses paid arising of whatever nature and extent in connection with the use of any of the information contained in this KID.

The investors should carefully read and retain this KID. However, the investors are not to construe the contents of this KID as investment, legal, accounting, regulatory or tax advice, and the investors should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures. This KID is not intended to be the basis of any credit analysis or other evaluation and should not be considered as a recommendation by the Arranger or any other person that any recipient participates in the Issue or advice of any sort. It is understood that each recipient of this KID will perform its own independent investigation and credit analysis of the proposed financing and the business, operations, financial condition, prospects, creditworthiness, status and affairs of the Issuer based on such information and independent investigation as it deems relevant or appropriate and without reliance on the Arranger or on this KID.

SECTION 2 DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Application Form	The form which shall be circulated to the prospective investors along with the Key Information Document for the purpose of applying for the debentures and marked as Annexure-IX .
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to this Issue
Beneficial Owner(s)	means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository.
Board/ Board of Director(s)	Board of Director(s) of the Issuer
BSE Limited/BSE	Stock Exchange / Designated Stock Exchange
Business Day	Business Day shall mean a day (other than a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) or a Sunday) on which banks are normally open for business and the money market is functioning in Mumbai.
CERSAI	means the Central Registry of Securitization Asset Reconstruction and Security Interest of India.
CDSL	Central Depository Services (India) Limited
Company / Issuer	Satin Finserv Limited
Coupon	means the coupon payable on the Debentures on the Coupon Payment Date(s), at the Coupon Rate.
Coupon Payment Date	means the date(s) as specified in Error! Reference source not found. (Summary of Terms) of this Key Information Document.
Debentures or NCDs	2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable (" NCDs " or " Debentures ") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only).
Debenture Holder(s)/Investors	means, in respect of any Debentures issued pursuant to this Key Information Document, each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders. Sub-paragraphs (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository(ies) from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail, and "Debenture Holder" or "Investor" shall be construed accordingly.
Debenture Trust Deed / DTD	The Debenture trust deed entered / to be entered into between the Company and the Debenture Trustee.
Debenture Trustee	Trustee for the Debenture Holder(s), in this case being Axis Trustee Services Limited.
Debenture Trust Agreement	means the agreement entered into by and between the Issuer and the Debenture Trustee for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of the Debentures.
Deed of Hypothecation	means the deed of hypothecation executed and delivered by the Issuer in favour of the Debenture Trustee to evidence creation of first ranking exclusive charge by the Issuer in favour of the Debenture Trustee (for the benefit of the Debenture Holders) over the Hypothecated Property (in a form acceptable to the Majority Debenture Holders).
Deemed Date of Allotment	means September 20, 2024.

Depository Participant / DP	A Depository participant as defined under Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DRR	Debenture Redemption Reserve
EBP Guidelines	means the requirements with respect to electronic book mechanism prescribed in Chapter VI (Electronic Book Provider platform) of the Listed NCDs Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be restated, amended, modified or updated from time to time.
EBP Platform	has the meaning given to it under the EBP Guidelines.
EFT	Electronic Fund Transfer
Electronic Book Provider / EBP	has the meaning given to it under the EBP Guidelines.
Financial Year / FY	Financial year the of Company i.e. a period commencing from 1 st April and ending on 31 st March of the next calendar year
General Information Document / GID	The general information document dated February 29, 2024 issued by the Issuer.
Issue Opening Date	September 19, 2024
Issue Closing Date	September 19, 2024
Key Information Document / KID	means this key information document dated September 11, 2024 supplementing the General Information Document which sets out the terms and conditions for the issue and offer of the Debentures by the Issuer on a private placement basis and contains the relevant information in this respect.
Listed NCDs Master Circular	means “Master Circular for issue and listing of non-convertible securities, securitized debt instrument, security receipts, municipal debt securities and commercial paper” issued vide circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 and as amended from time to time.
Master Circular for Debenture Trustees	means the SEBI circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 on "Master Circular for Debenture Trustees", as amended, modified, supplemented or restated from time to time.
NCS Listing Regulations/Debt Listing Regulations	Securities And Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
POA	Power of Attorney
Rating Agency/ Credit Rating Agency	ICRA Limited registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its office at B-710, Statesman House 148, Barakhamba Road New Delhi New Delhi DL 110001 IN.
Record Date	shall mean the date being 15 (fifteen) calendar days prior to the due date on which any payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
REF / Recovery Expense Fund	means recovery expense fund created/to be created by the Issuer with the BSE.
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Kfin Technologies Limited.
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India

SEBI LODR Regulations/ LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Listed Debentures Circulars and Regulations	means, collectively, Master Circular for Debenture Trustees, the Listed NCDs Master Circular, NCS Listing Regulations and the LODR Regulations (to the extent applicable).
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (<i>Standardization of timelines for listing of securities issued on a private placement basis</i>) of the Listed NCDs Master Circular.
SEBI Merchant Banker Regulations	means the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time.
TDS	Tax Deduction at Source
WDM	Wholesale Debt Market

SECTION 3 UNDERTAKING OF THE ISSUER

Please refer to Section 3 (*Undertaking of the Issuer*) of the General Information Document for the undertakings of the Issuer in respect of the issuance of Debentures.

SECTION 4 RISK FACTORS

Please refer to Section 4 (*Risk Factors*) of the General Information Document for the risk factors in respect of the issuance of Debentures.

SECTION 5 REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of the NCS Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the NCS Listing Regulations:

LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE AND DEBENTURE TRUSTEE

List of disclosures to be filed along with the listing application to the Stock Exchange:

- I. General Information Document and the respective Key Information Document;
- II. Memorandum and articles of association of the Issuer and necessary resolution(s) for the allotment of the debt securities;
- III. Copy of the resolution of the Board of Directors under Section 42 read with section 179 (c) of the Companies Act, dated January 19, 2024 authorizing the borrowing and list of authorized signatories;
- IV. Copy of the resolution passed by the Working Committee of the Company under Section 42 date September 11, 2024 authorizing the borrowing and list of authorized signatories;
- V. Certified true copy of the resolution passed by the Company at the Annual General Meeting under Section 180 (1)(a) of the Act, held on June 03, 2019 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of Rs. 1,000 Crore (Indian Rupees One Thousand Crore Only);
- VI. Certified true copy of the resolution passed by the Company at the Annual General Meeting under Section 180 (1)(c) of the Act, held on June 03, 2019 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of Rs. 1,000 Crore (Indian Rupees One Thousand Crore Only);
- VII. Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on January 19, 2024 under Section 42, Section 71 of the Companies Act, 2013 authorizing the issue/offer of non-convertible debentures by the Company;
- VIII. Copy of last three years audited and adopted annual reports;
- IX. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- X. An undertaking from the issuer stating that the necessary documents for creation of the charge, wherever applicable, including the Trust Deed has been executed within the time frame prescribed in the relevant regulations/Act/rules etc. and the same would be uploaded on the website of the designated stock exchange, where such securities have been proposed to be listed;
- XI. Any other particulars or documents that the BSE may call for as it deems fit.
- XII. An undertaking that permission/ consent from the existing creditor for an exclusive/ first or *pari passu* charge being created, wherever applicable, in favour of the trustees to the proposed issue has been obtained. - Not Applicable.
- XIII. Due diligence certificates from the Debenture Trustee as per the format specified in the Master Circular for Debenture Trustees and Schedule IV of the NCS Listing Regulations.

SECTION 6 ISSUER INFORMATION

I. Promoters of the Company

Details of Promoters of the Issuer Company

Please refer to Section 6 (*Issuer Information*) of the General Information Document for the details of the promoters of the Issuer.

II. Credit Rating of Debenture

Details of credit rating, along with the latest press release of the Credit Rating Agency in relation to the issue, and a declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue

ICRA Limited has assigned "A-" rating to these Debentures by a letter dated August 21, 2024. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk

The rating letter as released by **ICRA Limited** is enclosed as **Annexure-II**

The Company hereby declares that the rating is and shall be valid as on the date of issuance and listing of any Debentures.

III. Listing

Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board.

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis. The Issuer has obtained the in-principle approval for the listing of the Debentures on the WDM segment of the BSE as set out in Error! Reference source not found.

The Debentures are not proposed to be listed on more than one stock exchange.

The Issuer shall create the Recovery Expense Fund in accordance with the Master Circular for Debenture Trustees with the BSE. In this regard, please also refer to the section on "*Creation of recovery expense fund*" under **Section 8 (Summary of Terms)** below.

IV. Issue schedule

ISSUE SCHEDULE	
Issue Opening Date	September 19, 2024
Issue Closing Date	September 19, 2024
Pay in Date	September 20, 2024
Deemed Date Of Allotment	September 20, 2024

V. Name, logo, addresses, website URL, email address, telephone number and contact person of the following:

Name:	Details
Legal Counsel	 Verist Law Address: Empire Business Centre, 414, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 Website: www.veristlaw.in Email address: contact@veristlaw.com Telephone: +912266907368 Contact Person: Srishti Ojha
Merchant banker and Co-managers to the issues	Not Applicable
Guarantor	Not Applicable
Arrangers, if any	 Credavenue Securities Private Limited Address : 12th floor, Credavenue Securities Private Limited, Prestige Polygon, No.471, Annasalai, Nandanam, Chennai, Tamil Nadu, 600035 Tel : 044-4091 2302 Email : bonds.operations@yubisecurities.com Contact Person : Mr. Sarath Bhaskaran Website : https://www.aspero.in/
Debenture Trustee:	 Axis Trustee Services Limited Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg Dadar west, Mumbai – 400 028 Tel.: 022 6230 0451 Email: debenturetrustee@axistrustee.in Contact person: Chief Operating Officer Website: https://www.axistrustee.in/
Register and Transfer Agent	 KFin Technologies Ltd Address: Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana, 500032 Tel: 040 - 67161500; Contact Person: 040-6716 2222 Email: einward.ris@karvy.com Website: www.kfintech.com
Credit Rating Agency	 ICRA Limited Address: B-710, Statesman House 148, Barakhamba Road New Delhi New Delhi DL 110001 IN

	Telephone Number: +91 44 4596 4315 Email address: r.srinivasan@icraindia.com Contact person: R Srinivasan
Auditors:	M/s Rajeev Bhatia & Associates 201, 203, Second Floor, A-20, Indraprastha Bhawan, Dr. Mukherjee Nagar Commercial Complex, Delhi-110009 Tel.: 011-45131008 Email: rajivbhatia251@gmail.com Contact person: Mr. Rajeev Bhatia Website: N.A. Peer Review no: 015574

VI. About the Issuer

a. Overview and a brief summary of the business activities of the issuer:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

b. Structure of the group

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

c. A brief summary of the business activities of the subsidiaries of the issuer:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

d. Details of branches or units where the issuer carries on its business activities, if any:

As on June 30, 2024, company is operating into 11 states with 109 branches.

e. Subsidiary details:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

f. Project cost and means of financing, in case of funding of new projects:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

VII. Expenses of the Issue

Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable

Particulars	Amount*	As a percentage of the Issue proceeds (in %)	As a percentage of the total expenses of the Issue (in %)
Lead manager(s) fees,	0	0.00	0.00
Underwriting commission	0	0.00	0.00

Brokerage, selling commission and upload fees	0	0.00	0.00
Fees payable to the registrars to the issue	5,000	0.00	0.07
Fees payable to the legal Advisors	1,00,000	0.04	1.54
Advertising and marketing expenses	0	0.00	0.00
Fees payable to the regulators including stock exchanges	92,975	0.03	1.44
Expenses incurred on printing and distribution of issue stationary	0	0.00	0.00
Any other fees, commission or payments under whatever nomenclature	62,50,000	2.5%	96.95
Grand Total	64,47,975	2.57	100.00

*the final expenses incurred shall be subject to change.

VIII. Financial Information

- a. The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").

Please refer to Annexure-I for the audited financial statements of the Issuer for a period of March 31, 2022, March 31, 2023 and March 31, 2024.

However, if the issuer, being a listed REIT/listed InvIT, has been in existence for a period of less than three completed years, and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and the interim period, the combined financial statements shall be disclosed for the periods for which such historical financial statements are not available.

Not applicable

- b. Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the listing regulations, may disclose unaudited financial information for the interim period in the format as specified therein with limited review report in the issue document, as filed with the stock exchanges, instead of audited financial statements for the interim period, subject to making necessary disclosures in this regard in issue document including risk factors.

Please refer to Annexure-I for the audited financial statements of the Issuer for a period of March 31, 2022, March 31, 2023 and March 31, 2024.

- c. Issuers other than REITs/ InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:
 - i. The issue is made on the EBP platform irrespective of the issue size; and
 - ii. The issue is open for subscription only to Qualified Institutional Buyers.

Not applicable

- d. The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

e. Key Operational and Financial Parameters on a consolidated basis and standalone basis

A brief overview of the financial performance of the Issuer for post three years is given below (Standalone Basis):

	Standalone	Pre Merger	Post Merger	Standalone	Standalone
Particulars	FY 2020-21	FY 2021-22	FY 2021-22	FY 2022-23	FY 2023-24
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
BALANCE SHEET					
Assets					
Property, Plant and Equipment	0.92	1.25	3.57	3.04	3.44
Financial Assets	137.79	182.11	239.36	301.55	431.76
Non-financial Assets excluding Property, Plant and Equipment	2.64	3.89	23.14	24.60	25.99
Total assets	141.34	187.25	266.08	329.19	461.19
Liabilities					
Financial Liabilities					
-Derivative financial instruments					
-Trade Payables	0.44	0.48	2.46	2.90	1.27
-Debt Securities	5.50	5.50	5.50	5.53	19.52
-Borrowings (other than Debt Securities)	26.73	71.24	108.22	164.01	237.73
-Subordinated liabilities					
-Other financial liabilities	1.40	0.90	2.29	2.71	2.43
Non-Financial Liabilities					
-Current tax liabilities (net)	-	0.08		-	-
-Provisions	0.50	0.44	14.83	15.28	16.36
-Deferred tax liabilities (net)					
-Other non-financial liabilities	0.30	0.31	1.09	1.08	1.08
Equity (Equity Share Capital and Other Equity)	106.46	108.29	131.69	137.68	182.79
Total Liabilities and Equity	141.34	187.25	266.08	329.19	461.19
PROFIT AND LOSS					
Revenue from operations	24.24	27.15	93.87	105.48	118.37
Other income	0.57	0.43	3.24	1.02	3.04
Total Income	24.81	27.58	97.11	106.51	121.41
Total Expenses	18.38	24.88	124.08	98.29	114.37
Profit after tax for the year	4.78	1.81	-20.10	6.06	5.15
Other comprehensive income	0.02	0.02	0.06	-0.08	-0.03
Total comprehensive income	4.80	1.83	-20.03	5.98	5.12
Earnings per equity share (Basic)	0.48	0.18	-0.01	0.43	0.36
Earnings per equity share (Diluted)	0.48	0.18	-0.01	0.43	0.36
Cash flow					
Net cash from / used in (-) operating activities	-16.44	-32.76	-40.39	-23.94	-79.58

Net cash from / used in (-) investing activities	-0.10	-0.40	-2.29	-1.22	-3.94
Net cash from / used in (-) financing activities	6.77	43.96	43.33	38.57	99.59
Net increase/decrease (-) in cash and cash equivalents	-9.76	10.80	0.65	13.41	16.07
Cash and cash equivalents as per Cash Flow Statement as at end of Year	8.31	19.11	25.38	38.78	54.86
Additional Information					
Net worth	106.46	108.29	131.69	137.68	182.79
Cash and Cash Equivalents	8.31	17.09	25.38	38.78	54.86
Loans	128.61	161.83	161.83	221.26	321.92
Loans (Principal Amount)	130.73	166.33	166.33	225.57	326.37
Total Debts to Total Assets	0.23	0.41	0.43	0.52	0.56
Interest Income	23.93	26.24	29.02	41.66	65.48
Interest Expense	4.39	6.91	12.51	18.50	26.44
Impairment on Financial Instruments	3.33	4.15	4.15	3.78	3.58
Bad Debts to Loans	0.03	0.03	0.03	0.02	0.01
% Stage 3 Loans on Loans (Principal Amount)	1.50%	4.89%	4.89%	4.14%	4.32%
% Net Stage 3 Loans on Loans (Principal Amount)	0.67%	2.72%	2.72%	2.19%	2.64%
Tier I Capital Adequacy Ratio (%)	79.32%	63.63%	54.19%	46.45%	48.00%
Tier II Capital Adequacy Ratio (%)	0.91%	0.41%	0.31%	0.19%	0.00%

- f. **Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability. As Given Below.**

Nature of Liability	As at [Mar-24]	As at [Mar-23]
NIL		

- g. **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

We have not issued any corporate guarantee or letter of comfort.

IX. BRIEF HISTORY OF THE ISSUER

i. Share Capital

Details of Share Capital as at last quarter ended on June 30, 2024 is given below:

Share Capital	Amount (INR) (Crore)
Authorised	
Equity Share Capital	158.00
Preference	0.00
TOTAL	158.00
Issued, Subscribed and Paid-up Share Capital	
Equity Shares	157.56
Preference Shares	0.00
TOTAL	157.56

ii. Change in Capital Structure

Change in the capital structure as on last quarter ended on June 30, 2024, for the preceding three financial years and current financial year

Date of Change (AGM/EGM)	Authorised Capital in Rs.		Particulars
	Existing	Revised	Change in Capital (in Rs.)
March 1, 2023 (Merger with Taraashna Financial Services Limited)	103,00,00,000	133,00,00,000	30,00,00,000
March 1, 2023 (Pursuant to Scheme of Merger)	133,00,00,000	140,51,49,000	7,51,49,000
September 7, 2023 (EGM)	140,51,49,000	158,00,00,000	17,48,51,000

iii. History of Equity Share Capital

Details of the equity share capital for the preceding three financial years and current financial year:

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (Rs)	Equity Share Premium (Rs)	
March 30, 2023	3,80,14,859	10	10	Other than Cash	Other Allotment	14,05,14,859	10	10	Pursuant to Scheme of Merger
September 22, 2023	1,70,43,033	10	23.47	Cash	Rights Issue	15,75,57,892	10	13.47	NA

iv. Amalgamation/ Acquisition

Details of any Acquisition or Amalgamation with any entity in the preceding one year:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

v. Reorganization or Reconstruction

Details of any Reorganization or Reconstruction in the preceding one year:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

vi. Details Of the Shareholding of the Company as on the Latest Quarter end

Details of the shareholding of the Company as at the latest quarter end, i.e., June 30, 2024 as per the format specified under the listing regulations:-

Sr. No.	Name of the Shareholder	No. of Equity Shares Held	No. of Equity Shares held in Demat Form	% Held
1.	Satin Creditcare Network Limited	15,75,57,892	15,75,57,892	100%

vii. Top 10 shareholders of the Company

The list of top 10 holders of equity shares of the Company as on the latest quarter ended June 30, 2024;

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

X. DIRECTORS OF THE COMPANY

i. The details of the current directors of the Company is given below:

Name	Designation	DIN	Age (years)	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes or No)
Mr. Harvinder Pal Singh	Non-Executive Non Independent Director	00333754	63	MGE-2-TW-04-03A, 3rd Floor, Fairway East, M3M Golf Estate, Sector- 65, DLF QE, Gurgaon 122002, Haryana	August 10, 2018	1.Satin Creditcare Foundation 2. Satin Housing Finance Limited 3. Parishek Finance Private Limited 4. Riwaaz Investments Private Limited 5. Trishashna Holdings & Investments Private Limited 6. Satin Creditcare Network Limited 7. Satin Technologies Limited	No
Mr. Anil Kumar Kalra	Independent Director	07361739	68	Flat No. C-601, Tower C, Prateek Stylome, Sector-45, Gautam Buddha Nagar, Uttar Pradesh-201301	August 10, 2018	Satin Creditcare Network Limited	No
Mr. Sundeep	Independent Director	00840544	62	1629, Sector-29, Gautam Buddha Nagar, Nodia,	August 10, 2018	1.Satin Creditcare Network Limited	No

Name	Designation	DIN	Age (years)	Address	Date of appointment	Details of other directorship	Whether willful defaulter (Yes or No)
Kumar Mehta				Uttar Pradesh-201301		2. Activa Certifications Private Limited 3. Activa Softech Limited	
Ms. Jyoti Ahluwalia	Independent Director	09112407	48	H-35/6, FF2, DLF Phase-I, Gurugram, Haryana-122002	March 30, 2021	Satin Housing Finance Limited	No
Mr. Bhuvnesh Khanna	Whole Time Director & CEO	03323118	53	Flat – 2B, 4, Asha Apartment, 93 Deshpran Sasml Road, Near Charu Market PS, Tollygunge, Kolkata, West Bengal - 70003	March 22, 2024	Nil	No

ii. Change in Directors

The details of change in directors in the preceding three financial years and current financial year:-

Name	Designation	DIN	Date of appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
Ms. Jyoti Ahluwalia	Additional (Independent) Director	09112407	March 30, 2021	Not Applicable	Not Applicable	Appointment
Mr. Sumit Mukherjee	Whole Time Director & CEO	08369056	-	-	August 31, 2023	Cessation
Mr. Bhuvnesh Khanna	Whole Time Director & CEO	03323118	March 22, 2024	Not Applicable	Not Applicable	Appointment

iii. Details of directors' remuneration, and such particulars of the nature and extent of their interests in the issuer (during the current year and preceding three financial years)

a. Remuneration payable or paid to a director by the issuer, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis;

Sr. No.	Name of the Director	Remuneration Payable/Paid by the Issuer (Rs. In Lakhs)					Shareholding in the Issuer (on a fully diluted basis)
		Q1 FY25	FY 23-24	FY 22-23	FY21-22	FY20-21	
1.	Mr. Harvinder Pal Singh	Nil	Nil	Nil	Nil	Nil	Issuer is wholly owned subsidiary Company of Satin Creditcare Network Limited, Hence no shares held by any Director.
2.	Mr. Anil Kumar Kalra	0.50	1.44				
3.	Mr. Sundeep Kumar Mehta	0.50	1.71				
4.	Mr. Sumit Mukherjee	NIL	44.00	105.60	96.92	70.00	

5.	Ms. Jyoti Ahluwalia	0.10	0.63				
6.	Mr. Bhuvnesh Khanna	60.00	32.39	Nil	Nil	Nil	

b. Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company;

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

c. Full particulars of the nature and extent of interest, if any, of every director:

- i. in the promotion of the issuer company; or
- ii. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or
- iii. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

iv. **Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

v. **Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons.**

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

XI. AUDITORS OF THE COMPANY

i. Current auditor

The details of the auditors of the Company:

Name of the Auditor	Address	Date of Appointment
M/s Rajeev Bhatia & Associates	201, 203, Second Floor, A-20, Indraprastha Bhawan, Dr. Mukherjee Nagar Commercial Complex, Delhi-110009	August 8, 2024

ii. Details of change in auditors:

Details of change in auditor for preceding three financial years and current financial year:-

Name of the Auditor	Address	Date of Appointment/Re-Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable
M/s Rajeev Bhatia & Associates	201, 203, Second Floor, A-20,	August 8, 2024 (Re-Appointment)	-	-

	Indraprastha Bhawan, Dr. Mukherjee Nagar Commercial Complex, Delhi- 110009			
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XII. DETAILS OF THE BORROWING OF THE COMPANY AS ON THE LATEST QUARTER END

Details of the following liabilities of the issuer, as at the end of the last quarter, i.e June 30, 2024, or if available, a later date:

i. Secured Loan Facilities

S.No	Name of lender	Type of Facility	Amount Sanctioned (in Rs Crore)	Principal Amount outstanding (in Rs. Crore)	Repayment date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1	Blacksoil Capital Pvt Ltd	Term Loan	10	3.75	Monthly	Hypothecation of Book Debts 110%	Unrated	Standard
2	Cholamandalam Investment & Finance Co.	Term Loan	4.5	4.50	Monthly	Hypothecation of Book Debts 130%	Unrated	Standard
3	Caspian Impact Investments Pvt Ltd	Term Loan	25	9.12	Monthly	Hypothecation of Book Debts 110%	Unrated	Standard
4	Cred Avenue Securities Pvt. Ltd.	NCD	20	20.00	Bullet	Hypothecation of Book Debts 105%	ICRA A-;Stable	Standard
5	Esaf Small Finance Bank	Term Loan	20	15.54	Monthly	Hypothecation of Book Debts 110%	Unrated	Standard
6	HDFC Bank Ltd	Car Loan	0.44	0.40	Monthly	N/A	N/A	N/A

7	ICICI Bank Limited	Term Loan	14.38	5.05	Monthly	Hypothecati on of Book Debts 125%	Unrated	Standard
8	IKF Finance Limited	Term Loan	15	10.42	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard
9	Maanaveeya Development & Finance Pvt Ltd	Term Loan	28	20.76	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard
10	Mas Financial Services Ltd	Term Loan	41	19.69	Monthly	Hypothecati on of Book Debts 100%	Unrated	Standard
11	Muthoot Capital Services Limited	Term Loan	7.5	3.75	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard
12	Nabkisan Finance Ltd	Term Loan	15	8.60	Quarterly	Hypothecati on of Book Debts 110%	Unrated	Standard
13	Northern Arc Capital Ltd	Term Loan	25	8.60	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard
14	Nuvama Wealth Management Ltd	NCD	25	25.00	Bullet	Hypothecati on of Book Debts 105%	ICRA A-;Stable	Standard
15	Poonawalla Fincorp Limited	Term Loan	25	22.00	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard

16	State Bank Of India	Term Loan	20	7.73	Monthly	Hypothecati on of Book Debts 125%	ICRA A-;Stable	Standard
17	Tourism Finance Corporation Of India Ltd	Term Loan	10	8.68	Monthly	Hypothecati on of Book Debts 133%	ICRA A-;Stable	Standard
18	Vivriti Capital Pvt Ltd	Term Loan	30	22.35	Monthly	Hypothecati on of Book Debts 110%	Unrated	Standard
19	Securitization	PTC	49.62	33.00	Monthly and Quarterly	N/A	Unrated	Standard
Total>>>			385.44	248.94				

ii. Details of Unsecured Loan

The Company has availed unsecured loan as on the latest quarter end on June 30, 2024:

Name of lender	Type of facility	Amount Sanctioned (in Rs. Lakhs)	Principal Amount outstanding (in Rs. Lakhs)	Repayment date or Schedule	Credit Rating, if applicable
Nil					

iii. Non-Convertible Securities

The details of outstanding non-convertible securities in the following format as on the latest quarter end on June 30, 2024:

Series of NCS	ISIN	Tenor	Coupon	Amount	Date of Allotment	Redemption Date	Credit Rating	Secured / Unsecured	Security
NA	INE03K307025	18 Months	10.85%	20 Crore	March 4, 2024	September 4, 2025	A-	Secured	Book Debt
NA	INE03K307033	24 Months	10.85%	25 Crores	June 28, 2024	June 28, 2026	A-	Secured	Book Debt

iv. Details of commercial paper issuances as at the end of the last quarter ended on June 30, 2024 in the following format:

Series Of NCS	ISIN	Tenor / Period Of Maturity	Coupon	Amount	Date Of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security	Other Details Viz. Details Of Issuing And Paying Agent, Details Of
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										Credit Rating Agencies
Nil										

v. List of Top 10 (ten) holders of non-convertible securities in terms of value (on a cumulative basis):

Sr. No	Name of Holders	Category of holder	Face value of holding	Holding as a % of total outstanding non-convertible securities of the issuer
1.	Nuvama Wealth Finance Limited	Corporate	25,00,00,000	55.55%
2.	Anya Saraf	Individual	80,00,000	1.77%
3.	Saraf Ashimkumar	HUF	50,00,000	1.11%
4.	Komal Mittal	Individual	36,00,000	0.80%
5.	Raveendran Gandhi	Individual	18,00,000	0.40%
6.	Mahesh Ramchand Pamnani	Individual	15,00,000	0.33%
7.	Rajeev Kumar Jain	Individual	15,00,000	0.33%
8.	Sandhya Dwivedi	Individual	12,00,000	0.26%
9.	Alpha Fintech Private Limited	Corporate	11,00,000	0.24%
10.	Infinix Technologies Private Limited	Corporate	10,00,000	0.22%

vi. List of Top 10 (ten) holders of Commercial Paper in terms of value (in cumulative basis):

Sr. No	Name of Debenture Holders	Category of holder	Face value of holding	Holding as a % of total commercial paper outstanding of the issuer
Nil				

vii. Other Borrowings

Details of bank fund based facilities/ Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) from financial institutions or financial creditors as on June 30, 2024:

S.No	Name of Party	Type of Facility	Amount Sanctioned in Crore	Principal Amount outstanding in Crores	Secured / Unsecured	Security
Nil						

viii. The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:

- in whole or part,
- at a premium or discount, or
- in pursuance of an option or not:

Nil

XIII. Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials.

Particulars (Rs in Crs)	Up to 30/31 days	>1 month – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	>5 years	Total
Cash & Cash Equivalents	60.79	0.05	2.10	0.11	0.82	33.72	-	-	97.59
Customer Repayment (Principal)	8.70	8.36	8.46	37.69	55.20	182.29	24.61	3.30	328.61
Other Assets	3.38	1.21	-	-	7.51	26.14	-	3.44	41.67
Total Inflows	72.87	9.62	10.56	37.80	63.52	242.15	24.61	6.73	467.87
Cumulative Inflows	72.87	82.49	93.05	130.85	194.37	436.53	461.14	467.87	-
Repayments (Principal)	8.79	8.46	9.98	28.71	53.44	142.31	1.42	-	253.10
Equity Capital & Reserve & Surplus	-	-	-	-	-	-	-	182.79	182.79
Other Outflows	4.78	-	-	-	-	4.15	-	23.05	31.98
Total Outflows	13.57	8.46	9.98	28.71	53.44	146.45	1.42	205.84	467.87
Cumulative Outflows	13.57	22.03	32.01	60.72	114.16	260.61	262.03	467.87	-
Cumulative Positive mismatch	59.30	60.46	61.04	70.13	80.21	175.91	199.11	0.00	-

XIV. Defaults in borrowing

The details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year:

Nil

XV. Material event/ development affecting investment decision

Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.

Nil

XVI. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company.

Nil

XVII. Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.

Nil

- XVIII. Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares.**

Nil

- XIX. Details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the issuer.**

Nil

- XX. Details of pending proceedings initiated against the issuer for economic offences, if any.**

Nil

- XXI. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided.**

(INR. in Crore)

Name of related party	Nature of transaction	Jun-24	Mar-24	Mar-23	Mar-22	Mar-21
Mr. H P Singh	Personal Guarantee given	-	70.38	27.50	20.00	-
Satin Creditcare Network Limited	Share based payments	-	-	-	-0.06	-
	Facilitation charges Income	0.03	0.12	0.12	0.05	-
	Technology sharing services expense	0.25	0.90	1.29	1.29	0.39
	Fees for corporate guarantee	-	-	-	-	0.09
	Payment of rent for office space sharing	0.14	0.51	0.46	0.22	0.25
	Interest Paid	-	2.67	5.06	3.93	-
	Inter corporate loan taken	-	27.00	18.50	19.50	-
	Loan Repaid	-	60.50	20.50	5.00	-
	Income from business correspondents operations	-	14.85	10.44	8.70	-
Tarashna Financial Services Limited	'DSA Commission expenses	-	-	-	-	0.23
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan given	-	-	-	-	1.50
	Interest income on loan	-	0.02	0.12	0.20	0.09
	Repayment received against loan	-	0.39	0.52	0.44	0.14
Mr. Sumit Mukherjee	Remuneration	-	0.18	1.06	0.97	0.70
Mr. Arjun Bansal	Remuneration	0.13	0.28	0.23	0.17	-
Mr. Puneet Jolly	Remuneration	-	0.13	0.15	0.13	0.01
Mr. Gurvinder Singh	Remuneration	0.05	0.03	-	-	-
Mr. Bhuvnesh Khanna	Remuneration	0.60	0.32	-	-	-
Mr. Partha Mukherjee (till August 31, 2022)	Remuneration	-	-	0.18	0.40	-
Mr. Rahul Garg* (till February 28, 2023)	Remuneration	-	-	0.21	0.18	-

Ms. Sneha Khanduja** (w.e.f. July 29 2022 till February 28, 2023)	Remuneration	-	-	0.03	-	-
Mr. Manoj Kumar Jasoria# (till January 31, 2022)	Remuneration	-	-	-	0.08	-
Mr. Jitendra Jain	Remuneration	-	-	-	0.05	0.24
Mrs. Bhanu Priya	Remuneration	-	-	-	-	0.07

- XXII.** The issue document shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the company and has given his written consent to the issue of the issue document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration and a statement to that effect shall be included in the issue document.

N.A

- XXIII.** Declaration in case of public issue with regards to the following:

- a. procedure of allotment of debt securities and non-convertible redeemable preference shares and unblocking of funds in case of refund;

N.A.

- b. a statement by the Board of Directors about the separate bank account where all monies received out of the issue are to be transferred, and disclosure of details of all monies including utilised and unutilised monies out of the previous issue in the prescribed manner;

N.A.

- c. the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized, the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested; and

N.A.

- d. the interim use of funds, if any.

N.A.

- XXIV.** Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.

Directors	Please refer ANNEXURE IV: BOARD RESOLUTION in respect of the resolutions passed at the meeting of the board of directors of the Issuer and at the meeting of working committee of the board of directors of the Issuer.
Auditors	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, other than audited financials as set out in ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS no auditor's report is being

	obtained in respect of this issue of Debentures, the Issuer believes that no specific consent from the lenders of the Issuer is required.
Bankers to issue	As the Debentures will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers have been appointed in respect of such issue of Debentures
Trustees	The consent letter from Debenture Trustee is provided in ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE of this Key Information Document.
Solicitors /Advocates/Legal Advisors	The company has appointed the legal counsel to the issue vide board resolution. Please refer to ANNEXURE IV: BOARD RESOLUTION of the board resolution.
Registrar	The consent letter from the Registrar is provided in ANNEXURE VIII: CONSENT OF THE REGISTRAR AND TRANSFER AGENT of this Key Information Document.
Lenders of the Issuer	The Issuer believes that no specific consent from the lenders of the Issuer is required.
Experts	Consent of the experts as mentioned above has been obtained to the extent applicable.

XXV. The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.

Axis Trustee Services Limited has been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given their consent to the Issuer for its appointment under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended up to date, and a copy of the consent letter is enclosed as **Annexure-III** to this Key Information Document. The Company will enter into a Trusteeship Agreement/ Debenture Trust Deed, inter-alga, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debenture.

The Debenture Holders shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of their Agents or authorized officials to do, inter cilia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of the Key Information Document. All rights and remedies under the Debenture Trust Deed / Trusteeship Agreement and/or other security documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture holder(s) shall discharge the Company to that extent to the Debenture holder(s). No Debenture holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

Company reserves the rights to appoint any other SEBI registered Trustee.

XXVI. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

XXVII. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention.

- a. **The day count convention for dates on which the payments in relation to the debt securities /non- convertible redeemable preference shares which need to be made, should be disclosed.**

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with the SEBI Circular on day count convention dated November 11, 2016, as may be amended from time to time.

b. Procedure and time schedule for allotment and issue of securities should be disclosed;

The issue schedule for the issue of the Debentures is as follows:

PARTICULARS	DATE
Issue Opening Date	September 19, 2024
Issue Closing Date	September 19, 2024
Pay In Date	September 20, 2024
Deemed Date of Allotment	September 20, 2024
Date of earliest closing of the issue, if any	Not Applicable

Please also refer to Section 7 (*Application Process*) of this Key Information Document.

c. Cash flows emanating from the debt securities / non- convertible redeemable preference shares shall be mentioned in the offer document, by way of an illustration.

The cashflows emanating from the Debentures, by way of an illustration, are set out under Annexure-X of this Key Information Document.

XXVIII. Disclosures pertaining to wilful defaulter:

The disclosures pertaining to wilful defaulter is as provided in Section 9 (*Disclosure Pertaining to Wilful Default*) of this Key Information Document.

XXIX. Undertaking by the Issuer

Please refer to Section 3 (*Undertaking of the Issuer*) of the General Information Document.

XXX. Risk Factors

Please refer to Section 4 (*Risk Factors*) of the General Information Document.

XXXI. Other Details

1. DRR creation - relevant regulations and applicability:

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

2. Issue/ instrument specific regulations:

- i. The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.
 - a) Companies Act, 2013;
 - b) Companies Act, 1956 (to the extent applicable and in force);
 - c) Securities Contracts (Regulation) Act, 1956;
 - d) Companies (Share Capital and Debentures) Rules, 2014;
 - e) Companies (Prospectus and Allotment of Securities) Rules, 2014;
 - f) Securities and Exchange Board of India Act, 1992;
 - g) the Depositories Act, 1996;

- h) NCS Listing Regulations, as amended from time to time;
 - i) SEBI LODR Regulations, as amended from time to time;
 - j) Master Circular for Debenture Trustees, as amended from time to time;
 - k) Listed NCDs Master Circular, as amended from time to time;
 - l) the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time; and
 - m) all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi-judicial authority).
- ii. In the event the Issuer proposed to issue Debentures with face value of INR 10,000/- (Indian Rupees Ten Thousand Only), the Issuer shall appoint a Merchant Banker for the issue for performing the role, responsibilities and obligations same as they would be in case of public issue of debt security or non-convertible redeemable preference share, as provided under clause 1.3 of Chapter V (Denomination of issuance and trading of Non-convertible Securities) of the Listed NCDs Master Circular,

"Issuer may issue debt security or non-convertible redeemable preference share on private placement basis at a face value of Rs. Ten Thousand;

(i) Subject to the following conditions:

a) The issuer shall appoint at least one Merchant Banker. Provided that the role, responsibilities and obligations of the Merchant Banker(s) shall be same as they would be in case of public issue of debt security or non-convertible redeemable preference share.

b) Such debt security or non-convertible redeemable preference share shall be interest/ dividend bearing security paying coupon/ dividend at regular intervals with a fixed maturity without any structured obligations...."

3. Default in Payment:

Please refer to the sub-section named "Default Interest Rate" under **Section 8** (Summary of Terms) of this Key Information Document.

4. Delay in Listing:

The Debentures are proposed to be listed on Bombay Exchange of India Ltd. (BSE'), being the Designated Stock Exchange. The details of BSE Limited are as below:

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Phone: +91 22 2272 1233/4
Fax: +91 22 2272 1999

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (Standardization of timelines for listing of securities issued on a private placement basis) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper", the

Issuer confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) Business Days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the deemed date of allotment of for the Debentures until the listing of the Debentures is completed,

5. Delay in allotment of securities:

- (i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.
- (ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").
- (iii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at 12% (twelve percent) per annum from the expiry of the Allotment Period.

Issue details:

As detailed in Section 7 (*Application Process*) of this Key Information Document.

6. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any.

The finalised form of the PPOA prepared in accordance with the Form PAS 4 prescribed under the Companies (Prospectus and Allotment of Securities), Rules, 2014 is provided as ANNEXURE XI: PAS 4. Please refer ANNEXURE XI: PAS 4 for all disclosures required under the Companies (Prospectus and Allotment of Securities), Rules, 2014 are set out therein.

7. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;

Not applicable

8. The issue document shall include the following other matters and reports, namely:

- (a) If the proceeds, or any part of the proceeds, of the issue of the debt securities/nonconvertible redeemable preference shares are or is to be applied directly or indirectly:
 - (1) in the purchase of any business; or
 - (2) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon –
 - 1. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and

2. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

- (1) the names, addresses, descriptions and occupations of the vendors;
- (2) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;
- (3) the nature of the title or interest in such property proposed to be acquired by the company; and
- (4) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (c) If:

- (1) the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and
- (2) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –
 1. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and
 2. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (d) The said report shall:

- (1) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what

allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

- (2) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default shall be disclosed.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (f) The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed.

Please refer to Section 6 (*Issuer Information*) of the General Information Document.

- (g) The matters relating to:

- (1) Material contracts:

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Board Resolution dated January 19, 2024, authorizing the issue of Debentures offered under the terms of this Key Information Document.
3.	Working Committee resolution under Section 42 dated September 11, 2024 authorizing the borrowing and list of authorized signatories
4.	Shareholder Resolution under Section 180 (1) (a) and Section 180 (1) (c) dated June 03, 2019 authorizing the borrowing by the Company and the creation of security.
5.	Shareholders' Resolution dated January 19, 2024 authorizing the issue of non-convertible debentures by the Company.
6.	Copies of Annual Reports of the Company for the last three financial years.
7.	Credit rating letter from the Rating Agency dated August 21, 2024
8.	Letter from Debenture Trustee dated September 10, 2024 giving its consent to act as Debenture Trustee (" Consent Letter ").
9.	Letter for Register and Transfer Agent dated 10, 2024.
10.	Certified true copy of the certificate of incorporation of the Company.
11.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL dated June 25, 2020.
12.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the CDSL dated December 15, 2018.
13.	Debenture Trustee Agreement dated September 11, 2024 executed between the Issuer and the Debenture Trustee.

14.	Debenture Trust Deed executed between the Issuer and the Debenture Trustee dated on or around the date of this Key Information Document.
15.	Deed of Hypothecation executed between the Issuer and the Debenture Trustee dated on or around the date of this Key Information Document.

(2) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Company between on 10.00 am to 4.00 pm on Business Days.

(h) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.

Please refer page no. 70 of the annual report for the Financial Year ended March 31, 2022, page no. 72 & 73 of the annual report for the Financial Year ended March 31, 2023 and page no. 31 of the financials statement for the Financial Year ended March 31, 2024.

(i) The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.

Nil

(j) The details of: any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law; prosecutions filed, if any (whether pending or not); and fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Nil

(k) The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.

Nil

SECTION 7 APPLICATION PROCESS

I. Who can invest /apply?

The investors, who specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in the General Information Document/ Key Information Document. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

All such Investors / transferees are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of / purchasing the Debentures and with respect to any subsequent transfer of the Debentures and shall be bound by the terms and conditions of the Debentures as set out in this Key Information Document. It is clarified that applications are not to be made by a 'person resident outside India' as defined under the Foreign Exchange Management Act, 1999 (including foreign portfolio investors, non-resident Indians, overseas corporate bodies, etc.)

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form as set out in **Annexure-IX** in the prescribed format in BLOCK LETTERS in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the relevant Application Form. No application can be made for a fraction of a Debenture. The series of Debentures applied for must be clearly indicated in the Application Form. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

An Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed "Account Payee Only". Cheque(s) or demand (s) may be drawn on any bank including a co-operative bank, which is a member or a sub-member of the bankers clearing house located at Golf Course, Gurugram, Haryana-122016. If permitted, the applicant may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Issuer as per details mentioned in the Application Form.

II. [Application Procedure through EBP Bid Process as per EBP Guidelines:¹

- a. In order to be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP Guidelines or applicable law. The Company is entitled at any time to require an Eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws. All Eligible Investors are required to register themselves as a one-time exercise (if not already registered) with the BSE EBP Platform for participating in electronic book building mechanism.

Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE.

Eligible Investors will also have to complete the mandatory know your customer verification process. Eligible Investors should refer to the EBP Guidelines in this respect.

The details of the Issue shall be entered on the BSE EBP Platform by the Company at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

¹ All private placement of debt securities as per the provisions of NCS Regulations, shall be required to be made through EBP Platform if a single issue, inclusive of green shoe option, if any, of Rs 50 crore or more. To be deleted if less than 50 cr.

- b. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.

Some of the key guidelines in terms of the current EBP Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

- A. Modification of Bid: Eligible Investors may note that modification of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, revision of bid is only allowed for upward revision of the bid amount placed or to improve the coupon or yield by the Eligible Investor.
- B. Cancellation of Bid: Eligible Investors may note that cancellation of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, no cancellation of bids is permitted.
- C. Multiple Bids: Bidders are permitted to place multiple bids on the BSE EBP Platform in line with the BSE EBP Guidelines and the EBP Guidelines.
- D. Manner of bidding: The Issue will be through closed bidding on the BSE EBP platform in line with the BSE EBP Guidelines and the EBP Guidelines.
- E. Manner of allotment: The allotment will be done on uniform yield basis in line with the BSE EBP Guidelines and the EBP Guidelines.
- F. Manner of settlement: Settlement of the Issue will be done through online transfer and the account details are given in the section on Payment Mechanism of this Key Information Document.
- G. Settlement cycle: The process of pay-in of funds by investors and pay-out to Company will be done on T+2 trading day, where T is the Issue Closing Date.
- H. Offer or Issue of executed offer letters cum application forms to successful Eligible Investors. The offer letters cum application forms along with the Application Form will be issued to the successful Eligible Investors, who are required to complete and submit the Application form to the Company in order to accept the offer of Debentures.

No person other than the successful Eligible Investors to whom the offer letters cum application forms has been issued by the Company may apply for the issue through the offer letters cum application forms received from a person other than those specifically addressed will be invalid. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid.

The subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Requirements by placing bids on the EBP Platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as an "investor" on the EBP Platform (as a one-time exercise) and also complete the mandatory "know your customer" verification process. The Eligible Investors should also refer to the operational guidelines of the relevant EBP in this respect. The disclosures required pursuant to the EBP Requirements are set out hereinbelow:

Details of size of the Issue including green shoe option, if any	Issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable ("NCDs" or "Debentures") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only). Green Shoe Option: NIL
Anchor Portion Details	Yes/ No If yes, ▪ Total Amount Anchor Portion (not exceeding 30% of Base Issue size) ▪ Name of Anchor Investor(s) ▪ Quantum for each Anchor Investor (Rs.)
Interest rate parameter	Fixed Coupon
Bid opening and closing date	Bid opening date: September 19, 2024 Bid closing date: September 19, 2024

Minimum Bid lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Manner of bidding in the Issue/ Bid Type	Open-/Closed
Manner of allotment in the Issue	Uniform Yield Allotment/ Multiple Yield Allotment
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard below.
Settlement cycle & Deemed Date of Allotment	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be on September 20, 2024.

Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	As available in the BSE EBP Platform
IFSC Code	As available in the BSE EBP Platform
Account number	As available in the BSE EBP Platform
Name of beneficiary	As available in the BSE EBP Platform

Name of Bank	As available in the BSE EBP Platform
IFSC Code	As available in the BSE EBP Platform
Account number	As available in the BSE EBP Platform
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IFSC Code	As available in the BSE EBP Platform
Account number	As available in the BSE EBP Platform
Name of beneficiary	As available in the BSE EBP Platform

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name:	Satin Finserv Limited
Bank Account No.	10164586515
SWIFT CODE:	IDFBINBB
IFSC CODE:	IDFB0021001
Bank Name	IDFC First Bank
Branch Address:	Golf Course, Gurugram
Type of Account	Share Application Money Account

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

Basis of Allocation or Allotment: Allocation shall be made as approved by the Company in accordance with applicable NCS Listing Regulations, Operations Guidelines, and applicable laws. Post completion of bidding process, the Company will upload the provisional allocation on the BSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Company will upload the final allocation file on the BSE EBP Platform.

Payment Mechanism: Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Company. Successful Eligible Investors should do the funds pay-in to the account

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any successful bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Company shall not be liable to issue the Debentures to such successful bidders.

Settlement Process: Upon final allocation by the Issuer, the Company or the Registrar and Transfer Agent on behalf of the Company shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor. The Company shall give the instruction to the Registrar and Transfer Agent for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to effect the transfer of Debentures in the demat account(s) of the successful Eligible Investors post-allocation disclosures by the EBP. Upon final allocation by the Issuer, the Company shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the EBP Guidelines.

The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public. Deemed Date of Allotment Interest on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investor(s) from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to modify allotment date or Deemed Date of Allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed, the Deemed Date of Allotment may also be changed by the Company at its sole and absolute discretion.

Withdrawal of Issue: The Company may, at its discretion, withdraw the issue process on the conditions set out under the EBP Guidelines. Provided that the Company shall accept or withdraw the issue on the BSE EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid. If the Company has withdrawn the Issue, and the cutoff yield of the Issue is higher than the estimated cutoff yield disclosed to the BSE EBP Platform, the estimated cut off yield shall be

mandatorily disclosed by the BSE EBP Platform to the Eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Company, prior to opening of issue on the BSE EBP Platform. The disclosure of estimated cut off yield by BSE EBP Platform to the Eligible Investors, pursuant to closure of the issue, shall be at the discretion of the Company.

Force Majeure: The Company reserves the right to withdraw the issue prior to the closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment. The Company reserves the right to change the Issue Schedule.

Right to Accept or Reject Applications: The Company reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected applicant will be intimated along with the refund warrant, if applicable. No interest on application money will be paid on rejected applications. The application form that is not complete in all respects is liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- A. Number of Debentures applied for is less than the minimum application size;
- B. Application exceeding the issue size;
- C. Bank account details not given;
- D. Details for issue of Debentures in electronic or dematerialised form not given; PAN or GIR and IT Circle or Ward or District not given;
- E. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- F. In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Basis of Allotment:

Notwithstanding anything stated elsewhere, the Company reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first cum first serve basis. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Company by the Deemed date of allotment.

Deemed date of allotment for the issue is September 20, 2024, by which date Investors would be intimated of allotment.

III. Documents to be provided by Investors / applicants

Investors need to submit the following documents, along with the Application Form, as applicable

- a. Memorandum and Articles of Association along with Certificate of Incorporation/Documents Governing Constitution
- b. Board Resolution / letter authorizing the investment and containing operating instructions
- c. Certified true copy of the Power of Attorney, if applicable
- d. PAN card
- e. Form 15AA for investors seeking exemption from Tax Deduction at Source (TDS) — both on Interest on Application Money as well as annual interest payments
- f. Specimen signature of the authorized signatories, duly certified by an appropriate authority
- g. SEBI Registration Certificate, as applicable
- h. Application form (including RTGS details)

IV. Applications to be accompanied with bank account details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of interest and all other amounts payable to the Debenture Holder(s) through electronic transfer of funds or RTGS.

V. Applications under Power of Attorney

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted failing which the applications are liable to be rejected.

VI. Interest on Application Money

Interest on Application Money will be paid at the applicable coupon rate (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of Income Tax Act, 1961 or any statutory modification or re-enactment thereof) and will be paid on the entire application money on all valid applications.

Such interest shall be paid for the period commencing from the date of credit by way of funds transfer / Real time gross settlement up to one day prior to the date of allotment.

No interest on application money would be payable in cases of invalid applications.

VII. Letters of Allotment

The Debentures will be credited in dematerialised form within 2 (two) Business Days from the Deemed Date of Allotment

VIII. Record Date

The record date means the date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date occurring 15 (fifteen) calendar days prior to any Due Date.

IX. Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

X. Payment on Redemption

Payment on redemption will be made by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer in the name of the relevant Debenture Holder(s) whose names appear on the List of beneficial owners given by the Depository to the Company as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Company on relevant maturity date(s) to the respective registered Debenture Holder(s) whose name appears in the register of debenture holder(s) on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holder(s) of such series. On such payment being made, the Company will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted. The Company's liability to the Debenture Holder(s) towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the dates of such redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

XI. Mode of Payment

All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.

XII. Effect of Holidays

In the event that any date on which any Coupon payment is required to be made by the Issuer is not a Business Day, the immediately succeeding Business Day shall be considered as the effective date(s) for that payment. In the event that the Redemption Date(s) in respect of the Debentures is not a Business Day, the immediately preceding Business Day shall be considered as the effective date for redemption of Debentures.

XIII. Payment of Coupon

Coupon for each of the Coupon periods shall be computed on an actual/actual days a year basis on the principal outstanding on the Debentures at the Coupon Rate. If the Coupon period from start date to end date includes February 29, then interest shall be paid on the basis of (end date-start date)/366.

XIV. Tax Deduction at Source

Income tax will be deducted as applicable as per the provisions of Income Tax Act, 1961. Where any deduction of Income Tax is made at source, the Company shall send to the Debenture holder a Certificate of Tax Deduction at Source.

XV. PAN/GIR Number

Applicant should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

XVI. Signatures

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

XVII. Basic terms of the present offer

Refer Section 8 (*Summary of Terms*) in the General Information Document/ Key Information Document for issue specific details.

XVIII. Minimum Subscription

INR 1,00,00,000/- (Indian Rupees One Crore only) and in multiples of INR 1,00,000 (Indian Rupees One Lakh only) thereafter.

XIX. Deemed Date of Allotment

Deemed Date of Allotment All the benefits under the Debentures, including but not limited to the payment of Coupon, will accrue to the Investor from the deemed date of allotment. The deemed date of allotment for the Issue is as per respective Key Information Document.

All benefits related to the Debentures will be available to the Debenture Holders from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/Deemed date(s) of Allotment at its sole and absolute discretion without

any notice to the Debenture holders. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

XX. Market Lot Market lot will be one Debenture

Contributions being made by the promoters or directors either as part of the Issue or separately in furtherance of such objects- **None**

XXI. Security

Refer to Section 8 (Summary of Terms) of the Key Information Document.

XXII. Debentures in Dematerialized Form

The Company is issuing the Debentures only in dematerialized form and hence no Debentures are being issued in physical form in terms of the Key Information Document. The Company has entered in to Depository Arrangements with NSDL for dematerialization of the Securities.

Applicants have to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. Debentures of successful Debenture Holders having Depository Account shall be credited to their Depository Account.

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by way of cheque(s)/ redemption warrant(s)/ demand draft(s)/ credit through RTGS system/ funds transfer to those Debenture Holder(s) whose names appear on the list of Beneficiaries provided by the Depositories to the Issuer. The names would be as per the Depositories' records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action. The list of beneficiaries as of the relevant record date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the Depositories to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will dispatch the cheque for interest / Coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debenture Holder for redemption and interest/ Coupon payments.

XXIII. Joint-Holders

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint holders with benefits of survivorship in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company, subject to other provisions contained in the Articles of Association of the Company.

XXIV. Mode of Transfer

The Debentures shall be transferable and transmittable in the same manner and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission, nomination and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply mutatis mutandis to the transfer and transmission of the Debentures and nomination in this respect.

The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depositories of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the

Record Date. In the absence of the same, Coupon will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The transferor should give delivery instructions containing details of the transferee's depository account to his Depository. Investors may note that subject to applicable law, the Debentures of the Issuer would be issued and traded in dematerialised form only.

XXV. Succession

In the event of demise of the sole holder of the Debentures, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof and / or indemnity.

XXVI. Governing law

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals at Haryana, India shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the Debenture Holders and the Debenture Trust Deed.

XXVII. Process of Due Diligence:

The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify whether all permissions or consents (if any) as stipulated in the General Information Document and Key Information Document and as per the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents / advisors / consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts / management consultants appointed by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out-of-pocket expenses towards legal or inspection costs, travelling and other costs, shall be borne as per the fee letter.

Without prejudice to the aforesaid, the Issuer shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws.

The Issuer shall ensure all no objection certificates (If any) are procured and provided to the Debenture Trustee as required under Relevant Laws.

Fee to charge by Trustee shall be as follows:

Type & Particulars of Fees	Amount and Currency	Terms of Payment
One Time Fee	INR 50,000 (Indian Rupees Fifty Thousand Only)	Within 30 days from the date of issuance of Invoice

SECTION 8 SUMMARY OF TERMS

The following term sheet summarizes the principal items with respect to the financing facility to be provided to **Satin Finserv Limited** (“**Borrower**” or “**Company**”) by the Investor for general corporate purposes and/or for the ordinary course of business of the Issuer including repayment/re-financing of existing debt.

For the avoidance of the doubt, except as specifically stated, this term sheet does not attempt to describe all terms and conditions of the transaction contemplated herein. The term sheet is intended to outline certain basic terms around which transaction could be structured. All proposed terms and conditions are subject to execution of mutually satisfactory transaction documents, satisfactory legal, technical & financial diligences, meeting of stipulations as contained herein etc.

Particulars	Terms and Conditions
Security Name	SFL 10.80%, Aug 2026
Borrower/Issuer	Satin Finserv Limited
Type of Instrument	Senior, Secured, Listed, Rated, Redeemable, Taxable, Non-Convertible Debentures
Nature of the Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior
Eligible Investors	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (“Eligible Investors”): - Any non-QIB including: - Individuals except Politically Exposed Person; - Hindu Undivided Family; - Trust; - Limited Liability Partnerships; - Partnership Firm(s); - Portfolio Managers registered with SEBI; - Association of Persons; - Companies and Bodies Corporate including Public Sector Undertakings; - Commercial Banks; - Regional Rural Banks; - Financial Institutions; - Insurance Companies; - Mutual Funds; - FPIs /FILs, /sub-accounts of FILs; - NBFCs; - Any other investor eligible to invest in these Debentures; - Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2 (ss) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are to be listed on the WDM of the BSE within a maximum period of 3 (three) trading days (i.e. On or before T+3) from the date of closure of the Issue for the Debentures. In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).

Rating of Instrument	ICRA A- (Stable)
Issue Size	2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable ("NCDs" or "Debentures") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only).
Minimum Subscription	INR 1,00,00,000/- (Indian Rupees One Crore only)
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue/ Purpose for which there is requirement of funds	The Issue proceeds will be utilized for the following purpose: a. General corporate purposes b. for the ordinary course of business of the Issuer including repayment/re-financing of existing debt
In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	As set out in Annexure V (Specific Disclosures Required from NBFC) of the General Information Document
Details of the utilization of the Proceeds	The funds raised by the Issue shall be utilized by the Company solely towards the Purpose. The Company shall not use the proceeds of the Issue towards: i. any capital market instrument such as equity and equity linked instruments or any other capital market related activities ii. any real estate activity; iii. any speculative purposes; iv. any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.77/21.04.172/2021-22 dated January 5, 2022 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"; v. in contravention of any guidelines, rules or regulations of the RBI applicable to non-banking financial companies.
Coupon Rate	Fixed interest of 10.80% (Ten decimal eight zero per cent) per annum per quarter.
Step Up/ Step Down Coupon Rate	In the event, credit rating of the Debentures is downgraded from the current rating of "ICRA A-" ("Rating") and/or the credit rating of the Company is downgraded from the current rating of "A-" ("Company Rating") at any point of time during the tenor of the Debentures, the Coupon rate shall increase by 0.5% (zero decimal five percent) for each notch downgrade of 1 (one) notch from the rating of the Debentures and/or Company ("Step Up Rate"). Such increased rate of interest shall be applicable from the date of such downgrade ("Step Up"). Following the Step Up until the rating of the Debentures and/or Company is restored to the Rating and/or the Company Rating (as the case may be), if the rating of the Debentures and/or the Company is upgraded, the prevailing Step Up Rate shall be decreased by 0.5% (zero decimal five percent) for each upgrade of 1 (one) notch from the rating of the Debentures and/or the Company (until the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating (as the case may be)) and such decreased rate of interest shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of interest in accordance with this provision cannot, in any case, be lower than the the coupon rate.

	It is clarified that, if following the Step Up, the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating (as the case may be), then the interest shall be payable at the coupon rate, from the date that the relevant rating is restored. In case the Company has obtained rating in relation to the Debentures and/or the Company from more than one rating agency, the lowest rating issued by the rating agency in relation to the Debentures and/or the Company shall be considered for the purpose of increase in the coupon.									
Coupon / Dividend Payment Frequency	Quarterly									
Coupon / Dividend Payment Dates	<table><tr><td>20-Dec-2024</td></tr><tr><td>20-Mar-2025</td></tr><tr><td>20-Jun-2025</td></tr><tr><td>20-Sep-2025</td></tr><tr><td>20-Dec-2025</td></tr><tr><td>20-Mar-2026</td></tr><tr><td>20-Jun-2026</td></tr><tr><td>20-Sep-2026</td></tr></table>		20-Dec-2024	20-Mar-2025	20-Jun-2025	20-Sep-2025	20-Dec-2025	20-Mar-2026	20-Jun-2026	20-Sep-2026
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20-Sep-2025										
20-Dec-2025										
20-Mar-2026										
20-Jun-2026										
20-Sep-2026										
Cumulative / non-cumulative, in case of dividend	Not applicable									
Coupon Type	Fixed									
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	Not applicable									
Day Count Basis (Actual/Actual)	Actual/Actual									
Interest on Application Money	Interest at the rate of 10.80% p.a. (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income-tax Act, 1961) will be paid on Application Money to the Applicants/ Initial Debenture Holders from the date of realization of the cheques / drafts or credit through RTGS / NEFT / direct credit up to one day prior to the Deemed Date of Allotment. This is applicable for all valid applications within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS / NEFT / direct credit to the bank account of the Applicant as described in the Application Form.									
Default Interest Rate	Payment Default including Event of Default If, at any time, there shall be a payment default or any other Event of Default, the Company agrees to pay an additional interest rate of 2% per annum (two point zero zero percent) above the applicable Interest Rate on the Outstanding Principal Amount from the date of the occurrence of the payment default or Event of Default until such payment default or Event of Default is cured or the final redemption amount is paid (whichever is earlier). Breach of Covenants In case of default by the Issuer in the performance of any of the covenants of this Issuance, including but not limited to the financial covenants of this Issuance, additional interest at 2% p.a. (two point zero zero percent) over the Coupon Rate will be payable by the Issuer for the defaulting period.									

	<i>Breach of Financial Covenants</i> Without prejudice to its other rights, the Debenture Holders reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of outstanding Debenture on the Issuer in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Borrower shall pay the Penalty for Breach to the Debenture Holders within 60 (sixty) calendar days from the date of such breach. <i>Delay in execution of Debenture Trust Deed</i> If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed. <i>Delay in Security Creation</i> Issuer shall pay a penal interest of 2.0% (Two Percent) p.a. over the coupon rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; <i>Delay in listing</i> In accordance with the SEBI NCS Listing Regulations read together with the Listed NCDs Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (Three) trading days from the date of closure of the issue for the Debentures, the Company (i) will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed. <i>Rating Downgrade</i> In the event, credit rating of the Debentures is downgraded from the current rating of "ICRA A-" ("Rating") and/or the credit rating of the Company is downgraded from the current rating of "A-" ("Company Rating") at any point of time during the tenor of the Debentures, the Coupon rate shall increase by 0.5% (zero decimal five percent) for each notch downgrade of 1 (one) notch from the rating of the Debentures and/or Company ("Step Up Rate"). Such increased rate of interest shall be applicable from the date of such downgrade ("Step Up"). Following the Step Up until the rating of the Debentures and/or Company is restored to the Rating and/or the Company Rating (as the case may be), if the rating of the Debentures and/or the Company is upgraded, the prevailing Step Up Rate shall be decreased by 0.5% (zero decimal five percent) for each upgrade of 1 (one) notch from the rating of the Debentures and/or the Company (until the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating (as the case may be)) and such decreased rate of interest shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of interest in accordance with this provision cannot, in any case, be lower than the the coupon rate.
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	It is clarified that, if following the Step Up, the rating of the Debentures and/or the Company is restored to the Rating and/or the Company Rating (as the case may be), then the interest shall be payable at the coupon rate, from the date that the relevant rating is restored. In case the Company has obtained rating in relation to the Debentures and/or the Company from more than one rating agency, the lowest rating issued by the rating agency in relation to the Debentures and/or the Company shall be considered for the purpose of increase in the coupon.	
Tenor	24 (twenty-four) months from the Deemed Date of Allotment	
Redemption Date	September 20, 2026	
Redemption Amount	INR 1,00,000 (Indian Rupees One Lakh only)	
Redemption Premium / Discount	Not Applicable	
Issue Price	INR 1,00,000 (Indian Rupees One Lakh only)	
Discount at which security is issued and the effective yield as a result of such discount.	Not Applicable	
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Not Applicable	
Put Date	Not Applicable	
Put Price	Not Applicable	
Call Date	Not Applicable	
Call Price	Not Applicable	
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable	
Call Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable	
Face Value	INR 1,00,000/- per debenture instrument	
Minimum Application and in multiples of Debt securities thereafter	INR 1,00,00,000/- (Indian Rupees One Crore only) and in multiples of INR 1,00,000 (Indian Rupees One Lakh only) thereafter	
Issue Timing	1. Issue Opening Date September 19, 2024 2. Issue Closing Date September 19, 2024 3. Date of earliest closing of the issue, if any Not Applicable 4. Pay-in Date September 20, 2024 5. Deemed Date of Allotment September 20, 2024	
Settlement mode of the Instrument	Dematerialised form	
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services Limited ("CDSL")	
Disclosure of Interest/Dividend / redemption dates	20-Dec-2024	
	20-Mar-2025	
	20-Jun-2025	
	20-Sep-2025	

	20-Dec-2025 20-Mar-2026 20-Jun-2026 20-Sep-2026
Record Date	Means the date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date occurring 15 (fifteen) calendar days prior to any Due Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)]	Refer to SECTION 10 (<i>Key Terms of the Issue</i>) of this Key Information Document
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Offer Document/ Key Information Document	The Issue shall be secured by way of a first ranking exclusive and continuing charge to be created pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over certain identified receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.05x (One Decimal Point Zero Five Times) the value of the outstanding principal plus accrued interest/obligations if any of this Debentures shall be maintained at all times until the redemption of the Debentures ("Security Cover"). - The security will be created upfront and perfected within 30 (thirty) days from the Deemed Date of Allotment. Issuer's failure to create and perfect security shall attract 2% additional interest and give an option to the Debenture holders for early redemption. - Issuer shall share a statutory auditor certificate within 45 (forty-five) days from close of any quarter certifying that the requisite security cover on the Debentures is being maintained. - The Issuer undertakes to provide a list and details on a quarterly basis, of Hypothecated Assets client loan ("Quarterly Hypothecated Asset Report") to the Debenture Trustee. - Sub-standard receivables shall be replaced with fresh portfolio of same amount, which meet eligibility criteria within 30 (thirty) calendar days. <u>Eligibility Criteria for the Hypothecated Assets:</u> Each asset provided as security must comply with the portfolio origination criteria below: - All applicable "know your customer" requirements prescribed by the RBI have been complied with; - Each Hypothecated Asset is a loan provided by the Issuer in its ordinary course of business - The receivables are existing at the time of selection and have not been terminated or pre-paid; - The receivables have not been restructured or rescheduled and are current. - Each client loans must satisfy the Issuer's credit and underwriting policies, including credit referencing agency checks where commonly used; - Each client loan must be directly originated by the Issuer and not loans purchased from a third party; - Each asset shall be current i.e. 0 dpd on the books of Issuer - all loans hypothecated under the deed of hypothecation comply with RBI

	norms and guidelines; - all loans should have a CIBIL score of 500 (five hundred) or should be new to credit; - all loans should be free from any other current or future encumbrances; - if multiple loans are extended to the same borrower/ group of borrowers, the Hypothecated Assets should include all such loan.
Transaction Documents	Including but not limited to the following documents: 1. Debenture Trust Deed 2. General information Document/Key Information Document/PAS-4 3. Debenture Trustee Appointment Agreement; 4. Deed of Hypothecation; 5. Term Sheet; 6. Board and Shareholders Resolution authorising the Issue; and Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer
Conditions Precedent to Disbursement	(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee. (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. (iii) Execution of the Transaction Documents in a form and manner satisfactory to the Debenture Trustee shall have taken place; (iv) Rating of the Debentures being completed and the rating agency having provided a minimum rating of 'A-' for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee; (v) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that: - a. the persons authorised to sign the Transaction Documents and any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories; b. the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures; c. the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; d. no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deed of Hypothecation;

		e. no Material Adverse Effect has occurred in the Company, and/or the business of the Company; (vi) The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company, in a form and substance satisfactory to the Debenture Trustee, with respect to: a. absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect; b. all representations and warranties contained in this Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and c. the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year. d. no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents. (vii) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company; (viii) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company; (ix) a copy of the consent from the Registrar to act as the Registrar and Transfer Agent for the issue of Debentures; (x) The Company shall have received consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures; (xi) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements; (xii) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year. (xiii) The Company shall have submitted to the Debenture Trustee, a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures. (xiv) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee.
Conditions Subsequent to Disbursement		Company shall fulfil each of the following conditions within the stipulated timelines: (i) the record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment; (ii) the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under the SEBI Listing Timelines Requirements;

	(iii) the details of the depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) Business Days from the closure of the Issue; (iv) the return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant Registrar of Companies within 15 (fifteen) days of the Deemed Date of Allotment of the Debentures; (v) evidence that the Security shall have been perfected in a form and manner acceptable to the Debenture Trustee and that the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant Registrar of Companies within 30 (thirty) days of the Deemed Date of Allotment of the Debentures. (vi) Ensure that Debenture Trustee files Form I with CERSAI in respect thereof within 30 (thirty) calendar days from date of execution of the Hypothecation Agreement or within such other extended time as permissible under the applicable law.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Refer to SECTION 10 (<i>Key Terms of the Issue</i>) of this Disclosure Document]
Creation of recovery expense fund	Details and purpose of the recovery expense fund The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the Master Circular for Debenture Trustees, in accordance with and within the timelines prescribed in the Master Circular for Debenture Trustees. The Company shall create a Recovery Expense Fund which shall be equal to 0.01% (Zero decimal point Zero One percent) of the Issue Size subject to maximum of Rs. 25 lakhs (Indian Rupees Twenty-Five lakhs) per issuer in the form of cash or cash equivalent(s) (including bank guarantees) maintained with the designated stock exchange. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security in accordance with the Transaction Documents. The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. On the occurrence of an Event of Default, if the security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the Master Circular for Debenture Trustees for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Refer to Section 10 (<i>Key Terms of the Issue</i>) of this Disclosure Document

Provisions related to Cross Default Clause	Refer to Section 10 (<i>Key Terms of the Issue</i>) of this Disclosure Document
Role and Responsibilities of Debenture Trustee	Refer to Section 10 (<i>Key Terms of the Issue</i>) of this Disclosure Document
Risk factors pertaining to the issue	Refer to Section 4 (<i>Risk Factors</i>) of the Key Information Document
Governing Law and Jurisdiction	The Transaction Documents shall be governed by and will be construed in accordance with the Indian laws and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Haryana, India.
Delay in Listing	In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer shall pay penal interest of 1% p.a. over the coupon/ dividend rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing).
Buyback	Issuer can buy back Debentures subject to applicable Law and as per the Transaction documents.

Notes:

- If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.
- The list of documents which have been executed in connection with the issue and subscription of debt securities shall be annexed.
- The issuer shall provide granular disclosures in their issue document, with regards to the “Object of the Issue” including the percentage of the issue proceeds earmarked for each of the “object of the issue”.

The Issue proceeds will be utilized for the following purpose:

- General corporate purposes
 - for the ordinary course of business of the Issuer including repayment/re-financing of existing debt
- While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ General Information Document/ key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
 - Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.
 - Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ General Information Document/ Key Information Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in NCS Listing Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.
 - The Issuer reserves the right to make multiple issuances under the same ISIN. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be.

SECTION 9 DISCLOSURE PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

- a) Name of the bank declaring the entity as a wilful defaulter:
Nil
- b) The year in which the entity is declared as a wilful defaulter:
Nil
- c) Outstanding amount when the entity is declared as a wilful defaulter:
Nil
- d) Name of the entity declared as a wilful defaulter:
Nil
- e) Steps taken, if any, for the removal from the list of wilful defaulters:
Nil
- f) Other disclosures, as deemed fit by the issuer to enable Investors to take informed decisions:
Nil
- g) Any other disclosure as specified by the Board:
Nil

SECTION 10 KEY TERMS OF THE ISSUE

A. AFFIRMATIVE COVENANTS

The Company shall comply with the following covenants until the Final Redemption Date.

(a) ***Utilization of the issue proceeds***

The Issuer shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in this Deed

(b) ***Amendment of Articles of Association***

Issuer has amended and incorporated provisions in their Articles of Association, authorizing the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 as specified SEBI Listed Debentures Circulars and Regulations;

(c) ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company;

(d) ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

(e) ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs;

(f) ***Payment of Rents, etc.***

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoing, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under this Deed;

(g) ***Preserve corporate status; authorisations***

Company shall

- (i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed; and
 - (ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
 - (iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures;
- (h) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand;
- (i) ***Furnish information to trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;
- (j) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;
- (k) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

 - (i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XI (Events of Default)** of this Deed;
 - (ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange (if the Debentures are listed);

- (iii) details of any material litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock (if the Debentures are listed);
 - (iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and
 - (v) the declaration or distribution of dividend;
- (l) **Comply with Investor Education and Protection Fund requirements**
- Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it;
- (m) **Further assurances**
- Company shall
- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
 - (ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
 - (iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under this Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of this Deed;
 - (iv) comply with:
 - (A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, SEBI LODR Regulations, SEBI NCS Listing Regulation and (iv) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;
 - (B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;
 - (C) the provisions of the Act in relation to the issue of the Debentures;
 - (D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
 - (E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is

most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

- (F) The Issuer hereby undertakes that the Hypothecated Assets are free from all encumbrances and are not subject to any lien or charge.
- (G) Permit visits and inspection of books of records, documents and accounts to Debenture Trustee as and when required by them.
- (H) Comply with any monitoring and/or servicing requests from Debenture Trustee;
- (I) The Issuer shall ensure compliance with RBI digital lending guidelines (as applicable from time to time) on a continuing basis till the Debentures maturity.

(n) **Security**

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Assets that shall be charged to the Debenture Trustee under the Hypothecation Agreement shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) shall, on the First Security Cover Determination Date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each Quarterly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or Replace any Receivables constituting the Hypothecated Assets in accordance with the Hypothecation Agreement so as to ensure that Security Cover Ratio is maintained at all times.
- (iv) The Issuer shall within 30 (Thirty) days from the date of execution of the Hypothecation Agreement perfect the charge on Hypothecated Assets by way of filing of form CHG-9 (or such other eforms as may be applicable under the Act and Rules thereunder) with the jurisdictional registrar of companies and provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in relation to the security interest over the Hypothecated Assets.
- (v) from the Deemed Date of Allotment until the redemption of the Debentures the Issuer shall ensure first ranking and exclusive charge of the Debenture Trustee. In the event of any modification of security as a result of Top-Up/ providing additional security / any such change relating to the Hypothecated Assets/ in the event of Receivables do not meet the Eligibility Criteria the Issuer shall apply for modification of charge/Debenture Holders or Debenture Trustee shall instruct the Company to apply for modification over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing

with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

- (vi) shall, on the First Security Cover Determination Date and every Quarterly Reporting Date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Hypothecation Agreement), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
 - (vii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Hypothecation Agreement;
 - (viii) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule VII (Eligibility Criteria)**;
 - (ix) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and
 - (x) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under this Deed;
 - (xi) the assets on which the charge or security has been created to meet the 100% security cover or higher security cover is free from encumbrances and in case the assets are encumbered, the permission or consent to create any further charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of charge.
 - (xii) All disclosures made in the Disclosure Documents with respect to creation of security are in conformity with the clauses of Debenture Trustee Agreement.
- (o) **Filings**
- If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI LODR Regulation.
- (p) **Amounts to be reimbursed to the Debenture Trustee**
- Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;
- (q) **Delay in Security Creation**
- Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Hypothecation Agreement or in the event the Security Cover Ratio is not met on or prior to the First Security Cover Determination Date, the Company will, at the option of the Debenture Holders, either:
- (i) refund the Application Money as set out in Clause 2.5 of this Deed, to the Debenture Holders; or

- (ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Hypothecation Agreement such that the Security Cover Ratio is met.

(r) **Books of Account**

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(s) **Material Adverse Effect**

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof;

(t) **Insurance**

Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with;

(u) **Corporate Governance**

- (i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;
- (ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 1 (one) independent director; and
- (iii) the Company shall at all times comply with the NBFC Master Directions and Digital Lending Guidelines issued by Reserve Bank of India dated September 02, 2022 and any amendments from time to time.

(v) **General**

- i. the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;
- ii. the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;
- iii. the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

- iv. the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time;
- v. the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and
- vi. the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(w) **Access**

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

- i. check the management of the funds made available through subscription to the Debentures;
- ii. inspect and take copies and extracts from the books, accounts and records of the Company;
- iii. visit and inspect the premises of the Company; and
- iv. meet and discuss matters with senior management employees of the Company.

Provided that the Company is served with a prior notice of 15 days before any such access to the Debenture Trustee (and the Debenture holders) or its representatives.

(x) **Conditions Subsequent**

Company shall comply with the conditions stipulated in **Schedule IV PART B (Conditions Subsequent)**.

(y) **Financial Covenants**

Company shall comply with the financial covenants stipulated in **Schedule VIII (Financials Covenants)**.

(z) **Issue Terms and Conditions**

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(aa) **Internal Controls**

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(bb) **Information to Debenture Trustee**

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as may be required by SEBI from time to time.

B. NEGATIVE COVENANTS

The Issuer shall not without the prior written permission of the Debenture Trustee acting on the instruction of Majority Debenture Holders undertake to do any of the following:

(a) ***Change of business***

Change the general nature of its business of the Company from that which is permitted by the RBI. Issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services.

(b) ***Change in Constitutional Documents***

Change or make any alteration to its Constitutional Documents, without prior consent of the Debenture Trustee. The Company shall not amend or modify clauses in its Memorandum of Association and Article of Association, except in ordinary course of business and in case of increase of authorised share capital of the Issuer;

(c) ***Change in shareholding***

Change in management Control, voting rights and board seats held by Promoters in the Company during the tenor of the Debentures. Promoters shall retain controlling stake in the Company during the tenor of the Debentures.

(d) ***Dividend***

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

- (i) the proposed payment or distribution is out of net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Company's assets);
- (ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;
- (iii) the Company is in compliance with the financial covenants set forth in **Schedule VIII (Financial Covenants)**; and
- (iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(e) ***Arrangement/ consolidation, etc.***

Undertake or permit any demerger, consolidation, restructuring, re-organisation, scheme of arrangement or compromise or effect any scheme of amalgamation or reconstruction with its creditors or shareholders provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Company defaulting in relation to any of its payment obligations in relation to the Debentures.

(f) ***Associates, Subsidiaries, and Joint Ventures***

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures without the prior written consent of the Majority Debenture Holders.

(g) **Merger/ Acquisition**

The Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures.

(h) **Joint Venture**

Without the prior written consent of the Majority Debenture Holders:

- (i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or
- (ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(i) **Loans and Guarantees**

The Company shall not:

- (i) extend a loan to any single individual or entity amounting to greater than 15% (Fifteen percent) of its Net Worth; or
- (ii) undertake to guarantee the liabilities of any individual or entity (unless the entity is a wholly owned subsidiary of the Company).

(j) **Arm's length basis; No profit-sharing arrangements**

The Company shall not, without the prior written consent of the Majority Debenture Holders:

- (i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;
- (ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person except on proper commercial terms negotiated on an arm's length basis and when it's within the ordinary course of business; or
- (iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(k) **Immunity**

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(l) **Auditor**

Change its auditor (other than pursuant to operation of law), without the prior written intimation to the Majority Debenture Holders.

(m) **Liabilities**

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(n) **Change of Control**

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in dilution of shareholding of the Promoter or key shareholders leading to change in Control of the Company. Any dilution of control over the Board composition, other than appointment of independent directors.

The Company will not purchase or redeem any of its issued shares or reduce its share capital without the Debenture Trustees' prior written consent;

(o) **Disposal of Assets**

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets of the Company, sell any business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the Debenture Trustee, other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business.

(p) **Management Control**

Any change in management Control of the Company.

(q) **Material compromise or Settlement**

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(r) **Anti-money laundering**

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(s) **Related Party Transactions**

- i. The Company shall not Directly or indirectly lend to any of its group companies, or to its Promoters (as defined in the Act), or any Related Parties; or directly or indirectly lend to any of its group companies other than in the ordinary course of business and at arm's length basis;
- ii. The Company shall not enter into related party transaction (other than in arms' length price and in ordinary course of business related to lending activities).

(t) **Financial Year**

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(u) **Others**

Without prejudice to Clause (c) (*Change in shareholding*) of this **Schedule X** (*Negative Covenants*), permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Promoter(s) and/ or (iii) permit the Promoter(s) to exit from management activities in relation to the Company, and/or (iv) any further issuance of equity shares or convertible instruments.

C. FINANCIAL COVENANTS

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

1. Maintain capital adequacy ratio of not less than 20% or the regulatory limit whichever is higher
2. GNPA of the Company (own book) should be less than 5%
3. NNPA of the Company (own book) should be less than 3%
4. Own-book leverage should be less than 4.5 times
5. Net NPA to Tangible Net Worth shall not exceed 12.5%.
6. Cumulative mismatch in ALM shall be positive across all buckets upto 1 year.
7. Minimum Tangible Net Worth to be maintained at INR 170,00,00,000/- (Indian Rupees One Hundred Seventy Crores Only).
8. Satin Creditcare Network Ltd. to retain controlling stake or interest in the Company
9. Company shall not report losses in any quarter
10. % of wholesale loan book should be less than 20% of the total assets under management of the Company.

All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, on consolidated and standalone balance sheet till the redemption of the Debentures.

The covenants shall be certified by the Company within 60 (Sixty) calendar days from the end of each financial quarter. The Debenture Trustee and the Investors shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

Without prejudice to its other rights, the Debenture Holders reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of outstanding Debenture on the Issuer in the event of breach of any of the Financial Covenants ("**Penalty for Breach**"). In such an event, the Borrower shall pay the Penalty for Breach to the Debenture Holders within 60 calendar days from the date of such breach.

D. REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) Monthly Reports

Provide month end ALM table in the agreed format certified by Management Committee confirming ALM positions within 21 (Twenty-One) calendar days from the end of the month.

(b) Quarterly Reports

As soon as available and in any event within 45 (Forty-Five) calendar days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

- (i) financials, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding in formats acceptable to the Investor;
- (ii) the shareholding structure and composition of the board of directors in the Company;
- (iii) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);
- (iv) The Security Cover must be tested on a quarterly basis on each Quarterly Hypothecated Assets Reporting Date. Issuer shall submit statement of loan receivables hypothecated to the Debenture Trustee certified by statutory auditor within 45 (Forty-Five) days from the end of each quarter certifying that the requisite Security Cover on the Debentures is being maintained.
- (v) a compliance certificate from statutory auditor regarding the financial covenants set forth in **Schedule VIII (Financial Covenants)** signed by the Chief Financial Officer or authorised signatory of the Company in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;
- (vi) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:
 - (a) Updated list of the names and addresses of the Debenture Holders.
 - (b) Details of the Interest due, but unpaid and reasons thereof.
 - (c) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.
 - (d) A statement that the Hypothecated Assets certified by statutory auditor is sufficient to discharge the claims of the Debenture Holders as and when they become due
- (vii) Any other financial / operational data as may be required by the Debenture Holders.

(c) Annual Reports

The Company shall provide or cause to be provided to the Debenture Trustee, and to any Debenture Holder (if so requested by such Debenture Holder), including on any online reporting platform notified to the Company, in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (a) as soon as available, and in any event within 90 (ninety) calendar days after the end of each Financial Year:
 - (i) a certificate signed by statutory auditor stating that the Company is in compliance with all the financial covenants prescribed in Schedule IX on the basis of the audited financial statements of the Company;
 - (ii) a certificate from statutory auditor certifying that the receivables created out of the issuance are hypothecated to the Investor and Investor has exclusive first charge on the receivables created out of the issuance and the minimum asset cover of 1.05x is available. Certificate to contain details of receivables (Loan ID, amount sanctioned, amount outstanding, overdue status) hypothecated to Investor;
- (b) as soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each Financial Year, certified copies of its annual report for such Financial Year.
- (d) Event Based Reports
 - (i) as soon as practicable and in any event within 5 (five) calendar days (in respect of any changes/actions requiring the approval of the board of directors) and 15 (fifteen) calendar days (in all other cases) of the occurrence of the following events, the details of:
 - a. any change in the list/composition of the board of directors of the Company;
 - b. any change in the shareholding structure of the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders.
 - c. any change in any of the senior management officials (CXO or equivalent) of the Company;
 - d. Any fraud amounting to more than 1% of Gross Loan Portfolio;
 - e. Any material changes in accounting policy
 - f. any amendment to constitutional documents except amendment of memorandum of association and the articles of association due to the following events, the same shall be informed to the Debenture Trustee within 7 (seven) Business Days from the happening of the following events:
 - i. Increase in authorised Share Capital and/or any re-classification;
 - ii. Appointment of observer on behalf of any investor;
 - iii. Appointment of nominee director on behalf of an investor;
 - iv. Any change in the Articles as a result of amendments in the shareholders' agreement entered with any shareholder/investor; provided that such amendment(s) are not prejudicial to the interest of the Debenture Holder of this Issue;
 - (ii) details of any new segment of business other than the business carried out by the Company as of the Effective Date in accordance with the Constitutional Documents;
 - (iii) as soon as practicable, and in any event within 1 (one) day after the Company obtains actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

- (iv) as soon as practicable, and in any event within 1 (one) Business Day after the Company obtains actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property (including the Hypothecated Assets) or operations, which, if adversely determined, could result in a Material Adverse Effect;
- (v) as soon as practicable and in any event within 1 (one) Business Day after the Company obtains actual knowledge thereof any winding up proceedings initiated against the Company.
- (vi) as soon as practicable, and in any event within 1 (one) day after the Company obtains actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential Event of Default including any steps taken to cure such event;
- (vii) as soon as practicable, and in any event within 1 (one) Business Day of any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company; and
- (viii) as soon as practicable, and in any event within 1 (one) Business Day of any application of insolvency petition under bankruptcy code/ NCLT by the Issuer.
- (ix) Intimations regarding all covenants of the issue including side letters, accelerated payment clause, etc. and their breaches if any.

(e) Disclosures under listing regulations

The Company disclose all such information to the Debenture Trustee under applicable laws and shall file with the BSE all such information as required under Chapter V of SEBI LODR Regulation, Listed NCDs Master Circular and SEBI NCS Listing Regulations.

E. RESPONSIBILITIES OF THE TRUSTEE

In addition to the other powers conferred on the Debenture Trustee and provisions for their protection and not by way of limitation or derogation of anything contained in this Deed or of any statute limiting the liability of the Debenture Trustee, IT IS EXPRESSLY DECLARED as follows:

- (a) the Debenture Trustee may, in relation to these presents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Company or by the Debenture Trustee or otherwise;
- (b) the Debenture Trustee shall be the attorney of the Company and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Company, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Company should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee;
- (c) the Debenture Trustee is not permitted to release / exclude any part of the Hypothecated Assets temporarily or permanently from the security created / to be created for the Debentures except in accordance with a Majority Resolution;
- (d) with a view to facilitating any dealing under any provisions of these presents the Debenture Trustee shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;
- (e) the Debenture Trustee shall not be responsible for the monies paid by Applicants/ Initial Debenture Holders for the Debentures;
- (f) without prejudice to the rights to indemnity by Law given to the Debenture Trustee, the Debenture Trustee and every receiver, attorney, manager, agent or other person appointed by them shall, subject to the provisions of the Act, be entitled to be indemnified by the Company in respect of all liabilities and expenses incurred by them or him in the execution or purported execution of the powers and trusts thereof and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted and the Debenture Trustee may retain and pay out of any monies in their hands the amount of any liabilities and expenses necessary to effect such indemnity and also remuneration of the Debenture Trustee as herein provided or otherwise howsoever arising out of or in connection with these presents or the issue of the Debentures;
- (g) the Debenture Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Debenture Trustee) in the absence of any fraud, gross negligence, willful misconduct or breach of trust, shall be conclusive and binding upon all persons interested hereunder;
- (h) subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall be liable for any fraud, gross negligence, willful misconduct or breach of trust by the Debenture Trustee as conclusively determined by the court of competent jurisdiction;
- (i) subject to the approval of the Debenture Holders by way of Majority Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee, except for any fraud, gross negligence, willful misconduct or breach of trust as conclusively determined by the court of competent jurisdiction, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the

Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders and the Debenture Trustee shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient moneys shall have been provided or provision to the satisfaction of the Debenture Trustee made for providing the same by or on behalf of the Debenture Holders or some of them in order to provide for any costs, charges and expenses which the Debenture Trustee may incur or may have to pay in connection with the same and the Debenture Trustee are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request;

- (j) notwithstanding any contained to the contrary in this Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders;
- (k) the Debenture Trustee shall forward to the Debenture Holders copies of any information, documents from the Company pursuant to this Deed within 2 (two) Business Days of receiving the same from the Company; and
- (l) The Debenture Trustee shall take all reasonable steps to realise the monies due to the Trust.
- (m) The Debenture Trustee shall have the right to rely on notices, communications, advertisement, website information of Issuer and any other related party with respect to issue etc.
- (n) The Debenture Trustee shall monitor the security cover and covenants by Issuer in relation to Debentures in the manner as specified by SEBI.
- (o) The Debenture Trustee shall ensure that the Company does not commit any breach of the terms of issue of Debentures or covenants of this Deed by monitoring the same in the manner specified by the SEBI and take such reasonable steps as may be necessary to remedy any such breach.
- (p) The Debenture Trustee shall have right to share such information in relation to the Issuer / Debentures to the Credit Rating Agency as prescribed / required under Applicable Laws or as necessary to discharge its function as a debenture trustee.
- (q) The Debenture Trustee shall carry out due diligence of security prior to the security creation and on continuous basis.

PROVIDED THAT nothing contained in this Clause shall exempt the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or Law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder as conclusively determined by the court of competent jurisdiction.

Notwithstanding anything contained herein, no clause in the Debenture Trust Deed shall have the effect of:

- a. limiting or extinguishing the obligations and liabilities of the Debenture Trustee or the Issuer in relation to any rights or interests of the Debenture Holders;
- b. limiting or restricting or waiving the provisions of the Act, regulations, circulars or guidelines issued by the SEBI; and
- c. indemnifying the Debenture Trustee or the Issuer for loss or damage caused by their act of negligence or commission or omission.

EVENT OF DEFAULT

(a) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to this Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 2 (two) calendar days of its Due Date.

(b) **Insolvency / Inability to Pay Debts / Distress**

- (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.
- (ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.
- (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Hypothecation Agreement without the consent of the Majority Debenture Holders.

(d) **Business**

The Company without obtaining the prior consent of the Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) **Security in Jeopardy**

- (i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;
- (ii) If, the security provided pursuant to the Hypothecation Agreement depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;
- (iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or
- (iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Hypothecation Agreement within the stipulated timelines in the Hypothecation Agreement.

(f) **Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(g) **Material Adverse Change**

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect.

(h) **Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator**

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;
- (B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;
- (C) the appointment of a liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of all or any part of the undertaking of the Company or its Affiliate; or
- (D) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets" (as amended or modified or restated from time to time));
- (E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate; or
- (F) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days;
- (G) enforcement of any security over any Assets of the Company or its Affiliate.

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (F) above.

- (ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Resolution of Debenture Holders.

(i) **Cross Default**

The Company (i) defaults in any payment of any Financial Indebtedness, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default

or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof or (iv) Payment acceleration in any other Financial Indebtedness, by whatever name called whether as a result of an event of default or breach of any covenants resulting into event of default (howsoever described) under relevant financing documents.

(j) **Creditors' Process**

- i. All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.
- ii. The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.
- iii. The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.
- iv. The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.
- v. Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(k) **Judgments Defaults**

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) consecutive calendar days.

(l) **Transaction Documents**

- (i) This Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.
- (ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable.

(m) **Unlawfulness**

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(n) **Repudiation**

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(o) **Information Covenants**

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Schedule IX (Reporting Covenants)**.

(p) **Government Intervention**

- (i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;
- (ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or
- (iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) **Delisting**

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(r) **Cessation**

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) **Alteration in Constitutional Documents**

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.

(t) **Non-compliance with judicial order**

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) **Erosion of Net Worth**

The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Act) of the Company has eroded by 50% or more.

(v) **Merger**

The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganization of capital without the prior written consent of the Debenture Trustee.

(w) **Sale, disposal**

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) **Third party**

(y) A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(z) **Management Control and change in Control**

Change in management Control, voting rights and board seats by Promoters or change in shareholding resulting in change in Control of the Issuer without prior written consent from the Debenture Trustee/Debenture Holders.

(aa) **Willful default**

Any Promoters or directors or key management personnel of the Company is/are declared as willful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Company/Promoters funds or revenues, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery or any other act having a similar effect being committed by the management or an officer of the Company.

(bb) **Breach of Financial Covenants**

Any breach of financial covenants stipulated in **Schedule VIII (Financial Covenants)** and such breach is not remedied (if capable of remedy).

(cc) **Breach of Negative Covenants and Affirmative Covenants**

Any breach of negative covenants mentioned in **Schedule X (Negative Covenants)**, **Schedule VI (Affirmative Covenants)**.

(dd) **Breach of other terms of this Deed**

A breach by the Company of any of its obligations and covenants provided in terms of this Deed or other Transaction Documents (other than (a) to (dd) above) and such breach is not remedied (if capable of remedy).

*****References to Schedule in this Section refers to Schedule as stated in the Debenture Trust Deed.***

SECTION 11 DECLARATION

The Issuer undertakes and confirms that this Key Information Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Key Information Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Key Information Document or in any other material issued by or at the instance of the issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the directors of the Company, confirm that:

- a. The Issuer undertake that this Key Information Document contain full disclosures in accordance with NCS Listing Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992.
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I, Gurminder Singh, Company Secretary & Chief Compliance Officer, am authorized by the Board of Directors of the Company vide Resolution of the Working Committee dated September 11, 2024 to sign this Key Information Document and declare that all the requirements of the Companies Act, 2013 and the rules made there under in respect of the subject matter of this Key Information Document and matters incidental thereto have been complied with. Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association.

The issuer declares that nothing in the issue document is contrary to the provisions of Companies Act, 2013 (18 of 2013), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.

It is further declared and verified that all the required attachments have been completed, correctly and legibly attached to this form.

For Satin Finserv Limited

GURVINDER SINGH Digitally signed by GURVINDER SINGH
Date: 2024.09.11 17:27:12 +05'30'

Gurminder Singh

Date: September 11, 2024

Place: Gurugram

ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS

Attached separately as part of the General Information Document.

ANNEXURE II: CREDIT RATING LETTER, RATING RATIONAL AND PRESS RELEASE FROM RATING AGENCY

Attached Separately

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

Attached Separately

ANNEXURE IV: BOARD RESOLUTION

Attached Separately

ANNEXURE V: SHAREHOLDERS RESOLUTION
Attached Separately

ANNEXURE VI: DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE

Attached Separately

ANNEXURE VII: IN PRINCIPLE APPROVAL RECEIVED FROM STOCK EXCHANGE

Attached Separately

ANNEXURE VIII: CONSENT OF THE REGISTRAR AND TRANSFER AGENT

Attached Separately

Section 4 of the Key Information Document, ("**Key Information Document**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL/CDSL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Key Information Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's
Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.	1	-	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---	---

Received from _____

Address _____	
Cheque/Draft/UTR # _____	Drawn on _____ for INR _____ on account
of application of _____ Debenture	

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.
2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.
3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account of ICCL by way of an electronic transfer, in accordance with the terms of the EBP Guidelines:

Beneficiary Name	As available in the BSE EBP Platform		
Account Number	As available in the BSE EBP Platform		
IFSC Code	As available in the BSE EBP Platform		
Mode	As available in the BSE EBP Platform		

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than

- a) for adjustment against allotment of securities; or
 - b) for the repayment of monies where the company is unable to allot securities.
4. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.
 5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.
 6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

ANNEXURE X: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Cash Flow

The cash flows emanating from the non-convertible securities according to the day count convention (Actual/ Actual) shall be mentioned in the Key Information Document, by way of an illustration.

For the purpose of standardization, if the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document. If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day. In order to ensure consistency, a uniform methodology shall be followed for calculation of interest/ dividend payments in the case of leap year. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (Actual/ Actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.

A sample illustration is given below:

Name of the issuer	Satin Finserv Limited
Face Value (per security)	Rs. 1,00,000 each
Tranche Issue date/ Date of allotment	September 20, 2024
Date of redemption	September 20, 2026
Tenure and coupon rate	24 months in Deemed Date of Allotment; 10.80% (Ten decimal Eight Zero percent) per annum per quarter.
Frequency of the interest/ dividend payment (with specified dates)	Quarterly
Day Count Convention	Actual/Actual

Period	Record Date	Due Date	Interest	Principal	Total Cashflows	No. of Days
1	05-Dec-2024	20-Dec-2024	2,692.60	-	2,692.60	91
2	05-Mar-2025	20-Mar-2025	2,663.01	-	2,663.01	90
3	05-Jun-2025	20-Jun-2025	2,722.19	-	2,722.19	92
4	05-Sep-2025	20-Sep-2025	2,722.19	-	2,722.19	92
5	05-Dec-2025	20-Dec-2025	2,692.60	-	2,692.60	91
6	05-Mar-2026	20-Mar-2026	2,663.01	-	2,663.01	90
7	05-Jun-2026	20-Jun-2026	2,722.19	-	2,722.19	92
8	05-Sep-2026	20-Sep-2026	2,722.19	1,00,000	1,02,722.19	92

Note

The Issuer requested to note that the above cash flow is only illustrative in nature,, The deemed date of allotment, Coupon rate, redemption date and frequency of the interest payment shall vary in nature and aforesaid dates may be modified upon receipt of consent/ permission from existing lender, in case of early redemption of any principle repayment as per the provisions of early redemption option in Debenture Trust Deed, the above cash flow may be changed accordingly.

ANNEXURE XI: PAS 4

FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Serial No: 2024-25/001

FORM NO PAS-4 PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER ("PPOA")

[Pursuant to Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only) ("NCDs"/ "Debenture") in accordance with the provisions of the Companies Act, 2013, for cash at par on a private placement basis, in dematerialised form to certain identified investors ("Issue").

General Information:

Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:

Issuer / Company: Satin Finserv Limited
Registered Office: 4th Floor, B Wing, Plot No. 492, Phase-III. Udyog Vihar, Gurugram, Haryana-122016
Corporate Office: 4th Floor, B wing, Plot No. 492, Phase-III. Udyog Vihar, Gurugram, Haryana-122016
Telephone No.: 0124-4715400
Website: www.satinfinserv.com
Fax: -
Contact Person: Mr. Gurvinder Singh, Company Secretary & Chief Compliance officer
Email: gurvinder.singh@satinfinserv.com

Date of Incorporation of the Company:

August 10, 2018

Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

Satin Finserv Limited ("SFL") was incorporated as a limited company on August 10, 2018 under the provisions of the Companies Act, 2013 vide corporate identification number: U65999HR2018PLC099128, as a wholly owned subsidiary of the Company. SFL is an NBFC engaged in the business of providing various financial services to entrepreneurs, MSMEs and individual businesses, as well as lending to other MFI companies 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. The Hon'ble NCLT vide its order dated January 31, 2023 has allowed merger of Taraashna Financial Services Limited (Business Correspondent) with Satin Finserv Limited, effective from March 1, 2023.

SFL's product offerings include MSME –LAP (Loan Against Property). Loans in the range of ₹ 1.5 Lakh to ₹ 5 Lakhs are offered to customers falling under the category defined and against an "immovable property". Eligibility is measured across multiple parameters, with loan amount depending on the type, quality and market value of the collateral security a customer is able to offer. Non-individuals, self-employed non-professionals / professionals, businesses (registered or otherwise), lower-and middle-income groups are the key SFL targets.

Subsidiaries: Not Any

Details of branches with address as on June 30, 2024 is as follows:

Details of branches with address as on June 30, 2024 is as follows:

A) The SME branch details:

S. No	State	Branch Count	Address
1	BIHAR	5	Satin Finserv Ltd. C-14, chandrarhar Place, Abhiyanta Nagar, Opposite Ashiana, Phase – 1, Near SBI ATM, PATNA – 800025
2			Satin Finserv Limited, 2nd & 3rd floor near sanjivani hospital, Sukh sadan, building masoom ganj, gudari bazar, Chapra-841301. BIHAR
3			SATIN FINSERV LTD, GROUND FLOOR, WARD NO 39, ASTHA BHAWAN, CHANAKYA NAGAR. DAK BANGLA ROAD. NEAR :RAJYAKRIT MADHYA VIDYALAYA , BISHUNPUR. BEGUSARAI- 851129.BIHAR
4			Satin Finserv Ltd. First Floor, NH-28, Bada Bariayarpur, In Front of Rahmania cold storage, Motihari, Distt. - East Champaran, Bihar -845401
5			Satin Finerv Ltd. First Floor, DN Complex, NH-77, SKMCH College & Hospital, Nearby Bank of Baroda, Distt. - Muzaffarpur, Thana - Ahiyapur, Bihar – 842004

6	Gujrat	3	Satin Finserv Limited, Office No.410, Fourth Floor, Sangath Central Complex Behind 4D mall, Next to PVR Cinema, Near Lake and Garden, Ahmedabad, Gujarat - 380005
7			Satin Finserv Limited, Office No. 208, 2nd Floor, Lalwani Empire, Pij Road, Nadiad, Kheda, Gujarat- 387230
8			Satin Finserv Ltd,9th Floor, 901, Samanvay Silver, Beside Hotel Royal Orchid, Near Mujmahuda Circle, Vadodara Pin Code- 390020
9	Haryana	5	Satin Finserv Limited,4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana – 122016
10			Satin Finserv Limited, 1st Floor, 2075/76, Shingari Complex, Baldev Nagar, Ambala City, Haryana – 134 007
11			Satin Finserv Limited, Shastri Building, 1st Floor, No.1, Netaji Colony, Baba Gangapuri Road, Near Shastri Hospital, Panipat – 132103
12			Satin Finserv Limited,S.C.O. 34, 2nd Floor, Brass Market, Near Subham Finance Ltd., Rewari - 123401, Haryana
13			SATIN FINSERV LTD. DSS-347, Sec-16-17, Market Near Krshana Ata Chaki, Hissar, Haryana, Pin code- 125001
14	Madhya Pradesh	3	Satin Finserv Ltd. Office No. 207, Building – NRK Bizz,2nd Floor, 261, AB Road, Scheme No. 55, Scheme 54 PU4, Opposite T21, Mall, Indore, Madhya Pradesh – 452010.

15			Satin Finerv Ltd. Second Floor, Opp. Police line, Near Dr. Khandelwal and Do Batti Chauraha, New Road Distt. - Ratlam, Madhya Pradesh – 457001
16			Satin Finserv Ltd, First Floor, Maharana Pratap bus stand, near second home restaurant, Mandsaur, Madhya Pradesh- 458001.
17	Maharastra	2	304, Murli Corporate Park, Plot No. A-80, Road No. 16, MIDC, Wagle Industrial Area, Thane (W) – 400 604 India
18			Satin finserv Limited Genesis Damodhar Bhavan, 4th Floor, Sr. No. 348/A/2, Opposite Hotel Kapila, DholePatil Road, Pune – 411001
19	New Delhi	2	Satin Finserv Limited,503, 5th Floor, Kundan Bhawn, Commercial Complex, Azadpur, Delhi - 110033.
20			Satin Finserv Ltd, D-30 second floor , Madhuban Road, Opposite Jain mandir & Nirman Vihar Metro Station , Shakarpur ,Delhi ,110092
21	Punjab	5	Satin Finserv Limited, SCO-3, Puda Complex Near By Dainik Bhaskar Ladowali Road, Jalandhar -144001
22			Satin Finserv Limited, B-21-14627. Gandhi Nager, Sahini Plaza, Dholewal, Ludhiana- 141003, Punjab
23			Satin Finserv Ltd. 1st Floor, Kamal Sweet Shop, Ludhana Akalsar Road, Near Bank of Baroda, Moga - 142001

24			First Floor, SCO - 126, Chotti Baradari, Near Dena Bank, Patiala, Punjab – 147001.
25			Satin Creditcare Network Limited, 2nd Floor, Aura Heights, Near Teenkoni, Above Bank of Baroda, GT Road, Bhatinda, Punjab - 151001
26	Rajasthan	4	Satin Finserv Ltd. Second Floor, F - 1, 186 Chitrakoot Vaishali Nagar, Near Global Heart & General Hospital Vaishali Nagar, Jaipur Rajasthan – 302021
27			Satin Finserv Limited, First Floor, New Market, Newar Laxmi Market, Sheikh Pura, Mohalla, Sikar, Rajasthan- 332001.
28			Satin Finserv Limited Second Floor, Door No.21, Plot No.4 ,Shaithan Singh Colony, Nandri Gram, Jodhpur Tehsil , Jodhpur District Rajasthan-342027.
29			Satin Finserv Ltd. -First Floor ,GR Heights ,Opp. Bank of Baroda, South Sunderwas , Airport Road, Distt. Udaipur, Rajasthan – 313001
30	Uttar Pradesh	9	Satin creditcare network LTad. Regional Office-1st Floor Shringar Mandap Compound, Near Jawahar Hero Agency Majholi Chowk Moradabad UP-244001.
31			Satin Finserv Ltd., 1st Floor Plot No-4 Braj Vatika Enclave Near Radha Krishna Guest House Janmbhumi Link Road Mathura - 281004 Uttar Pradesh India

32			Satin Finserv Ltd. First floor, Plot No. 02, Chandpur Road, Near Kotwali, Delhat, Bulandshahr, Uttar pradesh – 203001
33			Satin Finserv Ltd. Satin Finserv Limited,1st FLOOR Sahara Place,NEAR ARJUN NAGAR PETROL PUMP DELHI ROAD HAPUR, (Pin code-245101.)
34			Satin Finerv Ltd. Second Floor, Ganpati Tower, hotstuff Chouraha, Main Civil Lines, Distt. Prayagraj, Uttar Pradesh – 211001
35			Satin Finerv Ltd. First Floor, S8/109, K-2, KHAJURI Maqbool Alam Road, Near Income Tax Office Varanasi, Uttar Pradesh – 221002
36			Satin Finerv Ltd. First Floor, Deepak Brothers, Etah Chungi Chauraha, In Front of HDB Finance, Aligharh, Uttar Pradesh – 202001
37			Satin Finserv Ltd. Ground Floor, HIG, Plot No. 36, Phase 1st, Shastripuram Yojna, Agra. 282007.
38			Satin Finerv Ltd. 4th Floor, RK Tower,Above Passport Office,Pilibhit By Pass Road, Bareilly UP - 243006
39	Uttarakhand	1	Satin finserv limited, 1st floor, 14, Purvawali Malviya Chowk, Opp. HDFC Bank, Roorkee-247667

40	West Bengal	2	3rd Floor, Unit No. 308, PSIXL Building, Mouja, At. Ghora, JL No. 10, Touzi No. 172, Revenue Survey No. 113, PS – Rajarhat-24 Parganas (North), Kolkata, West Bengal)- 700136 -
41			Satin Finserv Ltd.QUALITY HOTEL COMPLEX,1ST FLOOR , BHIRINGI MORE, BENACHITY , DURGAPUR,PIN – 713213,DIST : BARDDHAMAN (WEST)WEST BENGAL

B) The JLG and SME Branch details:

S.No.	State	Branch Count / Location	Address
1	Punjab	7	First Floor, H.No. - 650 A, Ward No. - 19, Street No. - 05, Guru Nanak Nagri, Near Golden Public School, Malaut, Distt. - Sri Muktsar Sahib, Punjab - 152107
2			Ground Floor, H. No. - Z7 04603, Street Number - 12, Guru Kirpa Colony, Near Good Shepherd School, Abohar, Fazilka, Punjab - 152116
3			Ground Floor, Ward Number - 07, Near Kotkapura By Pass, Maharaja Ranjit Singh Nagar, Moga, Punjab - 142001
4			First Floor, House No. - 633, Street No. - 06, Ward No. - 04, Dashmesh Nagar, Opp. Bittu Tent House, Near Guru Gobind Singh Gurudwara, Batala, Gurdaspur, Punjab - 143505
5			Ground Floor, Ward No. - 2, Guru Teg Bahadur Nagar, Zira, Firozpur, Punjab - 142047
6			First Floor, H. No. - B25/228/3, Ward No. - 26, Mirpur Colony, Near Ram Mandir, P.O. Tehsil and Distt. - Pathankot, Pathankot , Gurdaspur, Punjab - 145001
7			Ground Floor, H.No. - 445, Gali No. - 02, Adesh Nagar, Opp. People Petrol Pump, Near Govt. College, Kotakpura Road, Sri Muktsar Sahib, Punjab -152026
8	Bihar	38	Ground Floor, Sankat Mochan Nagar, New Police Line, Ara, Distt. - Bhojpur, Bihar - 802301

9			Ground Floor, Swami Sahjanand Colony, Behind Bijli Office, Bihta, Distt. - Patna,- 801103 Bihar
10			First Floor, Umesh Cinema Road, Anwarpur, P O - Hajipur, PS - Nagar Thana, Distt. - Vaishali, Bihar 844101
11			First Floor, Asarphi Bhawan, Vill. - Rusulpur Suhawan P.O. - Bhagwanpur Distt. - Vaishali, Bihar - 844114
12			Ground Floor, Village - Chaknoor, Post – Dighwara, Near Green Faith School, Distt. - Saran, Pin Code – 841207, Bihar
13			Ground Floor, Vill – Raipura, Post - Garkha, Near Middle School, PS- Bheldi, Distt - Saran, Bihar - 841311
14			Ground Floor, At – Marhaura, H.No. - 251, Dhenuki Chowk, PO + PS – Marhaura, Distt – Saran, Bihar - 841418
15			First Floor, At - Brajendra Nagar, Shyam Chak, Behind Sanjiwani Nursing Home, PO - Bhagwan Bazar, Distt - SARAN, BIHAR - 841301
16			FIRST FLOOR, MATHANPURA, HARPUR, NEAR EKMA EYE HOSPITAL, DISTT. - SARAN, BIHAR - 841208
17			Ground Floor, At- Baba Pashupati Nath Mahadev Mandir, Satsang Nagar, Kolhua Paigamberpur, PS Ahiyapur, Muzaffarpur, Bihar, Pincode - 843108
18			GROUND FLOOR, VILL – KRISHNAPURI, 04, SMP, NEAR R.N.A.R COLLEGE ROAD, SAMASTIPUR, SAMASTIPUR, BIHAR - 848101
19			Ground Floor, Vill - Majhauria, Tola - Majhauria, Panch - Majhauria, Near Rameshwar Chetru College, Block - Sakra, Distt-. Muzaffarpur Bihar - 843104
20			Ground Floor, Prashant Nagar, Bhagatpur Road, Near Chamariya Maidan, Ballia, Distt. - Begusarai, Bihar - 851211
21			1st Floor, Panch - Sokhara 2, Vill. - Malti, Tola - Shokhara, Distt. - Begusarai, Barauni, Block - Teghrasokhara - 02, Ward - 01, Pin code - 851112 Bihar
22			First Floor, Ward No. - 2, Bhagwanpur, Chakshekhu, Near Bharat Petrol Pump, Dalsinghsarai, Distt. - Samastipur, Bihar - 848114
23			Ground Floor, Laxmipur, Ward No. 27, Near NIIMS Cancer Research Hospital, Siwan, Bihar - 841226

24			First Floor, Mela Road, Bihiya, Distt. - Bhojpur , Pincode - 802152
25			Ground & First Floor, AT - HARDASHCHAK, PO - KOSHI COLLEGE, PS - MUFFSIL, DISTT. – KHAGARIA, BIHAR - 851205
26			Ground Floor, Suddin Chowk, Tatma Toli, Near Shiv Mandir, Distt. - Purnea, Bihar - 854301
27			Ground Floor, Naya Tola, NH - 31, Naya Tola, Near Power Grid, Naugachhiya, Distt. - Bhagalpur, Bihar - 853204
28			First Floor, Sita Steel, Anathalay Road, Ward No - 21, Near Pertol Pump, Distt - Katihar, Bihar - 854105
29			First Floor, At - Mohmadpur, PO+PS - Saraiya, Distt. - Muzaffarpur, Bihar - 843126
30			Ground Floor, OPPOSITE OLD THANA, NEAR STATE BANK OF INDIA, Vill+PO – Hasanpur Surat, PS – SHAHPUR PATORI, DISTT – SAMASTIPUR, BIHAR - 848504
31			Ground Floor, AT – SAKRI, PO – SAKRI, PS- MANIGACHHI, DISTT – MADHUBANI, BIHAR – 847239
32			First Floor, AT – ALINAGAR, PO – LAL BAGH, PS - VISHWAVIDYALAYA, BASUDEOPUR, DISTT – DARBHANGA, BIHAR - 846004
33			Ground Floor, Vill - Raghunathpur, Block - Turkaulia, PO + PS - Motihari, Distt. - East Champaran, Bihar - 845401
34			Ground Floor, Ward No. 01, Town - 2, Budh Nagar, Banuchhappar Road, Chhawani Chowk, PO + PS - Bettiah, West Champaran, Bihar - 845438
35			Ground Floor, Paraspati Simra, Post - Dumra, PS - Dumra, Distt. - Sitamarhi, Bihar - 843301
36			Ground Floor, At-Keosta, Keosta Barauari, Benibad, Distt. - Muzaffarpur, Bihar - 847107
37			Ground Floor, 30, Officer's Colony Beside Smart, Officer's Colony, Chakia, Distt. - East Champaran, Bihar - 845412
38			First Floor, Vill - Narainian, Tola - Narainian, Panch - Savarjee, Block - Hathua, Near SS Public School, Mirganj, Distt. - Gopalganj, Bihar - 841438
39			Ground & Second Floor, At- Chandrawati Niwas, Dubey Toli, Near Idea Tower, Ward No. - 6, Barauli, Gopalganj, Bihar - 841405
40			First Floor, Vill. - Kauriya, Tola - Malmaliya, Panch - Kauriya, Block - Bhagwanpur Hot, Near Inidan Petrol Pump, Distt. - Siwan, Bihar - 841406

41			First & Second Floor, At - Bhadawa Mode, Vill. - Kuchaikote, Post - Kuchaikote, Thana - Kuchaikote, Near Over Bridge, Distt. - Gopalganj, Bihar - 841501
42			Ground Floor, Vill – Bahadurpur, PO – Pandasarai, PS – Bahadurpur, Near Bahadurpur Thana, Distt. - Darbhanga, 846001 Bihar
43			GROUND FLOOR, KANHAULI SANGRAM, NEAR SINHA TVS AGENCY, BANIAPUR, DISTT. - SARAN, BIHAR - 841403
44			GROUND FLOOR, NEW PROFESSOR COLONY, ITAVA PIPRA ROAD, NEAR SHIV MANDIR, DISTT.- BEGUSARAI, BIHAR - 851101
45			First Floor, Prabhu Thakur Mohalla, Ward No. - 09, Near Indian Bank, Rusera, Samastipur, Bihar -848210
46			Ground & First Floor, Chandrahar Palace, C - 14, Abhiyanta Nagar Opp. Ashiyana Phase - 1, PO Ashiyana Nagar, Patna - 800025 Bihar
47	Gujarat	3	Ground & First Floor, 151/6, Tirupati Park, Near Tirupati Mahadev Mandir, Dhichda, Jamnagar, Gujarat - 361008
48			Peremount Commercial Complex, First Floor, Office Number 1173, Rajputpara Main Road, Near by Astron Cinema Rajkot - 360001 Gujarat
49			Second Floor, Flat No. 203, Akshar Residency, Near Shyam Park, Panchashar Road, Morbi, Gujarat - 363641
50	Maharashtra	28	C/o Rahul Rajaram Varpe, Second Floor, Plot No. 164/A, Near Hanuman Mandir, Ghulewadi/Moungiri Chowk, Sangamner, Maharashtra – 422608
51			Mrs. Shakuntalabai Ramkrushana Kene, Serve No. 197/3/2/88, Gage Towers, Samta Nagar Opp. Samarth Variety Corner, Tehsil- Kopargaon, Distt. - Ahmednagar, Maharashtra - 423601
52			C/o Nikhil Phorshottam Savant, First Floor, Plot No. 20, Gat No. - 474, Ganesh Colony, Near Kharji Naka, Taluka - Chalisgaon, Distt. - Jalgaon, Maharashtra - 424101
53			Ground Floor, Serve No. 26/2261, Plot No. 17A, Mahaveer Colony, Near Rushbh Nath Nagar Mandal, Shivar Old Karvand Road, Tehsil-Shirpur, Distt. - Dhule, Maharashtra - 425405
54			C/o Mirabai Namdev Baviskar, Ground Floor, Plot No. - 11G, No. - 1028 Chopda, Adarsh

			Nagar, Taluka - Chopda, Distt. - Jalgaon, Maharashtra - 425107
55			C/o Parish Shaligram Patil, Ground Floor, G.NO. 1399/1 PLOT NO. 14/A, NEAR SANTAJI NAGAR, GURU NEAR COTTON MARKET, DHULE AMALNER ROAD, PIN - 425401
56			Flat No. 105, First Floor, Gate No. 415/2, Om Shanti Apartment, Near MSCB Office, Jalgaon Road, Tehsil - Jamner, Distt. - Jalgaon, Maharashtra - 424206
57			Second Floor, Gut No. 03, Old Savada Road, Near Panchmukhi Hanuman Mandir, Tal Raver, Distt. - Jalgaon, Maharashtra - 425508
58			Ground & First Floor, H.No. - 3003, Near Bharti Hospital, Badnapur, Jalna, Badnapur, Maharashtra - 431202
59			First Floor, At Post- Bhokardan, Mu Nanji Post Office Tehsil- Bhokardan, Distt. - Jalna, Maharashtra - 431114
60			Ground Floor, Plot No. - 05, Janai Niwas, Mauli Nagar, Pachod Road, Tal - Ambad, Distt. - Jalna Maharashtra - 431204
61			Ground Floor, House No- 244/1, Sahayog Nagar, Near Cottan Factory, Tehsil-Partur, Distt. - Jalna, Maharashtra-431501
62			H. No. B/3021, First Floor, Behind Indain Gas Agency, Sangh Nagar, Malegaon Road, Taluka - Basmat, Distt. - Hingoli, Maharashtra - 431512
63			Ground Floor, Ganesh Nagar, Near Dhande Hospital, Tehsil-Kalamnuri, Distt-Hingoli, Maharashtra - 431702
64			At Post - Sengaon, First Floor, House No. - 1836/10, Near Gitee Hospital, Ajegaon tea Point, Tehsil - Sengaon, Distt. - Hingoli, Maharashtra - 431542
65			C/o Rajesh Vithal Sonawane, Ground Floor, H. No. - 2355/3/2, Pradhyapak Colony, Taluka, Gangakhed, Distt. - Parbhani, Maharashtra - 431514
66			At Post – Jintur, Ground Floor, Serve No. - 113/1, House No. - 11293, Balsa Road, Gajanan Nagar, Near Gajanan Maharaja Temple, Tehsil - Jintur, Distt. - Parbhani, Maharashtra - 431509
67			C/o Kapil Nagnathrao Jadhav, GROUND FLOOR, 8265 DATTA NAGAR 1 (BAPU NAGAR), NEAR VITTHAL RUKHMINI TEMPAL & BHUMI HOSPITAL, DEGLUR DISTT. NANDED Maharashtra - 431717

68			C/o Tushar Bharat Patil, 1st Floor, Vishwa Sundar Niwas, Jijau Nagar, Near Radha Krishna Mangal Karyalay, Latur Bidar Road, Distt. - Latur, Nilanga - 413521
69			C/o Santosh Umakant Wattamwar, 1st Floor, Plot No. - 2/932, Wattamwar Building Gorakshan Road, Near Pansare Chowk, Dharmabad, Distt. - Nanded - 431809
70			C/o Vinod Surajprasad Pardeshi, FIRST FLOOR, PLOT NO. - 6, MAIN ROAD, SODAPADA, ANKLESHWAR-BURHANPUR HIGHWAY, TALUKA - AKKALKUVA, Distt. - NANDURBAR - 425415
71			At Post - Navapur, Ground & First Floor, Flat No. - 22, Shivram Patil Nagar, Near Old RTO Office, Tal - Navapur, Distt. - Nandurbar, Maharashtra - 425418
72			Ground Floor, SR. No. - 3272, Deshmukh Nagar, Nearby Masjid, Tehsil - Biloli, Distt. - Nanded, Maharashtra - 431709
73			Ground Floor, Shahanoorwadi, Plot No. 05/34, Bhimgad Colony, Pratap Nagar, 74Kranti Chowk, Near Smshan Bhumi, Tehsil- Aurangabad, Distt. - Aurangabad, Maharashtra - 431001
74			First Floor, Santosh Pravin Kumar Shaha, Padvavati Niwas Jain Hardware, Mukhed Road, Bhokar, Nanded - 431801
75			First Floor, H. No. – 2116, Latur Road, Opposite Bajaj Showroom, Moti Nala Lokhande Chowk, Mukhed, Distt. – Nanded - 431715
76			Genesis Damodhar Bhavan, 4th Floor, Sr. No. 348/A/2, Opposite Hotel Kapila, DholePatil Road, Pune – 411001, Maharashtra
77			C/oMr. Madhav Dhanjirao Ghyar ,First Floor, Plot No-59, Behind Adarsh College Canteen, Jijamata Nagar, Tehsil-Hingoli, Dist.-Hingoli, Maharashtra -431513
78	Rajasthan	12	Mrs. Pushpa Bhupendra Jain W/o Mr. Bhupendra Jain R/o Ground Floor, Mana Ki Sher, SBI Bank ke Piche, SALUMBAR, Udaipur Rajasthan - 303605
79			Ground Floor, Ward No. - 1, Padaliya, khasra No. - 470, SIMALWARA, Opposite Anand Hotel, Distt. - Dungarpur, Rajasthan - 314403
80			First Floor, Ward No. - 12, Teliwada, Ghatol, Near Old Cinema Hall, Banswara, Rajasthan - 327023

81			Ground Floor, House No. A-65, Ashray Colony, Near Takshila Public School, Baran, Rajasthan - 325205
82			Ground & First Floor, B/16 Tirupati Nagar, Janavadi Sevana, Janawari, Banswara, Rajasthan - 327001
83			Ground Floor, 3-D-94, Housing Board, Near Hawai Patti, Manpur, Abu Road, Distt. - Sirohi, Rajasthan - 307026
84			1st Floor, Plot No. - 115, Dr. Sampurnand Colony, New Ambe Mata Temple, Tehsil - Sirohi, Distt. - Sirohi, Rajasthan - 307001
85			GROUND FLOOR, WARD NO. 29, HARI NAGAR COLONY, RAJLAXMI NAGAR ROAD, NEAR RADHA RAMAN BHAWAN, JHALAWAR CITY, JHALAWAR, RAJASTHAN - 326001
86			Ground Floor, Ward No. 24, Opposite Main Bazar Lunkaransar, Nearby Modi Kirana Store & Main Station Gali, Lunkaransar, Distt. - Bikaner Rajasthan, 334603
87			Second Floor, Shiv Shakti Mobile, Lashadiya Chouraha, Salumbar Road, Dhariyawad, Pratapgarh, Rajasthan – 313605
88			Ground & First Floor, H. No. 10/25, Mukta Prasad Nagar, 11 Number Tanki, Aawas Mandal ke Samne Wali Gali, Distt. - Bikaner, Rajasthan - 334004
89			Ground, First & Second Floor, F - 1, 186 Chitrakoot Vaishali Nagar, Near Global Heart & General Hospital, Vaishali Nagar, Jaipur Rajasthan - 302021
90	Haryana	1	4th & 5th Floor, B-Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana-122016

Brief particulars of the management of the Company:

S. No.	Name of the Directors	Designation	Profile
1	Mr. Harvinder Pal Singh	Non-Executive and Non-Independent Director	Mr. Harvinder Pal Singh a law graduate and fellow of The Institute of Chartered Accountants of India since 1984, Mr. HP Singh has over three decades of microfinance experience to his credit and is responsible for pioneering the unique concept of daily collection of repayments of loans. Aside being an expert in lending, particularly in the microfinance field, Mr. Singh also has a wealth of experience across auditing, accounts, project financing, advisory services and company law matters. It is his financial engineering acumen, honed over almost thirty years of experience that has helped SCNL achieve its success in operational strategy and efficiency. Mr. Singh also

			participated in Harvard Business School's Accion 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. 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 the company's 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.
2	Mr. Sundeep Kumar Mehta	Independent Director	Mr. Mehta is a science graduate from the University of Rajasthan and holds a PG Diploma in Business Administration from Annamalai University. He has also earned numerous other certifications, degrees and diplomas in the fields of cyber law, history, labour laws, auto engineering and human resources. Mr. Mehta joined the SCNL board in 2013 after a versatile career spanning 14 years that saw him working in high-capacities roles across organizations like the RKJ group, Escorts Ltd., Panacea Biotech, Bata India and Eicher Good Earth.
3	Mr. Anil Kumar Kalra	Independent Director	With 31 years of banking experience across leading companies in London and India, Mr. Kalra is extremely well versed in the areas of banking, financial services, investment banking and infrastructure financing. He spent 5 years as the Chief Executive Officer in the Financial Services Company in London, UK and 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, merchant banking etc.) and support to sister companies within the group with focus on infrastructure projects financing. He holds a Finance MBA from the Faculty of Management Studies (FMS), Delhi University and B.Com (H) from the Shree Ram College of Commerce
4	Ms. Jyoti Ahluwalia	Independent Director	Ph.D. and Master's in Commerce from University of Allahabad, Chartered Financial Analyst from Institute of Chartered Financial Analysts of India, Cleared Six Actuarial papers, Postgraduate Diploma in Business Administration (PGDBA – Finance) from ICFAI Business School Dr. Jyoti Ahluwalia is Assistant Professor, Finance Data Analytics and Machine Learning at

			Sushant University, Gurugram. She also cleared six Actuarial papers includes, Finance and Financial Reporting, Economics, Statistical Methods etc. She worked as Associate Professor, Data Analytics and Machine Learning Sushant University, Gurugram for more than 10 years. She has taught courses in Finance, Analytics, Strategy, Financial Management, Mergers and Acquisitions, Financial Business Analytics. She is certified by HDFC Bank as a Banking Faculty in their HDFC Train and Trainer Program. Sha has held various important roles in corporates such as Actuarial Analysts at Milliman India (Actuaries and Consultants), Syndicated Research Analyst at Corporate Executive Board. She has contributed as resource person in a two day MDP workshop on Personal Financing Planning and She has received Best Summer Internship Programme Award 2015.
5.	Mr. Bhuvnesh Khanna	Whole Time Director & CEO	Mr. Bhuvnesh Khanna boasts over 25 years of extensive experience in various banking domains, including Investment Banking, Corporate Banking, SME Banking, and Retail Banking. He is an alumnus of St. Xavier's College, Kolkata, and a Chartered Accountant from the 1994 batch. Throughout his career, Mr. Khanna has worked with prestigious banking institutions such as Kotak Mahindra, HDFC Bank, Deutsche Bank, and HSBC. His tenure at HSBC, beginning in 2004, provided him with a wealth of international experience, allowing him to work in multiple markets, including India, Hong Kong, Shanghai, Bangladesh, and London. Mr. Khanna's career at HSBC has spanned various roles at the country, regional, and global levels, giving him substantial exposure to business and country head positions with P&L responsibilities as well as central team roles in HSBC's regional and global offices. Notably, he led the initial transition and scaling up of HSBC's SME business in India as the Head of SME. Subsequently, he served as the Regional Head of Business Banking for HSBC in Asia. Other significant roles within HSBC include Head of Commercial Banking in Bangladesh and Global Head of Business and Transaction Management for HSBC Global Commercial Banking, based in London.

S. No.	Name	Designation	Profile
1.	Mr. Arjun Bansal	Chief Financial Officer	Mr. Arjun Bansal having more than 9 years of experience in Financial Services viz accounting, finance, budgeting and taxation. Prior to Joining Satin, he has worked with IIFL Group. He is a Qualified Chartered Accountant & Commerce graduate from Delhi University.
2	Mr. Manish Kumar Dwivedi	Head – HR & Admin	Mr. Manish Dwivedi has got more than 16 years of experience in Human Resource Management Function in diverse industries such as Automobile & Manufacturing, Real Estate, FMCD, FMCG & NBFC. He has worked organizations like Honda, DLF, POSCO, Nikon & Kissandhan Agri Finance. His last assignment was with Almaha Foods International Pvt. Ltd. as Head – HR & Administration. He has done his MBA from Symbiosis, Pune and Graduation from Deshbandhu Gupta College, Delhi University.
5	Mr. Gurvinder Singh	Company Secretary & Chief Compliance Officer	Mr. Gurvinder Singh, is a B.com and is an Associate Member of the Institute of Company Secretaries of India. He has vast exposure in complying with the requirements of Company Laws, SEBI and RBI related matters. Mr. Singh has more than 9 years of experience in the field of Secretarial Compliances, Corporate Governance, Fund Raising via Equity & Debt, Stakeholders Management, Board Management matters.
6	Mr. Irshad Hussain	Head – Collections	Mr. Irshad Hussain has a total 18 years of work experience in the NBFC and manufacturing sector. He has worked with organizations like L&T Finance, Kotak Mahindra Bank, Magma Fincorp limited, ACE Ltd & Barota Finance LTD. His last assignment was with Barota Finance Limited – Business Head. He has completed his Engineering from IME.
7	Mr. Surojit Chatterjee	Head – Credit & Risk	Mr. Irshad Hussain has a total 18 years of work experience in the NBFC and manufacturing sector. He has worked with organizations like L&T Finance, Kotak Mahindra Bank, Magma Fincorp limited, ACE Ltd & Barota Finance LTD. His last assignment was with Barota Finance Limited – Business Head. He has completed his Engineering from IME.

Name, addresses, Director Identification Number (DIN) and occupations of the directors:

S. No.	Name	Designation	DIN	Address	Occupation
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1	Mr. Harvinder Pal Singh	Non-Executive and Non-Independent Director	00333754	MGE-2-TW-04-03 A, 3rd Floor, Fairway East, M3M Golf Estate, Sector-65, DLF QE, Gurgaon-122002, Haryana	Business
2	Mr. Sundeep Kumar Mehta	Independent Director	00840544	1629, Sector-29 Noida-201303 Uttar Pradesh, India	Professional
3	Mr. Anil Kumar Kalra	Independent Director	07361739	Flat No. C-601, Tower C, Prateek Stylome, Sector 45, Gautam Buddha Nagar, Uttar Pradesh-201301	Professional
4	Ms. Jyoti Ahluwalia	Independent Director	09112407	H-35/6, FF2, DLF Phase –I, Gurugram-122002, Haryana	Professional
5	Mr. Bhuvnesh Khanna	Whole Time Director & CEO	03323118	Flat-2B, 4, Asha Apartment, 93 Deshpriya Sasmal Road, Near Charu Market PS, Tollygunge, Kolkata, West Bengal-70003	Professional

MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer Section 4 of the Key Information document dated September 11, 2024 ("Key Information Document") issued by the Company in respect of the current issue of 2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable ("NCDs" or "Debentures") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only).

Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

Statutory Dues: NIL

Debentures and interest thereon: NIL

Deposits and interest thereon: NIL

Loan from any bank or financial institution and interest thereon: NIL

Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name: Mr. Gurvinder Singh

Designation: Company Secretary & Chief Compliance Officer

Address: 4th Floor, B Wing, Plot No. 492, Phase-III, Udyog Vihar, Gurugram, Haryana-122016

Phone No.: 0124-4715400

Email: gurvinder.singh@satincreditcare.com

Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

There is no default in the filing of the Company under the Companies Act, 2013 or the rules made thereunder,

Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to CHAPTER A below.
Date of passing of Board Resolution	Board Resolutions dated January 19, 2024 read with the resolution passed by the Working Committee of the Board of Directors of the Company on September 11, 2024. A certified true copy of the said resolutions is attached hereto as Annexure B.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolution under Section 42 of the Companies Act, 2013 dated January 19, 2024 and shareholders resolution under Section and Section 180(1)(c) of the Companies Act, 2013 dated June 3, 2019. Certified true copies of these resolutions are attached hereto as CHAPTER C.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	2500 (Two Thousand Five Hundred) Senior, Secured, Listed, Rated, Taxable, Transferable, Redeemable ("NCDs" or "Debentures") of face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, aggregating up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only)
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh Only) per Debenture.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture.
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable.
The class or classes of persons to whom the allotment is proposed to be made	This Issue, offer and subscription to the Debentures shall be conducted through the non-electronic book mechanism to eligible investors as stated in the Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in	Not applicable as the instruments being offered in this Issue are non-convertible debentures.

case of issue of non-convertible debentures]			
The proposed time within which the allotment shall be completed	Issue Opening Date: September 19, 2024 Issue Closing Date: September 19, 2024 Pay-in Date: September 20, 2024 Deemed Date of Allotment: September 20, 2024		
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not applicable.		
The change in control, if any, in the company that would occur consequent to the private placement	Not applicable as the instruments being offered in this Issue are non-convertible debentures.		
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	Nil		
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as each Debenture is being issued as a face value of INR 1,00,000 (Indian Rupees One Lakh Only) for cash at par.		
Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only)		
Terms of raising of securities:	Duration, if applicable:	24 months from deemed date of allotment	
	Rate of Interest or Coupon:	10.80% (Ten decimal eight zero per cent) per annum per quarter.	
	Mode of Payment	All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.	
	Mode of Repayment	All payments must be made through cheque(s)/draft(s)/transfers/RTGS as set out in the application form.	
Proposed time schedule for which the Issue/Offer Letter is valid	Issue Schedule		
	Issue Opening Date	September 19, 2024	
	Issue Closing Date	September 19, 2024	

	<table> <tr> <td>Pay In Date</td><td>September 20, 2024</td></tr> <tr> <td>Deemed Date of Allotment</td><td>September 20, 2024</td></tr> </table>	Pay In Date	September 20, 2024	Deemed Date of Allotment	September 20, 2024
Pay In Date	September 20, 2024				
Deemed Date of Allotment	September 20, 2024				
Purpose and objects of the Issue/Offer	The Issue proceeds will be utilized for the following purpose: - General corporate purposes; - for the ordinary course of business of the Issuer including repayment/re-financing of existing debt.				
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	N.A.				
Principal terms of assets charged as security, if applicable	The Issue shall be secured by way of a first ranking exclusive and continuing charge to be created pursuant to the deed of hypothecation to be executed between the Issuer and the Debenture Trustee ("Deed of Hypothecation") over certain identified receivables of the Issuer (the "Hypothecated Assets"). A security cover of 1.05x (One Decimal Point Zero Five Times) the value of the outstanding principal plus accrued interest/obligations if any of this Debentures shall be maintained at all times until the redemption of the Debentures ("Security Cover"). - The security will be created upfront and perfected within 30 (thirty) days from the Deemed Date of Allotment. Issuer's failure to create and perfect security shall attract 2% additional interest and give an option to the Debenture holders for early redemption. - Issuer shall share a statutory auditor certificate within 45 (forty-five) days from close of any quarter certifying that the requisite security cover on the Debentures is being maintained. - The Issuer undertakes to provide a list and details on a quarterly basis, of Hypothecated Assets client loan ("Quarterly Hypothecated Asset Report") to the Debenture Trustee. - Sub-standard receivables shall be replaced with fresh portfolio of same amount, which meet eligibility criteria within 30 (thirty) calendar days. Eligibility Criteria for the Hypothecated Assets: Each asset provided as security must comply with the portfolio origination criteria below: - All applicable "know your customer" requirements prescribed by the RBI have be complied with; - Each Hypothecated Asset is a loan provided by the Issuer in its ordinary course of business - The receivables are existing at the time of selection and have not been terminated or pre-paid; - The receivables have not been restructured or rescheduled and are current.				

	• Each client loans must satisfy the Issuer's credit and underwriting policies, including credit referencing agency checks where commonly used; • Each client loan must be directly originated by the Issuer and not loans purchased from a third party; • Each asset shall be current i.e. 0 dpd on the books of Issuer • all loans hypothecated under the deed of hypothecation comply with RBI norms and guidelines; • all loans should be free from any other current or future encumbrances; • if multiple loans are extended to the same borrower/ group of borrowers, the Hypothecated Assets should include all such loan;				
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Nil				
RBI Disclaimer	The Issuer is having a valid certificate of registration bearing no. N-14.03461 issued by the RBI dated 9/1/2019 under Section 45-IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or the correctness of any of the statements or representations made or opinion expressed by the Issuer and for repayment of deposits/discharge of liabilities by the Issuer.				
The pre-issue and post-issue shareholding pattern of the Company in the following format:					
S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	Promoters' holding				
	Indian				
1	Individual	0	0.00	0	0.00
	Bodies Corporate	157,557,892	100.00	157,557,892	100.00
	Sub-total	157,557,892	100.00	157,557,892	100.00
2	Foreign promoters	Nil		Nil	
	Sub-total (A)	157,557,892	100.00	157,557,892	100.00
B	Non-promoters' holding	0	0.00	0	0.00

1	Institutional Investors	0	0.00	0	0.00
2	Non-Institutional Investors	0	0.00	0	0.00
	Private Corporate Bodies including Foreign Companies	0	0.00	0	0.00
	Directors and relatives	0	0.00	0	0.00
	Indian public	0	0.00	0	0.00
	Others (including Non-resident Indians and Non-Promotor- Non Public shareholding)	0	0.00	0	0.00
	Sub-total (B)	0	0.00	0	0.00
	GRAND TOTAL	157,557,892	100	157,557,892	100

Mode of payment for subscription (Cheque/ Demand Draft/ other banking channels):

Cheque	N. A
Demand Draft	N. A
Other Banking Channels	V

Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	The directors, promoters or key managerial personnel do not have any financial or other material interest in the offer/ Issue.
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this Offer Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	There is no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Offer Letter.

Remuneration of directors (during the current year and last 3 (three) financial years)	Director	Q1 FY 25 (in Lakhs)	FY 2023-24 (in Lakhs)	FY 2022-23 (in Lakhs)	FY 2021-22 (in Lakhs)	FY 2020-21 (in Lakhs)
	Mr. Harvinder Pal Singh	Nil	Nil	Nil	Nil	Nil
	Mr. Bhuvnesh Khanna	60.00	32.39	-	-	-
	Mr. Sundeep Kumar Mehta	0.70	2.20	1.60	1.80	1.80
	Mr. Anil Kumar Kalra	0.70	2.20	1.40	1.60	1.40
	Ms. Jyoti Ahluwalia	0.20	0.70	0.60	0.60	0.10
	Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this Offer Letter including with regard to loans made or, guarantees given or securities provided	As mentioned in point XXI of KID dated September 11, 2024				
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this Offer Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	Nil					
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of the Offer Letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Offer	Nil					

Letter and if so, section-wise details thereof for the Company and all of its subsidiaries	
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	Nil

Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	INR	
	Authorised	In Lakhs	
	Equity share capital	15,800.00	
	Preference share capital	0.00	
	TOTAL	15,800.00	
	Issued		
	Equity share capital	15,755.78	
	Preference Shares	0.00	
	TOTAL	15,755.78	
	Subscribed		
	Equity share capital	15,755.78	
	Preference Shares	0.00	
	TOTAL	15,755.78	
	Paid Up Capital		
	Equity Share Capital (Fully Paid Up)	15,755.78	
	TOTAL	15,755.78	
Size of the Present Offer	Up to INR 25,00,00,000/- (Indian Rupees Twenty Five Crore Only)		
Paid-up Capital:	Equity Share Capital: 15,755.78 Lakhs		
After the offer:	Preference Share Capital: 0.00		
After the conversion of Convertible Instruments (if applicable)	Not applicable as the Debentures are non-convertible debentures		
Share Premium Account:	There will be no change to the share premium account as each Debenture is a non-convertible debt instrument which is being offered at face value.		
Before the offer:			

After the offer:									
Details of the existing share capital of the Issuer including details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case:									
Date of Allotment	No of Equity Shares	Face Value (In INR)	Issue Price (In INR)	Consideration received till December 31, 2023	Form of Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital	Equity Share Premium
07-9-2023	1,70,43,033	10	13.47	39,99,99,985	Cash	Right Issue	157,557,892	157,55,78,920	22,95,69,655
30-3-2023	3,80,14,859	10	0.00	38,01,48,590	Other than cash	Pursuant to NCLT chandigarh bench order dated January 31, 2023	14,05,14,859	140,51,48,590	0.00
Details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case.				NA					
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Offer Letter				Year	31-Mar-24	31-Mar-23	31-Mar-22		
					Rs. In Cr	Rs in Cr	Rs in Cr		
				Profit Before Tax	7.03	8.21	26.98		
				Profit After Tax	5.15	6.06	20.10		
				Depreciation	1.56	1.75	2.05		
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)				N.A.					

A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter	Please refer CHAPTER A to this Private Placement Offer cum Application Letter.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter	Please refer CHAPTER A to this Private Placement Offer cum Application Letter.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil

PART B (To be filed by the Applicant)

1. Name:
2. Father's name: N/A;
3. Complete Address including Flat / House Number, Street, Locality, Pin Code:
4. Phone number; if any:
5. Email ID, if any:
6. PAN Number:
7. Bank Account details:

Name of Final Beneficiary:

Bank Name:

IFSC Code:

Address :

Account:

Tick whichever is applicable:

The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares / securities:

☒

The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith: Not applicable.

Signature

**GURVINDER
SINGH**

Digitally signed by GURVINDER
SINGH
Date: 2024.09.11 17:28:12 +05'30'

Initial of the Officer of the Company designated to keep the record

DECLARATION (To be provided by the Directors)

The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder.

The monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter.

I am authorized by the Board of Directors of the Company vide resolution dated January 19, 2024 and the working committee of the board of directors of the Company dated 11, 2024, to sign this Private Placement Offer cum Application Letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Private Placement Offer cum Application Letter and matters incidental thereto have been complied with.

Whatever is stated in this Private Placement Offer cum Application Letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Private Placement Offer cum Application Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this private placement offer cum application letter.

For **Satin Finserv Limited**

**BHUVNESH
KHANNA**

**Bhuvnesh Khanna
Director
DIN: 03323118**

Digitally signed by BHUVNESH
KHANNA
Date: 2024.09.11 17:29:18
+05'30'

For Below Annexures

Copy of Board Resolution: Please refer Annexure IV of Key Information Document

Copy of Working Committee Resolution: Please refer Annexure IV of Key Information Document

Copy of Shareholders Resolutions: Please refer Annexure V of Key Information Document

Application form

Chapter A - Summary of Financial Position and Audited Cash Flow Statement: Please refer Annexure I of Key Information Document

Chapter B - Board Resolution and Working Committee Resolution: Please refer Annexure IV of Key Information Document

Chapter C-Shareholders' Resolutions: Please refer Annexure V of Key Information Document

Optional Attachments, if any

Rajeev Bhatia & Associates

Chartered Accountants

201, 203, 2nd Floor,
A-20, Indraprastha Bhawan,
Dr. Mukherjee Nagar
Commercial Complex, Delhi-110009
011-45131008, 9810057854
info@rajeevbhatiaassociates.com

Quarterly Limited Review Report for unaudited quarterly and year to date ended June 30, 2024 results pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Satin Finserv Limited

Review report to-

**The Board of Directors,
Satin Finserv Limited**

We have reviewed the accompanying statement of unaudited financial results of Satin Finserv Limited for the period ended June 30, 2024. This statement is the responsibility of the NBFC's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Place: Gurugram

Dated: 24th July, 2024

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N



A handwritten signature in blue ink, appearing to read "Jatin Goel".

Jatin Goel

Partner

M. No. 553420

UDIN - 24553420BKABKU2888

SATIN FINSERV LIMITED

Statement of Financial Results for the quarter ended June 30, 2024

S. No	Particulars	Quarter ended			(₹ in Lakhs except EPS)	
		Year ended				
		June 30, 2024	March 31, 2024	June 30, 2023	March 31' 2024	March 31' 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Income					
	Revenue from operations					
	Interest income	2,133.40	1,894.03	1,402.30	6,547.50	4,165.78
	Dividend income	-	-	-	-	-
	Rental income	-	-	-	-	-
	Fees and commission income	733.93	1,138.41	1,202.92	5,289.31	6,382.43
	Net gain on fair value changes	38.92	28.20	1.08	64.23	0.19
	Net gain on derecognition of financial instruments	-	-	-	-	-
	Other operating income	-	-	-	-	-
1	Total revenue from operations	2,906.25	3,060.64	2,606.30	11,901.04	10,548.41
2	Other income	132.99	112.27	70.10	239.47	102.28
3	Total income (1+2)	3,039.24	3,172.91	2,676.40	12,140.51	10,650.69
	Expenses					
	Finance costs	829.29	745.16	611.56	2,643.63	1,763.53
	Net loss on fair value changes	-	-	-	-	-
	Impairment of financial instruments	211.77	87.22	60.22	358.23	378.05
	Employee benefits expenses	1,243.38	1,244.05	1,388.26	5,755.34	5,318.41
	Depreciation and amortisation expenses	36.91	43.98	32.94	156.44	174.89
	Other expenses	486.01	841.88	436.65	2,523.35	2,194.41
4	Total expenses	2,807.36	2,962.29	2,529.63	11,436.99	9,829.29
5	Profit before tax (3-4)	231.88	210.62	146.77	703.52	821.40
	Tax expense:					
	Current tax	80.92	31.84	44.31	150.41	116.85
	Mat credit utilization/ (entitlement) (net)	7.43	(31.83)	(44.31)	(150.40)	(116.85)
	Deferred tax expense/(credit)	(23.15)	55.70	41.37	184.21	215.09
	Earlier years tax	-	-	-	4.53	0.01
6	Total tax expense	65.20	55.70	41.37	188.75	215.10
7	Net profit after tax (5-6)	166.68	154.92	105.40	514.77	606.30
	Other comprehensive income					
	Items that will not be reclassified to profit and loss	-	-	-	-	-
	Income tax relating to items that will not be reclassified to	-	-	-	-	-
	Items that will be reclassified to profit and loss	-	-	-	(4.49)	(11.36)
	Income tax relating to items that will be reclassified to	-	-	-	1.25	3.16
8	Total other comprehensive income	-	-	-	(3.24)	(8.20)
9	Total comprehensive income (7+8)	166.68	154.92	105.40	511.53	598.10
10	Paid-up equity share capital (face value of ₹ 10 per equity)	15,755.79	15,755.79	14,051.49	15,755.79	14,051.49
11	Other equity	2,689.95	2,523.26	(178.56)	2,523.26	(283.97)
12	Earning per share (EPS) (face value of ₹ 10 per					
	- Basic (amount in ₹)	0.11	0.10	0.08	0.36	0.43
	- Diluted (amount in ₹)	0.11	0.10	0.08	0.36	0.43
	(EPS for the quarter ended June 30, 2024, March 31, 2024 and June 30, 2023 are not annualised)					



Registered & Corporate Office:

4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar, Phase -III, Gurugram, Haryana - 122016

CIN: U65999HR2018PLC099128 | **LandlineNo:** 0124 - 47154000

E-Mail ID: info@satinfinserv.com | **Website:** www.satinfinserv.com

Notes to the audited financial results:

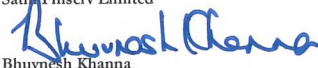
- The above unaudited financial results of Satin Finserv Limited ("the Company") for the quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 24, 2024 and reviewed by the statutory auditors of the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by SEBI from time to time.
- The unaudited financial results have been prepared in accordance with applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and as specified under section 133 of the Companies Act 2013 (as amended).
- The secured non-convertible debentures issued by the Company are fully secured by exclusive charge on the hypothecation of book debts/loan receivables to the extent as stated in the Key Information Document. Further, the Company has maintained security cover as stated in the Key Information document which is sufficient to discharge the principal amount and interest thereon at all times for the non-convertible debt securities issued.
- During the quarter, the Company has allotted 2,500 senior, secured, rated, listed, redeemable, taxable non-convertible debentures of face value of INR 1,00,000 each aggregating to INR 2500.00 Lakhs on June 28, 2024.
- Additional Information as required under Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (amended) as presented in below table:

S.no	Particulars	As at June 30, 2024
1	Debt-equity ratio (no. of times)	1.38
2	Debt service coverage ratio	Not applicable
3	Interest service coverage ratio;	Not applicable
4	Outstanding redeemable preference shares (quantity and value);	Nil
5	Capital redemption reserve (₹ in Lakhs)	Nil
6	Debt redemption reserve (₹ in Lakhs) Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 dated August 16, 2019, the Company being a NonBanking Financial Company is exempted from the requirement of creating Debt Redemption Reserve in respect of Secured Redeemable Non-Convertible Debentures issued through public issue and under private placement.	Not applicable
7	Net worth (₹ in Lakhs)	17,188.85
8	Net profit after tax (₹ in Lakhs)	166.68
9	Earnings per share: Basic	0.11
	Diluted	0.11
10	Current ratio (no. of times)	Not applicable
11	Long term debt to working capital (no. of times)	Not applicable
12	Bad debts to Account receivable ratio	Not applicable
13	Current liability ratio (no. of times)	Not applicable
14	Total debts to total assets	0.56
15	Debtors turnover	Not applicable
16	Inventory turnover	Not applicable
17	Operating margin (%)	Not applicable
18	Net profit margin (%)	5.48%
19	Sector specific equivalent ratios, as applicable:	
a)	Net Interest Margin (%) (annualised)	18.55%
b)	GNPA (%)*	4.70%
c)	NNPA (%)*	2.89%
d)	Provision Coverage Ratio (NPA)*	38.57%
e)	Capital Risk Adequacy Ratio (CRAR)	44.91%
f)	Liquidity Coverage Ratio (LCR)	689%

* On POS

- Previous year/periods figures have been regrouped/rearranged to make them comparable with the current period classification.

For and on behalf of the Board of Directors of
Satin Finserv Limited


Bhuvnesh Khanna
DIN: 03323118
WTD & CEO



Place: Gurugram
Date: July 24/2024



Registered & Corporate Office:

4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar, Phase -III, Gurugram, Haryana - 122016

CIN: U65999HR2018PLC099128 | LandlineNo: 0124 - 47154000

E-Mail ID: info@satinfinserv.com | Website: www.satinfinserv.com

Rajeev Bhatia & Associates
Chartered Accountants

201, 203, 2nd Floor,
A-20, Indraprastha Bhawan,
Dr. Mukherjee Nagar
Commercial Complex, Delhi-110009
011-45131008, 9810057854
info@rajeevbhatiaassociates.com

To
The Board of Directors
Satin Finserv Limited
Plot No. 492, Udyog Vihar,
Phase - III, Gurugram,

Haryana-122016, India.

Independent Auditor's Certificate pursuant to Regulation 54 read with Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no - SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 (as amended)

1. We have reviewed the unaudited standalone financial statements and other relevant records of Satin Finserv Limited, (hereinafter referred to as "Company"), an NBFC registered under RBI, having its registered office at 4th floor, Plot no 492, Udyog Vihar, Phase 3, Gurugram, Haryana – 122016.
2. The accompanying statement of Security Cover as on June 30, 2024 ("the Statement") has been prepared by the Company's management in accordance with the requirements of Regulation 54 read with Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular no SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 (as amended) ("the Regulations") for the purpose of submission to the Stock exchanges & Debenture Trustee i.e. Catalyst Trusteeship Limited.

Management's Responsibility for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring compliance with the requirements of the Regulations for the purpose of furnishing this Statement and providing all relevant information to the Debenture Trustee.
5. The Management is responsible for ensuring adherence that the details in the Statement are correct.



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Chartered Accountants

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Auditor's Responsibility

6. Pursuant to requirement of the Regulations, it is our responsibility to provide reasonable assurance in the form of an opinion as to whether the amounts included in the Statement are in agreement with the audited standalone financial statements, its underlying books of accounts and other relevant documents and records of the Company for the year ended June 30, 2024 and the books values as mentioned in the statement are correct.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC-1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
8. We conducted our work in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI), in so far as applicable for the purpose of this certificate, which includes the concepts of test check and materiality. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. On the basis of above and as per various records made available to us; information and explanations provided by the management of the Company along with the representations made by them we certify that the details mentioned in the Statement are correct.

Restriction on distribution or use

10. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.



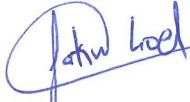
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11. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Regulations which inter alia, requires it to submit this certificate along with the accompanying Statement to the Stock exchanges & Debenture Trustee(s) of the Company, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Rajeev Bhatia & Associates
Chartered Accountants

Firm Regn. No. 021776N




Jatin Goel

Partner

M. No. 553420

UDIN - 24553420BKABKT6590

Date: July 24, 2024

Place: Delhi

24553420BKABKT6590



iii This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C. This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C. This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.

This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.

ii This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.

iii Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value. The market value shall be calculated as per the total value of assets mentioned in Column 9.

Annexure 2 to the certificate having UDIN-24553420BKABKT6590

dated July 24, 2024

Details of debenture trustees:

(Rs. In Lakhs)

S.no	Facility	Sanction Date	Sanction amount	ISIN	Book debts amount
1	CredAvenue Securities Private Limited (YUBI)	4/3/2024	2,000.00	INE03K307025	2,103.50
2	Nuvama Wealth Management Limited	28/6/2024	2,500.00	INE03K307033	2,629.65



Independent Auditors' Report

To the Members of Satin Finserv Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satin Finserv Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 the 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 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 and 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) we have also audited the internal financial controls over financial reporting of the Company as on March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated April 22, 2024 as per Annexure B expressed unmodified opinion; and

(g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

(i) the Company did not have any pending litigations which impacted its financial position as at March 31, 2024;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024;

(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



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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) 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.

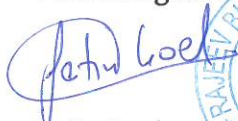
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

(v) As per the information and records provided to us by the company, no dividend has been declared or paid during the year.

(vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the 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 Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner



Membership No.: 553420
UDIN - 24553420BKABCA3662

Place: Delhi
Date: April 22, 2024

Annexure A to the Independent Auditors' Report

Referred to in Paragraph 2 under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Finserv Limited** on the financial statements for the year ended March 31, 2024)

(i) Property, Plant and Equipment, Right-of-use assets and Intangible Assets

- 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 on the basis of available information.

The Company has maintained proper records showing full particulars of intangible assets.

- b) The Property, Plant and Equipment and right-of-use assets of the Company were physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property (other than properties where the company is the lessee and lease agreements are duly executed in the favor of lessee) under Property, plant and equipment in its name during the period under audit. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- d) The Company has not revalued any of its Property, Plant & Equipment and intangible assets during the year. Thus, paragraph 3(i) (d) of the Order is not applicable to the Company.
- e) 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. Thus, paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) Inventories & Working Capital Limit

- a) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- b) As per the information and explanation provided to us, the company does not have a working capital limit sanctioned from any bank or financial institution on the basis of security of current assets during the year and as on March 31, 2024. Hence, the reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Loans granted by company

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(a) of the order is not applicable to the company.



- b) In our opinion, the terms and conditions of the grant of loans in nature of loans and advances, during the year are, prima facie, not prejudicial to the Company's interest.
- 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.
- d) In respect of loans granted by the company, the details of total amount overdue above 90 days are as follows:

No. of cases	Principal Amount Overdue (in Rs.)	Interest Overdue (in Rs.)	Total Overdue (in Rs.)	Remarks
694	3,29,94,636.00	1,91,17,213.00	5,21,11,849.00	NIL

The company is taking reasonable steps for the recovery of principal and interest overdue amount.

- e) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(e) of the order is not applicable to the company.
- 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, reporting under clause 3(iii)(f) is not applicable.

(iv) Compliance of Section 185 and 186 of The Act

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, to the extent applicable.

(v) Acceptance of Deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Thus, paragraph 3(v) of the Order is not applicable to the Company.

(vi) Maintenance of Cost records

To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the services of the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



(vii) Payment of Applicable Taxes

- a) According to the information and explanations provided to us and the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income-tax, goods and services tax, provident fund, employees' state insurance, professional taxes and other material statutory dues as applicable with the appropriate authorities in India.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, provident fund, employees' state insurance, professional taxes and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the records of the company examined by us, during the period under audit, there are no dues of income tax or any other applicable statutory dues which have not been deposited on account of any dispute.

viii) Undisclosed income

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) Dues to a Financial Institution or bank or debenture holder

- a) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.



(x) Initial Public Offer

- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud by the Company or on the Company

- a) According to the information and explanations given to us, there was an instance of embezzlement of cash by an employee involving amount of Rs. 1.76 Lakhs. The Company has terminated the services of such employees and also initiated legal action against such employees. The company has also reported the case to the RBI as required. The Company has not recovered anything from that employee. Please refer Note no. 46(x) to the audited financial statements.
- b) No report under sub-section (12) of section 143 of the Companies 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 up to the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year. hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) Nidhi Company

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) Related Party Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) Internal Audit

- a) 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, in determining the nature, timing and extent of our audit procedures.



(xv) Non – Cash Transactions

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 respect to acquiring any asset for consideration other than cash with directors or persons connected with them or vice versa. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) Registration with RBI

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). In the previous year 2022-23, due to the amalgamation of Taraashna Financial Services Limited (amalgamating entity) with the company, which is registered as a Non-Banking Financial Company (NBFC), as on March 31, 2023, the company was not fulfilling Principal Business Criteria laid down by the RBI. As per the criteria, atleast 50% of total assets of the company should be financial assets and atleast 50% of the gross income should be from financial activities. The company met the first criteria, but did not meet the second criteria as on March 31, 2023. However, the RBI vide letter dated July 22, 2022 had granted to the company, time till March 31, 2024 for fulfilling the said criteria. The company is meeting both the criteria for PBC as on March 31, 2024.
- b) The Company has conducted Non-Banking Financial activities during the year having a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934.
- c) The Company is not a Core Investment Company 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, 2 companies in the group had withdrawn the application for registration as Core Investment Company under the Reserve Bank of India Act. The applications regarding the same have been accepted by RBI on August 9, 2023.

(vii) Cash Losses

The Company has not incurred any cash losses during the year and the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable.

xviii) Resignation of Statutory Auditor

There has been no resignation of Statutory Auditors of the Company during the year. Hence the reporting under clause 3(xviii) of the Order is not applicable to the company.

xix) Material Uncertainty about the Company's Capability to discharge its liabilities

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's 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.

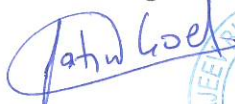
(xx) Corporate Social Responsibility

- a) The provisions of section 135 of the Act are applicable on the company. However, considering average profit for last 3 years, amount required to be spent under CSR is nil. Accordingly, 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. Hence, reporting under clause 3(xx)(a) and 3(xx)(b) of the order is not applicable of the company.

xxi) Qualification or Adverse Remarks by the respective auditors

Since the company is not required to prepare Consolidated Financial Statements, the reporting under this clause is not applicable to the company.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner
Membership No.: 553420
UDIN - 24553420BKABCA3662



Place: Delhi
Date: April 22, 2024

Annexure B to the Independent Auditors' Report of even date to the members of Satin Finserv Limited on the financial statements for the year ended March 31, 2024

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Satin Finserv Limited ('the Company') as at and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.



Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include those policies and procedures that

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

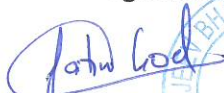
7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Rajeev Bhatia & Associates
Chartered Accountants

Firm's Registration No.: 021776N


Jatin Goel
Partner

Membership No.: 553420

UDIN - 24553420 BKABCA3662

Place: Delhi

Date: April 22, 2024

SATIN FINSERV LIMITED
Balance Sheet as at March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	Notes	As at March 31' 2024	As at March 31' 2023
ASSETS			
Financial assets			
Cash and cash equivalents	4	5,485.86	3,878.47
Bank balances other than cash and cash equivalents	5	3,959.69	3,161.44
Investments	6	313.38	100.39
Trade receivables	7	337.64	298.33
Loans	8	32,192.22	22,126.34
Other financial assets	9	896.35	690.08
		43,185.14	30,255.05
Non Financial assets			
Current tax assets (net)	10	923.73	996.78
Deferred tax assets (net)	11	1,090.99	1,123.55
Property, Plant and Equipment	12	331.98	299.12
Intangible assets	13	2.36	4.70
Capital Works-in-Progress	13A	9.21	-
Other non financial assets	14	575.09	340.04
		2,933.36	2,764.19
TOTAL		46,118.50	33,019.24
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
Trade payables	15		
total outstanding dues of MSMEs		13.78	10.42
total outstanding dues of creditors other than MSMEs		113.28	279.61
Debt securities	16	1,952.13	553.09
Borrowings (other than debt securities)	17	23,772.77	16,501.87
Other financial liabilities	18	243.12	271.49
		26,095.08	17,616.48
Non Financial Liabilities			
Provisions	19	1,636.22	1,527.57
Other non-financial liabilities	20	108.15	107.67
		1,744.37	1,635.24
EQUITY			
Equity share capital	21	15,755.79	14,051.49
Other equity	22	2,523.26	(283.97)
		18,279.05	13,767.52
TOTAL EQUITY AND LIABILITIES		46,118.50	33,019.24

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N

Jatin Goel
Partner
M.No. 553420

Place: Gurugram
Date: April 22'2024

For and on behalf of the Board of Directors of
Satin Finserv Limited

Bhuvnesh Khanna
DIN: 03323118
WTD & CEO
Place : Gurugram

Arjun Bansal

Chief Financial Officer
Place : Gurugram
Date: April 22'2024

Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram

Gurvinder Singh
M No.: A40102
Company Secretary
Place : Gurugram



SATIN FINSERV LIMITED
Statement of Profit and Loss for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	Notes	For the period ended March 31' 2024	For the year ended March 31' 2023
Revenue from operations			
Interest income	23	6,547.50	4,165.78
Fees and commission income	24	5,289.31	6,382.43
Net gain on fair value changes	25	64.23	0.19
Total revenue from operations		11,901.04	10,548.41
Other income	26	239.47	102.28
Total income		12,140.51	10,650.69
Expenses:			
Finance costs	27	2,643.63	1,763.53
Impairment on financial instruments	28	358.23	378.05
Employee benefits expense	29	5,755.34	5,318.41
Depreciation and amortization expense	30	156.44	174.89
Other expenses	31	2,523.35	2,194.41
Total expenses		11,436.99	9,829.29
Profit / (loss) before exceptional items and tax		703.52	821.40
Exceptional items		-	-
Profit / (loss) before tax		703.52	821.40
Prior period items			
Tax expense			
Current tax		150.41	116.85
Mat credit utilization/ (entitlement) (net)		(150.40)	(116.85)
Deferred tax expense/(credit)		184.21	215.09
Earlier years tax		4.53	0.01
Total tax expense		188.75	215.10
Net profit/(loss) for the period		514.77	606.30
Other comprehensive income			
Item that will not to be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(4.49)	(11.36)
Income tax relating to these items		1.25	3.16
Other comprehensive income/(loss) for the period		(3.24)	(8.20)
Total comprehensive income / (loss) for the period		511.53	598.10
Earnings per share (basic and diluted) (in Rs.)			
Basic (Rs.)		0.36	0.38
Diluted (Rs.)		0.36	0.38

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

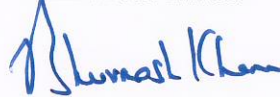
For Rajeev Bhatia & Associates.

Chartered Accountants

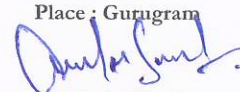
Firm's Registration No.: 021776N


Jatin Goel
 Partner
 M.No. 553420

 For and on behalf of the Board of Directors of
 Satin Finserv Limited


Bhuvnesh Khanna
 DIN: 03323118
WTD & CEO
 Place : Gurugram

Arjun Bansal


Harvinder Pal Singh
 DIN: 00333754
Director
 Place : Gurugram

Gurvinder Singh
 M No.: A40102

Chief Financial Officer
 Place : Gurugram
 Date: April 22'2024

Company Secretary
 Place : Gurugram

Place: Gurugram
 Date: April 22'2024



SATIN FINSERV LIMITED

Cash flow statement for the period ended March 31' 2024

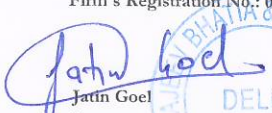
(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	For the period ended March 31' 2024	For the period ended March 31' 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	703.52	821.40
Adjustments for:		
Provision for expected credit losses	92.15	21.25
Provision for employee benefits	(57.98)	(3.96)
Depreciation and amortisation expense	81.26	82.42
Depreciation of ROU assets	75.18	92.47
Loss/(gain) on disposal of tangible assets	(14.67)	-
Interest paid on borrowings	2,710.16	1,725.62
Operating Profit/(loss) Before Working Capital Changes	3,589.62	2,739.20
Changes in working capital:		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	(39.31)	(261.64)
Other bank balances	(798.25)	1,114.80
Financial Assets	(10,158.04)	(5,964.80)
Other financial assets	(206.27)	212.86
Other non financial assets	(235.05)	(66.08)
Adjustments for (increase)/ decrease in operating liabilities:		
Trade payables	(162.97)	43.94
Other financial liabilities	(28.37)	42.87
Other non financial liabilities	0.48	(1.09)
Provisions	162.14	37.50
Movement in operating assets and liabilities	(11,465.64)	(4,841.64)
Cash generated from operations	(7,876.02)	(2,102.44)
Less: Income tax refund / (paid) (net)	(81.89)	(291.75)
Net cash flow/(used) in operating activities (A)	(7,957.91)	(2,394.19)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(288.07)	(162.70)
Sale of property, plant and equipment	107.26	41.10
Investment in Pass through Certificates	(212.99)	(100.39)
Net cash used in investing activities (B)	(393.80)	(221.99)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of equity share capital (net of issue expenses)	4,000.00	-
Repayment of borrowings	(15,340.66)	(5,834.55)
Proceeds from borrowings	23,960.61	11,565.89
Interest paid on borrowings	(2,710.16)	(1,725.62)
Payment of lease liabilities	49.31	(48.83)
Net cash flow from financing activities (C)	9,959.10	3,956.89
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	1,607.39	1,340.71
Cash and cash equivalents at the beginning of the year	3,878.47	2,537.76
Cash and cash equivalents at the end of the year	5,485.86	3,878.47
Reconciliation of cash and cash equivalents as per the cash flow statement	1,607.39	1,340.71

The accompanying notes are an integral part of the financial statements.

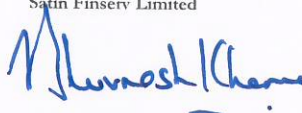
As per our review report of even date attached

 For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner
M.No. 553420


 Place: Gurugram
Date: April 22'2024

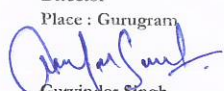
 For and on behalf of the Board of Directors of
Satin Finserv Limited


Bhuvnesh Khanna
DIN: 03323118
WTD & CEO
Place : Gurugram

Arjun Bansal

 Chief Financial Officer
Place : Gurugram
Date: April 22'2024


Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram


Gurvinder Singh
M No.: A40102
Company Secretary
Place : Gurugram


SATIN FINSERV LIMITED
Statement of changes in equity for the period ended March 31' 2024
(All amounts in ₹ in lakhs, unless stated otherwise)

A Equity share capital

Current reporting period				
Particulars	Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 1, 2023	Change in equity share capital during the year
Equity Share Capital	14,051.49	-	14,051.49	1,704.30
				15,755.79

Previous reporting period

Particulars	Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Balance as at April 1, 2022	Change in equity share capital during the year	Balance as at March 31, 2023
Equity Share Capital	10,250.00	-	10,250.00	3,801.49	14,051.49

B Other equity

Particulars	Statutory reserves	Securities premium	Reserves and surplus			Retained earnings	Total
			Share capital pending allotment*	Capital redemption reserve	Amalgamation reserve*		
Balance as at April 1, 2022	145.51	-	3,801.49	-	725.23	(1,752.81)	2,919.42
Profit/(Loss) for the year	-	-	-	-	-	606.30	606.30
Other comprehensive income (net of tax)	-	-	-	-	-	(8.20)	(8.20)
Issue of equity shares	-	-	(3,801.49)	-	-	-	(3,801.49)
Transfer to statutory reserves	164.28	-	-	-	-	(164.28)	-
Balance as at April 01, 2023	309.79	-	-	-	725.23	(1,318.99)	(283.97)
Other comprehensive income (net of tax)	-	-	-	-	-	514.77	514.77
Issue of equity shares	-	2,295.70	-	-	-	(3.24)	(3.24)
Transfer to statutory reserves	102.95	-	-	-	-	(102.95)	-
Balance as at March 31' 2024	412.74	2,295.70	-	-	725.23	(910.41)	2,523.26

* Refer note 22

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates,
Chartered Accountants
Firm's Registration No.: 021776N
Rajeev Bhatia
Partner
M.No. 553420



For and on behalf of the Board of Directors of
Satin Finserv Limited

Bhavesh Khanna
DIN: 03523118
WTD & CEO
Place : Gurugram
Arun Bansal

Harinder Pal Singh
DIN: 00333754
Director
Place : Gurugram
Gurinder Singh

Place: Gurugram
Date: April 22/2024

Chief Financial Officer
Place : Gurugram
Date: April 22/2024

Company Secretary
Place : Gurugram



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

1. Company Overview / Corporate Information

Satin Finserv Limited ('the Company') is a public limited company and incorporated on August 10, 2018, 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 ('NBFC') with the Reserve Bank of India ('RBI') in January 09, 2019. The main objective of the Company to carry on the business of Non-Banking Financial Company and to undertake business relating to financing. The Company is also engaged in the business of "Business Correspondent" activity with various Banks and NBFCs. As per Reserve Bank of India ('RBI'), scope of activity of Business Correspondent services includes Identification of Borrowers, collection and preliminary processing of loan applications including verification of primary information, processing and submission of applications to banks, promoting, nurturing and monitoring of Self Help Groups/Joint Liability Groups, post-sanction monitoring, follow-up for recovery, disbursement of small value credit and recovery of principal/collection of interest. The Company is domiciled in India and its registered office & corporate office is situated at 4th Floor, B-Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana - 122016.

1.1 Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These Ind AS 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 and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2024 are the financial statements, which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI').

The financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on April 22, 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 historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

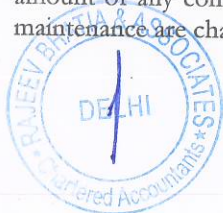
2. Summary of material accounting policies

The financial statements have been prepared using the material accounting policies and measurement bases summarised as below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred and the cost of item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

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 method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013.

Asset class	Useful life
Office equipment	5 years
Computer and accessories – end user devices	3 years
Computer and accessories – network equipment	6 years
Furniture and fixtures	10 years
Vehicles	8 years
Plant and machinery	6 - 15 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 recognised is derecognised 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 derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and advances paid to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

b) 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 (amortisation)

Intangible assets are amortised over a period of 3 years from the date when the assets are available for use. The estimated useful life (amortisation 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 amortisation period is revised to reflect the changed pattern, if any.

c) Revenue recognition

Interest, administration and other charges (for loans)

Interest, administration and other charges received are recorded on accrual basis using the effective interest rate (EIR) method along with the consideration of transaction cost directly attributable to the creation of financial instrument being Loan Asset. Additional interest/overdue interest/penal charges are recognised only when it is reasonable certain that the ultimate collection will be made.

Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Other Charges related to Operation

The Company collect other charges i.e. login fee, documentation charges, overdue interest, Cheque bounce charges, prepayment charges, conversion charges, document retrieval charges, Foreclosure charges etc from all the borrowers based on event, and recognise this income on collection basis.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset, are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

e) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ("MAT") credit entitlement is recognised 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 recognised 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.

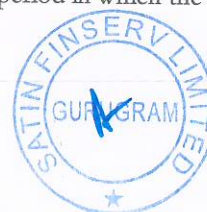
Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

f) 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



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

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. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. 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 final 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 recognised 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 avail after one year from the Balance Sheet date is estimated in 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.

g) Share based payments

Share based compensation benefits are provided to employees via Satin Creditcare Network Limited ('Parent Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Parent Company's equity shares.

h) Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a prorata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

i) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.
- If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

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 (as per "Definition of default and credit-impaired" above), 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. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

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.

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



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Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

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 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.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

k) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for building for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the exclusive options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any



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Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

The Company as a lessor

The company does not have any leases as a lessor.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the prospective method and has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and corresponding right of use asset at the same value. Due to the prospective method applied, the comparatives as at and for the year ended March 31, 2019 will continue to be reported under the accounting policies included as part of our financial statements for year ended March 31, 2019.

Leases in which the lessor does not transfer substantially all the risks and rewards of ownership of an asset to the lessee are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

l) 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.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

m) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised 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.



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

Non-derivative financial assets

Subsequent measurement

- i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, 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 derecognise the financial asset and recognise 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 amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 recognised in the Statement of Profit and Loss.

Offsetting of financial instruments



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Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

o) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly by the executive management ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer (CEO) of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

p) Share issue expenses

All the expenses pertaining to issue of equity share capital are adjusted against the Securities Premium Account to the extent any balance is available for utilisation in securities premium account.

q) Guarantee contracts

First loss default guarantee contracts are contracts that require the Company to make specified payments to reimburse the bank and financial institution for a loss, it incurs because a specified customer fails to make payments when due, in accordance with the terms of a loan contracts or due to negligence or deficiency of service or non-observance, by the Company, of stipulations and conditions contained in the agreement with respective business partners. Such guarantees are given to banks and financial institutions, for whom the Company acts as 'Business Correspondent'.

On each reporting date, liabilities against these guarantee contracts are measured and recognised in books as per the terms of agreements and any subsequent mutual consent with respective business partners.

Further, the maximum liability against these guarantee contracts are restricted to the cash outflow agreed in the agreements with respective business partners.



Satin Finserv Limited

Summary of material accounting policies and other explanatory information for the period ended March 31, 2024

r) 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.

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 amortised 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
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis 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

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.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable 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.

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SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 4: Cash and cash equivalents

Particulars	As at March 31' 2024	As at March 31' 2023
Balance with banks in current accounts	1,241.69	2,046.94
Cash in hand	600.78	678.76
Deposits with original maturity of less than 3 months	3,643.39	1,152.77
Total of cash and cash equivalents	5,485.86	3,878.47

Note: There are no repatriation restrictions with respect to cash and cash equivalents as at the end of the reporting year and comparative years.

Note 5: Bank balances other than cash and cash equivalents

Particulars	As at March 31' 2024	As at March 31' 2023
Term deposits for remaining maturity of 3 months or less	-	-
Term deposits with remaining maturity more than 3 months but less than 12 months	-	50.03
Term deposits having remaining maturity of more than 1 year	-	-
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees/against first loss/second loss default guarantees	3,959.69	3,111.41
Total	3,959.69	3,161.44

Note 6: Investments

Particulars	As at March 31' 2024	As at March 31' 2023
Pass through certificates (at amortised cost)	313.38	100.39
	313.38	100.39

Note 7: Trade receivables (at amortised cost)

Particulars	As at March 31' 2024	As at March 31' 2023
Trade Receivables		
Receivables considered good - unsecured*	337.64	298.33
Less: Provision for impairment on trade receivables	-	-
	337.64	298.33
(II) Other Receivables		
Other Receivables	-	-
Less: Provision for Impairment on other receivables	-	-
	-	-
Total	337.64	298.33

*Based on past history of receivables, Management considered Nil allowances towards credit losses.

Note 8: Loan portfolio (at amortised cost)

Particulars	As at March 31' 2024	As at March 31' 2023
Portfolio loans		
Secured	29,027.40	17,295.42
Unsecured	3,833.66	5,407.60
Less: Impairment loss allowance	(668.84)	(576.68)
	32,192.22	22,126.34
Total	32,192.22	22,126.34
(i) Secured by property	28,777.38	16,583.81
(ii) Secured by book debts	250.02	711.61
(iii) Unsecured	3,833.66	5,407.60
Total - Gross	32,861.06	22,703.02
Less: Impairment loss allowance	(668.84)	(576.68)
Total - Net	32,192.22	22,126.34
Loans in India		
(i) Public Sector	-	-
(ii) Others	32,861.06	22,703.02
Total - Gross	32,861.06	22,703.02
Less: Impairment loss allowance	(668.84)	(576.68)
Total - Net	32,192.22	22,126.34
The above amount includes the interest accrued and exclude unamortised loan processing fees, as follows:		
Particulars		
Interest accrued	567.88	341.56
Unamortised loan processing fee	512.01	284.68

There are no loans or advances repayable on demand or without specifying any terms or period of repayment of the related parties.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 9: Other financial assets (at amortised cost)

Particulars	As at March 31' 2024	As at March 31' 2023
Security deposits (unsecured, considered good)	24.53	29.13
Staff advance and other recoverable	35.96	45.77
Other recoverable	714.82	244.55
Unbilled revenue	121.04	370.63
	896.35	690.08

Note 10: Current tax assets (net)

Particulars	As at March 31' 2024	As at March 31' 2023
Advance income-tax and TDS receivable	923.73	996.78
	923.73	996.78

Note 11: Deferred tax assets (net)

Particulars	As at March 31' 2024	As at March 31' 2023
Tax effect of items constituting deferred tax assets:		
(a) Provision for Employee benefits	33.98	33.46
(b) Depreciation and amortisation	33.74	29.58
(c) Carried Forward Losses	53.41	302.69
(d) Impact of IndAs 116	3.00	2.87
(f) Allowance for expected credit loss	607.29	535.29
(g) Minimum alternate tax credit entitlement	372.85	222.45
(h) Measurement of financial assets and financial liabilities at amortised cost	0.00	3.12
	1,104.27	1,129.46
Tax effect of items constituting deferred tax liabilities:		
(i) Provision for 36(1)(viiia)	13.28	5.91
	13.28	5.91
Deferred tax assets/(liabilities) (net)	1,090.99	1,123.55

Notes:

(i) Movement in deferred tax assets/(liabilities) for period ended March 31, 2024

Particulars	As at March 31, 2023	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2024
Tax effect of items constituting deferred tax assets:				
(a) Provision for Employee benefits	33.46	1.25	(0.72)	33.98
(b) Depreciation and amortisation	29.58	-	4.16	33.74
(c) Carried Forward Losses	302.69	-	(249.28)	53.41
(d) Impact of IndAs 116	2.87	-	0.14	3.00
(e) Provision for first loss default guarantee	535.29	-	72.00	607.29
(f) Minimum alternate tax credit entitlement	222.45	-	150.40	372.85
(g) Measurement of financial assets and financial liabilities at amortised cost	3.12	-	(3.12)	0.00
(h) Others	-	-	-	-
	1,129.46	1.25	(26.42)	1,104.27
Tax effect of items constituting deferred tax liabilities:				
(i) Provision for 36(1)(viiia)	5.91	-	7.37	13.28
	5.91	-	7.37	13.28
Net deferred tax asset	1,123.55	1.25	(33.79)	1,090.99

(ii) Movement in deferred tax assets/(liabilities) for year ended March 31, 2023:

Particulars	As at March 31, 2022	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
(a) Provision for Employee benefits	41.15	3.16	(10.85)	33.46
(b) Depreciation and amortisation	29.03	-	0.55	29.58
(c) Carried Forward Losses	524.10	-	(221.41)	302.69
(d) Impact of IndAs 116	4.98	-	(2.11)	2.87
(e) Provision for first loss default guarantee	522.11	-	13.18	535.29
(f) Minimum alternate tax credit entitlement	105.60	-	116.85	222.45
(g) Measurement of financial assets and financial liabilities at amortised cost	0.34	-	2.78	3.12
(h) Others	-	-	-	-
(i) Preliminary expenses	0.25	-	(0.25)	-
	1,227.56	3.16	(101.26)	1,129.46
Tax effect of items constituting deferred tax liabilities:				
(i) Employee benefits	-	-	-	-
(j) Provision for 36(1)(viiia)	8.91	-	(3.00)	5.91
	8.91	-	(3.00)	5.91
Net deferred tax asset	1,218.65	3.16	(98.26)	1,123.55



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

12 Property, plant and equipment

Gross Block	Computer equipment	Office Equipment	Furniture & Fixtures	Vehicle	Right of use asset ²	Total
Balance as at March 31, 2022	431.27	73.83	97.66	14.30	447.36	1,064.42
Acquired through business	-	-	-	-	-	-
Additions	29.75	10.54	29.99	13.22	79.20	162.70
Disposals	(88.58)	(4.82)	(6.10)	-	(68.53)	(168.03)
Balance as at March 31, 2023	372.48	79.50	121.55	27.52	458.03	1,059.08
Additions	39.47	15.15	23.84	20.49	179.16	278.10
Disposals	(89.45)	(21.26)	(33.94)	(27.52)	(103.75)	(275.92)
Balance as at March 31' 2024	322.50	73.39	111.45	20.49	533.44	1,061.26
Accumulated depreciation						
Balance as at March 31, 2022	340.11	56.87	65.85	3.13	247.21	713.18
Depreciation charge for the year	56.75	8.08	9.64	6.78	92.47	173.72
Adjustment on account of disposals	(82.33)	(3.99)	(4.75)	-	(35.86)	(126.93)
Balance as at March 31, 2023	314.53	60.96	70.74	9.91	303.82	759.97
Depreciation charge for the period	45.84	11.54	17.00	3.08	75.18	152.63
Adjustment on account of disposals	(80.47)	(18.68)	(23.03)	(10.22)	(50.93)	(183.33)
Balance as at March 31' 2024	279.90	53.82	64.71	2.77	328.07	729.28
Net block						
Balance as at March 31, 2023	57.95	18.54	50.81	17.61	154.21	299.12
Balance as at March 31' 2024	42.60	19.57	46.74	17.72	205.37	331.98

13 Intangible assets

Gross Block	Software*	Total
Balance as at March 31, 2022	30.32	30.32
Acquired through business combination	-	-
Additions	-	-
Adjustments during the year	-	-
Balance as at March 31, 2023	30.32	30.32
Additions	0.76	0.76
Disposals	-	-
Balance as at March 31' 2024	31.08	31.08
Accumulated depreciation		
Balance as at March 31, 2022	24.44	24.44
Acquired through business combination	-	-
Depreciation charge	1.18	1.18
Disposals	-	-
Balance as at March 31, 2023	25.62	25.62
Depreciation charge	3.10	3.10
Disposals	-	-
Balance as at March 31' 2024	28.72	28.72
Net block		
Balance as at March 31, 2023	4.70	4.70
Balance as at March 31' 2024	2.36	2.36

* Operating system for computers.

13A Capital Works-in-Progress

Particulars	CWIP	Total
Balance as at March 31, 2022	-	-
Addition	-	-
Disposals	-	-
Balance as at March 31, 2023	-	-
At March 31, 2023	-	-
Addition	9.21	9.21
Disposals	-	-
Balance as at March 31' 2024	9.21	9.21



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 14: Other non-financial assets

Particulars	As at March 31' 2024	As at March 31' 2023
Advances recoverable in cash or in kind or for value to be received	79.25	42.66
Prepaid expenses	495.84	297.38
	575.09	340.04

Note 15: Trade payable

Particulars	As at March 31' 2024	As at March 31' 2023
Trade Payables		
(i) total outstanding dues of MSMEs	13.78	10.42
(ii) total outstanding dues of creditors other than MSMEs	113.28	279.61
	127.06	290.03
Other Payables		
(i) total outstanding dues of MSMEs	-	-
(ii) total outstanding dues of creditors other than MSMEs	-	-
	-	-
Total	127.06	290.03

Trade Payables ageing schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 Years	More than 3 years
(i) MSME	13.78	-	-	-
(ii) Others	102.77	4.11	2.08	4.33
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
(v) Unbilled dues	-	-	-	-
Total	116.54	4.11	2.08	4.33

Trade Payables ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 Years	More than 3 years
(i) MSME	10.42	-	-	-
(ii) Others	271.67	5.47	1.94	0.54
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
(v) Unbilled dues	-	-	-	-
Total	282.09	5.47	1.94	0.54

#: There are no cases where no due date of payment is specified.

##: There is no cases of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 16: Debt securities (at amortised cost)

Particulars	As at March 31' 2024	As at March 31' 2023
Non-convertible debentures	1,952.13	553.09
	1,952.13	553.09
Debt securities in India	1,952.13	553.09
Debt securities outside India	-	-
	1,952.13	553.09
Unamortised Processing Fees	62.85	0.50
Accrued Interest	14.98	53.59

Particulars	Terms of Repayment	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures (secured)			
2,000 (March 31, 2023: Nil), @10.85%, rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 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	1,952.13	-
50 (March 31, 2023: 50), @15.75% , rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 1,00,000 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	-	553.09



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 16A: Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2024

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2		Due between 2 to 3		Due beyond 3 Years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Monthly	Below 9.00%	12	5.87	12	6.40	11	6.37			18.64
	9% to 12%	72	2,813.42	50	2,761.50	11	808.52	-	-	6,383.44
	12.01% to 15%	370	7,194.53	266	5,397.21	95	2,490.30	6	142.00	15,224.04
	Above 15%	24	476.65	25	528.54	-	-	-	-	1,005.19
Quarterly	12.01% to 15%	6	446.97	4	363.64	2	181.82	-	-	992.42
Bullet	12.01% to 15%			1	2,000.00			1	0.20	2,000.20
	Above 15%				-	-	-	-	-	-
Total		484	10,937.44	358	11,057.29	119	3,487.00	7	142.20	25,623.94

Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2023

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2		Due between 2 to 3		Due beyond 3 Years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Monthly	Below 9.00%	24	7.42	18	5.19	12	2.68	15	3.66	18.95
	9% to 12%	36	875.00	24	687.50	10	402.97	-	-	1,965.47
	12.01% to 15%	237	3,785.00	183	2,619.80	86	979.49	-	-	7,384.29
Quarterly	12.01% to 15%	59	1,137.91	58	1,253.04	40	947.83	-	-	3,338.78
Bullet	12.01% to 15%	4	166.67	2	83.33	-	-	-	-	250.00
	Above 15%	-	-	-	-	-	-	2	3,350.00	3,350.00
Total		361	6,472.00	285	4,648.86	148	2,332.97	17	3,353.66	16,807.49



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 17: Borrowings (other than debt securities)

Particulars	As at March 31' 2024	As at March 31' 2023
Term loans from bank (At amortised Cost)		
Secured#	-	-
Unsecured	3,230.47	2942.11
Term loans from financial institutions(At amortised Cost)		
Secured##	-	-
Loan from related parties (unsecured)	20,323.77	10,040.54
Lease liability	-	3,350.00
	218.53	169.22
	23,772.77	16,501.87
Borrowings in India	23,772.77	16,501.87
Borrowings outside India	-	-
	23,772.77	16,501.87
# Secured by way of Hypothecation of book debt to the extent of 125% of the value of the loan outstanding and Secured by way of Hypothecation of Vehicles.		
##Secured by way of Hypothecation of book debt to the extent of 100% to 133% of the value of the loan outstanding.		
###: There are no instances where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.		
####Quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account.		
Loan from related parties includes loan from holding company which is a revolving credit facility against total sanctioned limit of Rs. 3,000 lakh (March 31' 2023: Rs. 7,000 lakh). The same is repayable on demand.		
Unamortised Processing Fees	187.37	125.31
Accrued Interest	117.68	50.08

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Borrowings & Debt securities	Liability against leased assets	Total
March 31, 2022	11,154.41	218.05	11,372.47
Adoption of Ind AS 116	-	79.20	79.20
Cash flows:			
- Repayment	-	-	-
- Proceeds from overdraft facility	(5,834.55)	(108.91)	(5,943.46)
- Proceeds other than overdraft facility	0.20	-	0.20
- Others	11,465.30	-	11,465.30
Non cash:	28.63	-	28.63
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	(38.20)	-	(38.20)
- Others	9.56	(19.12)	(9.56)
March 31, 2023	16,785.35	169.22	16,954.57
Adoption of Ind AS 116	-	179.16	179.16
Cash flows:			
- Repayment	-	-	-
- Proceeds from overdraft facility	(15,340.66)	(91.84)	(15,432.50)
- Proceeds other than overdraft facility	-	-	-
- Others	23,960.61	-	23,960.61
Non cash:	28.99	-	28.99
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	(124.41)	-	(124.41)
- Others	96.12	(38.02)	58.10
March 31, 2024	25,406.00	218.52	25,624.52

Note 18: Other financial liabilities

Particulars	As at March 31' 2024	As at March 31' 2023
Other payable	27.34	14.89
Expenses payable	215.78	256.60
Total	243.12	271.49



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 19: Provisions

Particulars	As at March 31' 2024	As at March 31' 2023
Provision for compensated absences	99.82	120.25
Provision for gratuity	22.32	59.87
Provision for first loss default guarantee	1,514.08	1,347.45
Total	1,636.22	1,527.57

*-Company has made provision on account of compensated absences based on Expert Opinion and Actuarial Valuation considering Basic Salary of employees.

Note 20: Other non-financial liabilities

Particulars	As at March 31' 2024	As at March 31' 2023
Statutory dues payable	108.15	107.67
Total	108.15	107.67



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

21 Equity share capital
Authorised equity share capital

15,80,00,000 (31 March 2023: 140,514,900) Equity shares of ₹10 each

Issued and subscribed

157557892 (31 March 2023: 140,514,859) Equity shares of ₹10 each

Paid up equity share capital

157557892 (31 March 2023: 140,514,859) Equity shares of ₹10 each

As at March 31' 2024	As at March 31' 2023
15,800.00	14,051.49
15,800.00	14,051.49
15,755.79	14,051.49
15,755.79	14,051.49
15,755.79	14,051.49
15,755.79	14,051.49

i) Rights, preferences and restrictions attached to equity shares:

The company has only one class of equity shares having par face value of ₹ 10 per share. Each equity shareholder is eligible for one vote per 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. Dividends are subject to corporate dividend tax. In the event of liquidation of the Company, the holders of equity share 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.

The Authorised Share Capital, Issued and subscribed Share Capital is increased due to effect of Merger of Taraashna Financial Services Limited with Satin Finserv Limited as approved by NCLT Chandigarh Bench by order dated January 31, 2023 which has appointed date & effective date are April 01, 2021 & March 01, 2023 respectively. The paid-up share capital of the Company has been increased during the year as required under the scheme of arrangement approved by the NCLT Chandigarh Bench by order dated January 31, 2023 which has appointed date & effective date are April 01, 2021 & March 01, 2023 respectively.

ii) Reconciliation of equity shares outstanding at reporting year end date
Equity share capital of ₹ 10 each fully paid up

Balance at the beginning of the year

Add: Issued during the year

Balance at the end of the year

No. of shares	₹	No. of shares	₹
March 31' 2024		March 31' 2023	
14,05,14,859	14,051.49	10,25,00,000	14,051.49
1,70,43,033	1,704.30	3,80,14,859	3,801.49
15,75,57,892	15,755.79	14,05,14,859	17,852.97

iii) Equity shares held by holding/promoter company as at balance sheet date:

	March 31' 2024			March 31' 2023		
	No. of shares	% holding	% change during the year	No. of shares	% holding	% change during the year
Equity share capital of ₹ 10 each fully paid up						
Satin Creditcare Network Limited	15,75,57,892	100.00%	0.00%	14,05,14,859	100.00%	0.00%
	15,75,57,892	100.00%	0.00%	14,05,14,859	100.00%	0.00%

iv) Shareholders holding more than 5% of shares of the Company as at balance sheet date:
Equity share capital of ₹ 10 each fully paid up

Satin Creditcare Network Limited

	March 31' 2024		March 31' 2023	
	No. of shares	% holding	No. of shares	% holding
	15,75,57,892	100.00%	14,05,14,859	100.00%
	15,75,57,892	100.00%	14,05,14,859	100.00%

- v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date except pursuant to scheme of amalgamation as mentioned above.
- vi) During the year, the company has received INR 39,99,99,985 against issue of equity shares (No. of shares: 17,043,033) to the holding company (Satin Creditcare Network Limited) @ ₹ 23.47 per share having face value of ₹ 10 each.



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31' 2024**

(All amounts in ₹ in lakhs, unless stated otherwise)

22 Other equity

	As at March 31' 2024	As at March 31' 2023
Retained earnings	(910.41)	(1,318.99)
Statutory reserves @	412.74	309.79
Amalgamation reserve	725.23	725.23
Securities Premium	2,295.70	-
Total Other Equity	2,523.26	(283.97)

@ Statutory reserves

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.

Particulars	Amount (Rs. In lac)
Net assets received	4,526.71
Equity share capital (as per approved scheme)	3,801.49
Amalgamation Reserve	725.23



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 23: Interest Income (measured at amortised cost)

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Interest income on portfolio loans	6,223.68	3,874.10
Interest income on deposits, certificate of deposits and commercial papers	323.82	291.68
	6,547.50	4,165.78

Note 24: Fees and commission income

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Income from BC operations and other support services	4,869.04	6,160.56
Documentation charges	255.24	130.44
Login Fee Income	165.03	91.43
	5,289.31	6,382.43

Note 25: Net gain on fair value changes

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Mutual Funds	64.23	0.19
Total Net gain/(loss) on fair value changes	64.23	0.19
Fair Value Changes:		
-Realised	64.23	0.19
Total Net gain/(loss) on fair value changes	64.23	0.19

Note 26: Other Income

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Miscellaneous income	206.01	77.64
Interest income on security deposits	0.66	0.72
Net gain on derecognition of property, plant and equipment	14.67	7.00
Foreclosure charges received	18.13	16.92
	239.47	102.28

Note 27: Finance cost (on financial liabilities measured at amortised cost)

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Interest on borrowings		
Interest on borrowings other than debt securities	2,097.02	1,363.24
Interest on debt securities	35.61	78.45
Interest on borrowings from bank	343.75	222.57
Other interest expenses	138.37	78.99
Interest expense on lease liability	28.88	19.69
Interest on taxes	-	0.59
	2,643.63	1,763.53

Note 28: Impairment on financial instruments (on financial assets measured at amortised cost)

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Allowance for expected credit loss	92.15	21.25
Portfolio loans written off	266.08	356.80
	358.23	378.05



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 29: Employee benefit expenses

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Salaries, wages and bonus	5,260.06	4,835.03
Contribution to provident and other funds	432.19	435.62
Staff welfare expenses	63.09	47.76
	5,755.34	5,318.41

Note 30: Depreciation and amortization expense

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Depreciation on property, plant and equipment	78.16	81.24
Amortisation on intangible assets	3.10	1.18
Amortisation on right of use assets	75.18	92.47
	156.44	174.89

Note 31: Other expenses

Particulars	For the period ended March 31' 2024	For the year ended March 31' 2023
Bank charges	59.80	91.39
Rent	197.46	179.37
Travelling and conveyance	269.40	181.52
Repair and maintainance	12.82	17.28
Printing and stationery	78.83	77.64
Communication cost	72.45	80.77
Insurance charges	29.18	70.37
Software & IT support expenses	117.97	167.00
Rates and taxes	29.95	110.34
Electricity charges	25.82	37.23
Auditor's remuneration*	32.20	20.93
Business promotion	6.70	5.46
Commission paid**	62.53	42.66
Loan Processing Charges	244.24	127.51
Legal and professional charges	65.92	83.59
Director sitting fees	5.34	4.25
Balance write off	65.62	37.86
Office expenses	157.29	129.73
Write off against first loss default guarantee	781.54	671.94
First loss default guarantee expenses	166.63	26.14
Postage & courier	27.91	24.94
Miscellaneous expenses	13.75	6.49
	2,523.35	2,194.41

Note*: Auditors remuneration includes payments as follows:

(a) Statutory audit	9.00	9.00
(b) Tax audit	3.00	3.00
(c) Certification fee and other services	20.20	8.93
Total	32.20	20.93

** It includes Foreign Currency payment

9.82

13.56



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

	For the year ended March 31' 2024	For the year ended March 31' 2023
--	--------------------------------------	--------------------------------------

Note 32: Earning per Share

Net profit/(Loss) for the year	514.77	606.30
Weighted average number of equity shares for EPS	14,94,55,466	14,05,14,859
Par value per share (in RS.)	10	10
Basic Earnings per share (in RS.)	0.34	0.43
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares used to compute diluted earnings per share	14,94,55,466	14,05,14,859
Diluted Earnings per share (in RS.)	0.34	0.43

Note 33: Tax Expense

Current tax (including taxes earlier years)	154.94	116.86
Minimum alternate tax credit entitlement	(150.40)	(116.85)
Deferred tax expense/(credit)	184.21	215.09
	188.75	215.10

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	703.52	821.40
At country's statutory income tax rate of 27.82%	195.72	228.51
(March 31, 2023: 27.82%)		

Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense

(i) Tax impact of expenses which is non deductible	-	0.03
(ii) Tax impact on items exempt under income tax	-	-
(iii) Impact of difference in tax rate on certain items	-	-
(iv) Preliminary expenses allowed	-	0.25
(v) Earlier year taxes	4.53	0.01
(vi) Others	(11.51)	(13.71)
	188.75	215.10

Note 34: Leases

The Company has taken various office premises under lease arrangements. Generally, the lease term varies from 11 months to 60 months and is renewable under mutually agreed terms between lessee and lessor and there is no exclusive right to the company. The company has considered leases having initial lease term of upto 12 months as short term leases as per para 6 of Ind AS 116 and their expenses have been recognised as Rent under note 30. For all other leases having lease term of more than 12 months a right of use asset is recognised with a corresponding lease liability. The right of use asset is disclosed under Property, Plant and Equipment and lease liability is disclosed under Borrowings. Further disclosures as on March 31, 2024 are as follows:

- 1 The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	Right of use asset Office Premises	
	For the year ended March 31' 2024	For the year ended March 31' 2023
Total number of leases	117	184
Number of leases considered as short term leases	81	135
No. of right-of use assets leased	36	49
Range of remaining term	Upto 57 months	Upto 55 months
Average remaining lease term	22 months	8 months
No. of leases with extension options	0	0
No. of leases with purchase options	0	0
No. of leases with variable payments linked to an index	0	0
No. of leases with termination options	117	184

- 2 Additional information on the right-of-use assets by class of assets is as follows:

Particulars	Righ of use asset Office Premises
Carrying amount as on March 31, 2023	154.21
Addition	179.16
Depreciation	75.18
Deletion	52.82
Carrying amount as on March 31, 2024	205.37

- 3 Bifurcation of Lease liabilities in current and non current as follows:

Particulars	March 31' 2024	March 31' 2023
Current	57.50	68.56
Non-current	161.03	100.67
Total	218.53	169.22



4 At 31 March 2024 the Company do not have any committed leases which had not yet commenced.

5 The undiscounted maturity analysis of lease liabilities at 31 March 2024 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	81.65	24.14	57.50
1-2 years	67.96	17.26	50.71
2-3 years	56.44	11.26	45.18
3-4 years	55.84	5.02	50.82
4-5 years	14.86	0.54	14.32
Total	276.75	58.22	218.53

The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	84.52	15.97	68.55
1-2 years	56.62	9.40	47.22
2-3 years	33.18	4.81	28.37
3-4 years	17.66	2.26	15.40
4-5 years	10.27	0.59	9.68
Total	202.26	33.04	169.22

The Company 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 recognised as lease liabilities and are expensed as incurred. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The expense relating to payments not included in the measurement of the lease liability is as follows:

6 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	March 31' 2024	March 31' 2023
Short term leases	197.46	179.37
Leases of low value assets	-	-
Variable lease payments	-	-
Total	197.46	179.37
Minimum lease obligations:		
- within one year	57.50	68.55
- Later than one year but not Later than five years	161.03	100.67
- Later than five years	-	-

7 The Company had total cash outflows for leases of Rs. 298.57 lakh in March 31, 2024 (Rs. 287.50 lakh in March 31, 2023).

8 The following are the amounts recognised in profit or loss:

Particulars	March 31' 2024	March 31' 2023
Depreciation expense of right-of-use assets	75.18	92.47
Interest expense on lease liabilities	28.88	19.69
Expense relating to short-term leases (included in other expenses)	197.46	179.37
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	301.52	291.53

9 The Company has lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 11 months and 5 years 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 and termination options, which are further discussed below.

The Company has several lease contracts that include extension and termination options. 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.

10 The Company does not have any lease contracts that contains variable payments.

11 Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

2024

Particulars	Within five years	More than five years	Total
Extension options expected not to be exercised (Count)	-	-	-
Termination options expected to be exercised (Count)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-



2023

Particulars	Within five years	More than five years	Total
Extension options expected not to be exercised (Count)	-	-	-
Termination options expected to be exercised (Count)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-

Note 35: Contingent Liabilities not provided for

No contingent liabilities as on 31st March 2024 (previous year Nil). Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil). Other commitments is Nil as on 31st March 2024 (previous year Nil).

35.1 Estimates

- a) Impairment of financial assets based on expected credit loss model

35.2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets is measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

Note 36: Asset Under Management

The Company is also in the activity of business correspondent for various banks and NBFCs. The Company provides first and second loss default guarantees in the form of fixed deposits/guarantees for Assets Under Management as per business correspondent agreements signed with various banks and NBFCs.

The institutionwise Assets Under Management in books of company for business correspondence activity as on March 31, 2024 are as follows:

Name of Partner	March 31' 2024		March 31' 2023	
	AUM	FDR balance for FLDG	AUM	FDR balance for FLDG
Yes Bank Ltd.#	-	520.88	16,741.90	-
RBL Bank Ltd.	12.02	8.06	12.02	108.03
Reliance Commercial Finance Ltd.	756.61	179.91	759.03	169.34
Federal Bank	2,907.77	245.61	2,127.36	96.61
IDFC First Bank Ltd.	3,954.14	1,292.93	10,874.44	1,312.25
Jana Small Finance Bank Ltd.	8,380.73	1,132.41	12,788.76	943.08
CSB Bank Ltd.*	1,452.16	83.02	2,296.95	132.40
	17,463.43	3,462.83	45,600.46	2,761.71

FDR balance includes accrued interest.

#Agreement with YBL has been terminated and FDRs being credited in our account on 06th April 2024.

*In addition to FDR for FLDG company has provided corporate guarantee of Rs. 45.26 lac to CSB.

Note 37: Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at	As at
	March 31' 2024	March 31' 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	13.78	10.42
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.	-	-



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 38: Related party disclosures

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a. List of related parties and disclosures:

Description of relationship	Name of related parties
Holding company	Satin Creditcare Network Limited

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Pvt. Ltd.

Fellow subsidiary companies

Satin Housing Finance Limited

Key managerial personnel and their relatives:

Name of key managerial personnel	Designation	Relatives
Mr. H P Singh	Director	Mr. Satvinder Singh
		Mrs. Anureet H P Singh
Mr. Sumit Mukherjee (till May 31, 2023)	Director & CEO	-
Mr. Partha Mukherjee (till August 31, 2022)*	Director	-
Mr. Bhuvnesh Khanna (w.e.f. January 19, 2024)	WTD & CEO	-
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	-

* For Taraashna Financial Services 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 period ended March 31, 2024	For the period ended March 31, 2023
Mr. H P Singh	Personal Guarantee given	7,037.50	2,750.00
Satin Creditcare Network Limited	Facilitation charges Income	12.00	12.00
	Technology sharing services expense	90.00	128.59
	Payment of rent for office space sharing	51.31	45.56
	Interest Paid	266.69	506.40
	Inter corporate loan taken	2,700.00	1,850.00
	Loan Repaid	6,050.00	2,050.00
	Income from business correspondents operations and support services	1,485.38	1,043.60
Satin Neo Dimensions Pvt. Ltd.	Interest income on loan	2.08	11.72
	Repayment received against loan	39.33	52.46
Mr. Sumit Mukherjee (till May 31, 2023)	Remuneration	17.60	105.60
Mr. Partha Mukherjee (till August 31, 2022)	Remuneration	-	17.50
Mr. Bhuvnesh Khanna (w.e.f. January 19, 2024)	Remuneration	32.39	-
Mr. Arjun Bansal	Remuneration	27.80	23.49
Mr. Rahul Garg (till February 28, 2023)	Remuneration	-	21.08
Mr. Puneet Jolly (till December 19, 2023)	Remuneration	12.74	15.08
Ms. Sneha Khanduja (w.e.f. July 29 2022 till February 28, 2023)	Remuneration	-	3.18
Mr. Gurvinder Singh (w.e.f. January 20, 2024)	Remuneration	3.28	-

c. Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of transaction	As at March 31, 2024	As at March 31, 2023
Satin Creditcare Network Limited	Fees for corporate guarantee	-	4.24
	Inter corporate loan Payable	-	3,350.00
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan Receivable	-	39.33
	Accrued Interest Receivable	-	0.55

Note:

1. Mr. H. P Singh, director of the company has given personal guarantee for term loan taken from bank. Outstanding as of March 31, 2024 is Rs. 8,418.24 Lakh (Previous Year: 3,965.47 Lakh)

d. Key management personnel remuneration includes the following expenses:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	93.81	185.93
Post-employment benefits	(3.59)	5.63
Other long term benefits	(7.30)	11.15
Total remuneration	82.92	202.71



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31' 2024**

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 39: Employee Benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans**Provident fund**

The Company has made ₹ 432.19 lakhs (March 31, 2023 ₹ 435.62 lakhs) contribution in respect of provident fund and other funds.

Defined benefit plans**A 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 liability of Gratuity is recognized on the basis of actuarial valuation. The scheme is funded by the Company and is managed by Life Insurance Corporation of India ("LIC") and ICICI Prudential Life Insurance Co. Ltd. jointly.

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 recognised in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	83.06	118.01
Fair value of plan assets	60.74	58.14
Net obligation recognised in balance sheet as provision	(22.32)	(59.87)

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	27.49	44.75
Net interest cost / (income)	4.42	(4.71)
Interest cost on defined benefit obligation	-	-
Net impact on profit (before tax)	31.91	40.04
Actuarial (gain)/loss recognised during the year	4.49	15.04
Amount recognised in the statement of profit and loss and other comprehensive income	36.40	55.08



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

(iii) Movement in the present value of defined benefit obligation recognised 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	118.00	113.36
Current service cost	27.49	44.75
Interest cost	8.72	1.28
Past service cost including curtailment gains/losses	-	-
Benefits paid	(70.54)	(52.74)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	3.81	-
Actuarial (gain)/loss on arising from change in financial assumption	2.73	(1.95)
Actuarial (gain)/loss on arising from experience adjustment	(7.15)	13.31
Present value of defined benefit obligation as at the end of the year	83.06	118.00

(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 insurer	100%	100%
Total	100%	100%

(v) Movement in the plan assets recognised 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	58.14	82.43
Actual return on plan assets	2.69	2.51
Employer's contribution	59.00	25.94
Benefits paid	(59.09)	(52.74)
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	60.74	58.14

(vi) Actuarial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discounting rate	7.12%	7.39%
Future salary increase	4.00%	4.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	40.00%	56.21%
From 31 to 44 years	20.00%	43.75%
Above 44 years	10.00%	50.00%
Weighted average duration	3.63	1.36

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.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

(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	83.06	118.00
- Impact due to increase of 0.50 %	(2.15)	(7.91)
- Impact due to decrease of 0.50 %	2.26	8.79
Impact of the change in salary increase		
Present value of obligation at the end of the year	83.06	118.00
- Impact due to increase of 0.50 %	2.32	9.05
- Impact due to decrease of 0.50 %	(2.22)	(8.19)

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.

(viii) Maturity profile of defined benefit obligation	As at March 31, 2024	As at March 31, 2023
0 to 1 year	10.09	3.03
1 to 2 year	8.96	2.38
2 to 3 year	8.33	2.55
3 to 4 year	7.81	3.34
4 to 5 year	6.60	3.72
5 to 6 year	5.23	3.13
6 year onwards	36.04	99.87

B Compensated absences (non-funded)
(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	99.82	120.25
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	99.82	120.25

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Total service cost	56.21	54.74
Net interest cost on defined benefit obligation	8.89	1.93
Net actuarial (gain)/loss recognised during the year	(2.93)	(2.36)
Amount recognised in the statement of profit and loss	62.17	54.30



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SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 40: Financial instruments
A Financial assets and liabilities

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Notes to schedule	As at March 31' 2024	As at March 31' 2023
Financial assets measured at amortised cost			
Cash and Cash equivalents	4	5,485.86	3,878.47
Bank balances other than cash and cash equivalents	5	3,959.69	3,161.44
Receivables	6	337.64	298.33
Loans	7	32,192.22	22,126.34
Investment	8	313.38	100.39
Security deposits	9	24.53	29.13
Other financial assets	9	871.82	660.95
Total		43,185.14	30,255.05
Financial liabilities measured at amortised cost			
Payables	15	127.06	290.03
Debt securities	16	1,952.13	553.09
Borrowings (other than debt securities)	17	23,554.24	16,332.65
Other financial liabilities	18	243.12	271.49
Total		25,876.55	17,447.26

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

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).

Company does not have any assets measured at fair value.

B.1 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised 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	5,485.86	5,485.86	3,878.47	3,878.47
Bank balances other than cash and cash equivalents	3,959.69	3,959.69	3,161.44	3,161.44
Receivables	337.64	337.64	298.33	298.33
Loans	32,192.22	33,781.65	22,126.34	23,299.24
Investment	313.38	313.38	100.39	100.39
Security deposits	24.53	24.53	29.13	29.13
Other financial assets	871.82	871.82	660.95	660.95
Total	43,185.14	44,774.57	30,255.05	31,427.95
Financial liabilities				
Payables	127.06	127.06	290.03	290.03
Debt securities	1,952.13	1,952.13	553.09	553.09
Borrowings (other than debt securities)	23,554.24	23,554.24	16,332.65	16,332.65
Other financial liabilities	243.12	243.12	271.49	271.49
Total	25,876.55	25,876.55	17,447.26	17,447.26

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.
- The fair values of the Company fixed interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.



Note 41: 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's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written 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	Management
Credit risk	Cash and cash equivalents, loans, financial assets measured at amortised cost.	Ageing analysis.	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, and other financial liabilities.	Rolling cash flow forecasts.	Availability of committed credit lines and borrowing facilities.
Market risk - interest rate	Borrowings, debt securities and subordinated liabilities at variable rates.	Sensitivity analysis.	Negotiation of terms that reflect the market factors.
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

The Company's risk management is carried out under the policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, loan assets, and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

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 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 on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Asset Company	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans and other financial assets	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 and other financial assets	Life time expected credit loss fully provided for

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at March 31' 2024	As at March 31' 2023
(i) Low credit risk on financial reporting date		
Bank Balance in current accounts & in Fixed Deposits	4,885.08	3,199.71
Bank balances other than above	3,959.69	3,161.44
Security deposits	24.53	29.13
Other financial assets	871.82	660.95
Investment	313.38	100.39
Receivables	337.64	298.33
Loans	30,769.54	21,259.10
(ii) Moderate credit risk	711.87	527.41
(iii) High credit risk	1,379.65	916.50

* These represent gross carrying values of financial assets, without deduction for expected credit losses



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country. Ratings are monitored periodically.

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

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. 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.

b) Expected credit losses for financial assets other than loans

i) Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For investments - Considering the investments are in mutual funds, certificate of deposits and Government securities, credit risk is considered low.
- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2024	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Bank Balance in current accounts & in Fixed Deposits	4,885.08	0%	-	4,885.08
Bank balances other than above	3,959.69	0%	-	3,959.69
Security deposits	24.53	0%	-	24.53
Other financial assets	871.82	0%	-	871.82
Investment	313.38	0%	-	313.38
Receivables	337.64	0%	-	337.64

As at March 31, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Bank Balance in current accounts & in Fixed Deposits	3,199.71	0%	-	3,199.71
Bank balances other than above	3,161.44	0%	-	3,161.44
Security deposits	29.13	0%	-	29.13
Other financial assets	660.95	0%	-	660.95
Investment	100.39	0%	-	100.39
Receivables	298.33	0%	-	298.33

ii) The company has off books portfolio of loans which is being managed on behalf of principle partners. The company has provide fixed deposits to the principle partners against first loss default guarantee. The said fixed deposits are lien marked to the concerned principle partners. The company records first loss default guarantee liability based on contract terms with each principle partners as on each reporting date. Along with first loss default guarantee liability the company also recognzie loss allowance measured on lifetime expected credit loss as on each reporting date.

iii) Expected credit loss for loans

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

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.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- (i) The borrower is deceased
- (ii) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- (iii) A material decrease in the borrower's turnover or the loss of a major customer
- (iv) The borrower requesting emergency funding from the Company

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.

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.

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 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Gross carrying amount as at March 31, 2022	15,351.49	486.73	899.99
Assets originated or purchased	11,089.59	61.25	166.09
Net transfer between stages			
Transfer to stage 1	115.96	(77.28)	(38.67)
Transfer to stage 2	(398.29)	400.76	(2.48)
Transfer to stage 3	(218.95)	(138.72)	357.67
Assets derecognised or repaid (excluding write offs)	(4,680.71)	(205.33)	(109.31)
Write - offs	-	-	(356.80)
Gross carrying amount as at March 31, 2023	21,259.10	527.41	916.50
Assets originated or purchased	18,357.77	104.74	94.38
Net transfer between stages			
Transfer to stage 1	87.21	(36.20)	(51.01)
Transfer to stage 2	(612.97)	617.72	(4.75)
Transfer to stage 3	(542.09)	(241.23)	783.32
Assets derecognised or repaid (excluding write offs)	(7,779.47)	(260.57)	(192.26)
Write - offs	-	-	(266.08)
Gross carrying amount as at March 31, 2024	30,769.54	711.87	1,280.10

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Stage 1 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Loss allowance on March 31, 2022	80.17	112.52	362.75
Increase of provision due to assets originated or purchased during the period	16.28	13.46	74.24
Net transfer between stages			
Transfer to stage 1	31.49	(15.84)	(15.65)
Transfer to stage 2	(5.31)	6.31	(1.00)
Transfer to stage 3	(2.64)	(34.39)	37.03
Impact of ECL on exposures transferred between stages during the year	(62.08)	65.23	151.27
Assets derecognised or collected	(7.59)	(27.80)	(201.75)
Loss allowance on March 31, 2023	50.32	119.48	406.88
Increase of provision due to assets originated or purchased during the period	24.61	18.48	34.34
Net transfer between stages			
Transfer to stage 1	31.13	(8.27)	(22.85)
Transfer to stage 2	(4.78)	6.89	(2.11)
Transfer to stage 3	(4.61)	(57.02)	61.62
Impact of ECL on exposures transferred between stages during the year	(40.29)	69.60	189.45
Assets derecognised or collected	(15.13)	(23.56)	(165.36)
Loss allowance on March 31, 2024	41.25	125.61	501.97



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31' 2024**

(All amounts in ₹ in lakhs, unless stated otherwise)

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities 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 undrawn borrowing facilities at the end of the reporting period:

Particulars	Total facility	Drawn	Undrawn
March 31' 2024			
- Expiring beyond one year	3,000	-	3,000
- Expiring within one year	1,100	600	500
Total	4,100	600	3,500
March 31' 2023			
- Expiring beyond one year	7,000	3,350	3,650
- Expiring within one year	-	-	-
Total	7,000	3,350	3,650



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

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					
Cash and Cash equivalents	5,485.86	-	-	-	5,485.86
Bank balances other than cash and cash equivalents	587.88	-	3,371.81	-	3,959.69
Receivables	337.64	-	-	-	337.64
Investments	-	313.38	-	-	313.38
Loans	13,170.08	10,935.63	7,165.82	1,589.52	32,861.06
Other financial assets	896.35	-	-	-	896.35
Total undiscounted financial assets	20,477.80	11,249.01	10,537.63	1,589.52	43,853.98
Financial liabilities					
Debt securities	-	1,952.13	-	-	1,952.13
Borrowings (other than debt securities but including interest accrued)	11,249.96	10,655.19	1,507.89	359.73	23,772.77
Payables	127.06	-	-	-	127.06
Other financial liabilities	243.12	-	-	-	243.12
Total undiscounted financial liabilities	11,620.14	12,607.32	1,507.89	359.73	26,095.08
Net undiscounted financial assets/(liabilities)	8,857.66	(1,358.31)	9,029.75	1,229.80	17,758.90

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Cash and Cash equivalents	3,878.47	-	-	-	3,878.47
Bank balances other than cash and cash equivalents	50.03	3,111.41	-	-	3,161.44
Receivables	298.33	-	-	-	298.33
Investment	-	-	100.39	-	100.39
Loans	7,690.24	7,677.00	4,996.57	2,339.21	22,703.02
Other financial assets	690.08	-	-	-	690.08
Total undiscounted financial assets	12,607.15	10,788.41	5,096.96	2,339.21	30,831.73
Financial liabilities					
Debt securities	553.09	-	-	-	553.09
Borrowings (other than debt securities but including interest accrued)	6,033.69	4,651.26	2,337.80	3,378.73	16,401.48
Payables	290.03	-	-	-	290.03
Other financial liabilities	271.49	-	-	-	271.49
Total undiscounted financial liabilities	7,148.30	4,651.26	2,337.80	3,378.73	17,516.09
Net undiscounted financial assets/(liabilities)	5,458.86	6,137.16	2,759.16	(1,039.52)	13,315.65

C) Market risk
a) Interest rate risk
i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed 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		
Borrowings other than debt securities	10,007.77	10,470.21
Fixed rate liabilities		
Debt Securities	1,952.13	553.09
Borrowings other than debt securities	13,546.48	5,862.44
Total	25,506.38	16,885.74

Sensitivity

Sensitivity, of profit or loss in borrowing having fixed interest rates, is not applicable.

ii) Assets

The Company's fixed deposits are carried at amortised 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.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 42: Capital Management

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 and to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

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 subordination 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. 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	March 31' 2024	March 31' 2023
Borrowings (other than debt securities)	23,772.77	16,501.87
Debt Securities	1,952.13	553.09
Less: Cash and Cash Equivalents	(5,485.86)	(3,928.50)
Net debt*	20,239.04	13,126.46
Equity Share Capital	15,755.79	14,051.49
Other Equity	2,523.26	(283.97)
Total equity	18,279.05	13,767.51
Net debt to equity ratio /Gearing ratio	1.11	0.95

* Net debt includes debt securities + borrowing other than debt securities + sub-ordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash & cash equivalents(non lien marked).

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SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 43: 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.

	March 31' 2024			March 31' 2023		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	5,485.86	-	5,485.86	3,878.47	-	3,878.47
Bank balances other than cash and cash equivalents	587.88	3,371.81	3,959.69	50.03	3,111.41	3,161.44
Receivables	337.64	-	337.64	298.33	-	298.33
Investment	-	313.38	313.38	-	100.39	100.39
Loans	12,501.24	19,690.98	32,192.22	7,113.56	15,012.78	22,126.34
Other financial assets	896.35	-	896.35	690.08	-	690.08
	19,808.97	23,376.17	43,185.14	12,030.47	18,224.58	30,255.05
Non Financial assets						
Current tax assets (net)	-	923.73	923.73	-	996.78	996.78
Deferred tax assets (net)	-	1,090.99	1,090.99	-	1,123.55	1,123.55
Property, plant and equipment	57.50	274.48	331.98	68.55	230.57	299.12
Other intangible assets	2.36	-	2.36	-	4.70	4.70
Capital WIP	9.21	-	9.21	-	-	-
Other non financial assets	575.09	-	575.09	340.04	-	340.04
	644.16	2,289.20	2,933.36	408.59	2,355.60	2,764.19
TOTAL ASSETS	20,453.13	25,665.37	46,118.50	12,439.06	20,580.18	33,019.24
LIABILITIES						
Financial Liabilities						
Payables						
Trade Payables						
total outstanding dues of MSMEs	13.78	-	13.78	10.42	-	10.42
total outstanding dues of creditors other than MSMEs	113.28	-	113.28	279.61	-	279.61
Debt securities	-	1,952.13	1,952.13	553.09	-	553.09
Borrowings (other than debt securities)	11,468.48	12,304.29	23,772.77	6,134.08	10,367.79	16,501.87
Other financial liabilities	243.12	-	243.12	271.49	-	271.49
	11,838.66	14,256.42	26,095.08	7,248.69	10,367.79	17,616.48
Non Financial Liabilities						
Provisions	29.66	1,606.56	1,636.22	6.55	1,521.02	1,527.57
Other non financial liabilities	108.15	-	108.15	107.67	-	107.67
	137.81	1,606.56	1,744.37	114.22	1,521.02	1,635.24
TOTAL Liabilities	11,976.47	15,862.98	27,839.45	7,362.91	11,888.81	19,251.72
Net	8,476.66	9,802.39	18,279.05	5,076.15	8,691.37	13,767.52



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 44: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at-least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The said section is applicable on the company, however, considering average profit for last 3 years, amount required to be spent under CSR is nil.

a. Gross amount required to be spent by the company during the year is Nil and previous year is Nil .

b. Amount spent during the year on:

Particulars	For the period ended March 31, 2024			For the period ended March 31, 2023		
	Paid	Yet to be paid	Total	Paid	Yet to be paid	Total
1. Construction/acquisition of an asset	-	-	-	-	-	-
2. On purpose other than (1) above	-	-	-	-	-	-

Note 45: Segment Reporting

The Company operates in a single reportable segment i.e. financing activity, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments" and 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 is operating in India which is considered as a single geographical segment.

Note 45B: Principal Business Criteria (PBC)

As on March 31, 2023, the Company which is registered Non-Banking Financial Company (NBFC) with Reserve Bank of India (RBI), post-merger of Taraashna Financial Services Limited (TFSL) with the Company, does not fulfil the principal business criteria laid down by RBI. As per the said criteria, Company should have at least 50% of total asset as financial asset and should derive more than 50% of total income from the non-banking financial activities asset. The Company meets the first criteria of asset however it does not meet the second criteria of income. Considering merger of TFSL with the Company, RBI has allowed time till Mar'2024 to fulfil the said criteria as per letter issued by RBI dated July 22, 2022". As on March 31, 2024, the company is meeting the principal business criteria in relation to financial assets and financial income.

Note 46: Additional disclosures as required by the Reserve Bank of India
(i) Capital to Risk Assets Ratio (CRAR)

Particulars	As at	As at
	March 31' 2024	March 31' 2023
CRAR (%)	48.00	47.38
CRAR - Tier I Capital (%)	48.00	47.38
CRAR - Tier II Capital (%)	-	-
Liquidity Coverage Ratio	1012%	1079%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

(ii)

Particulars	As at	As at
	March 31' 2024	March 31' 2023
Value of Investments		
Gross Value of Investments		
(a) In India	313.38	100.39
(b) Outside India,	-	-
Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
Net Value of Investments		
(a) In India	313.38	100.39
(b) Outside India,	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

(iii) Derivatives:-

The Company has no transactions/exposure in derivatives in the current period and previous period.

(iv) Details of assignment transactions undertaken:-

The Company has no transactions/exposure in assignment transactions in the current period and previous period.

(v) Details of financial asset sold to Securitisation / Reconstruction Company for asset reconstruction:-

The Company has not sold financial assets to Securitisation / Reconstruction Companies for asset reconstruction in the current period and previous period.

(vi) Details of non-performing financial assets purchased / sold:-

The Company has not purchased/sold non-performing financial asset in the current period and previous period.

(vii) Exposure to real estate sector:-

The Company has no exposure to real estate sector during the current period and previous period.

(viii) Exposure to capital market:-

The Company has no exposure to capital market during the current period and previous period.



(ix) Disclosure relating to securitization:-

The Company has entered into agreement for the securitization of loans with assignees, wherein it has securitized a part of its loans portfolio amounting to INR 4,259.71 lakhs during the year ended March 31, 2024 (March 31, 2023: INR 803.15 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.

Particulars	For the period ended March 31, 2024	For the period ended March 31, 2023
1. No of SPEs holding assets for securitization transactions originated by the originator	4	1
2. Total amount of securitized assets as per books of the SPEs	5,062.86	803.15
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	519.72	140.55
a) Off Balance sheet exposures	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
* First loss	519.72	140.55
* Others	-	-
4 Amount of exposures to securitization transactions other than MRR	260.98	-
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	260.98	-
* Others	-	-
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	4,488.50	702.76
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	-	-
(c) Outstanding amount	780.70	140.55
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	-	-

(x) Information on instances of fraud:-

Nature of fraud (cash embezzlement by employee)	For the year ended March 31, 2024	For the year ended March 31, 2023*
Number of Cases	1	7
Amount of Fraud	1.76	139.14
Recovery	-	35.60
Amount written off	1.76	103.55

* Amount reported above for the previous year is pursuant to merger of Taraashna Financials Services Limited with Satin Finserv limited. These amount are related to previous financial years.

Nature of fraud (Borrower)	For the year ended March 31, 2024	For the year ended March 31, 2023*
Number of Cases	-	1
Amount of Fraud	-	175.12
Recovery	-	-
Amount written off	-	175.12

(xi) Details of single borrower limit exceeded by applicable NBFC:-

The Company does not have single borrower exceeding the limits during the current period and previous period.

(xii) Details of financing of parent Company product:-

The Company does not have such transaction during the current period and previous period.

(xiii) Registration obtained from other financial sector regulators:-

The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance).

(xiv) Disclosure of Penalties imposed by RBI & other regulators:-

No penalties imposed by RBI and other regulators during the current period and previous period.

(xv) Concentration of Advances, Exposures and NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Concentration of Advances		
Total advances to twenty largest borrowers	3,984.37	6,381.72
(%) of advances to twenty largest borrowers to total advances	12.38%	28.84%
Concentration of Exposures		
Total exposure to twenty largest borrowers	3,984.37	6,381.72
(%) of exposure to twenty largest borrowers to total exposure	12.38%	28.84%
Concentration of NPAs		
Total exposure to top four NPA accounts	32.70	34.53
(%) of exposure to top four NPA accounts	0.10%	0.16%



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

(xvi) Movement of NPAs:-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Net NPAs to net advance (%)	2.73%	2.30%
ii) Movement of NPAs (Gross)		
a) Opening balance	1,044.62	899.99
b) Addition during the year	1,011.09	610.74
c) Reduction/ write off during the year	(458.34)	(466.11)
d) Closing balance	1,597.38	1,044.62
iii) Movement of NPAs (Net)		
a) Opening balance	605.65	537.24
b) Addition during the year	713.35	332.77
c) Reduction/ write off during the year	(268.02)	(264.36)
d) Closing balance	1,050.99	605.65
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	438.97	362.75
b) Addition during the year	297.74	277.97
c) Reduction/ write off during the year	(190.32)	(201.75)
d) Closing balance	546.40	438.97

(xvii) Unsecured advances - refer note 7 of Balance Sheet Notes
(xviii) Provisions & contingencies (shown under Expenses head in statement of profit & loss)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for standard and non performing assets	92.15	21.25
Provision for gratuity	(37.55)	28.83
Provision for compensation absences	(20.43)	(10.07)
Other Provisions	166.63	26.14

(xix) Un-hedged foreign currency

The Company does not have any foreign currency transaction during the current and previous period.

(xx) Intra-group exposures:-

Particulars	For the year ended March 31, 2024 (Customer)	For the year ended March 31, 2023 (Customer)	For the year ended March 31, 2024 (Borrower)	For the year ended March 31, 2023 (Borrower)
a) Total amount of intra-group exposures	0.00	39.88	0.00	4,000.00
b) Total amount of top 20 intra-group exposures	0.00	39.88	0.00	4,000.00
c) Percentage of intra-group exposures to total exposure of the Company on borrowers/customers	0.00%	0.18%	0.00%	23.45%

Disclosure of stress assets as required under notification issued by RBI dated August 06, 2020, RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 read with notification issued by RBI dated May 05, 2021, RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 (INR in Lakhs)

(xxi)

Type of borrower	(A) - Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half-year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan -Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	232.03	-	-	232.03	-
Of which, MSMEs	-	-	-	-	-
Others - MSME	808.62	45.52	-	327.63	435.46
Total	1,040.65	45.52	-	559.66	435.46

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024
(All amounts in ₹ in lakhs, unless stated otherwise)

(xxii) Asset Liabilities Management Maturity pattern of certain items of assets and liabilities:-
As at March 31, 2024

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt Securities	-	-	-	-	-	-	-	1,952.13	-	-	1,952.13
Borrowings from Banks	0.47	-	129.84	130.46	156.16	471.29	777.25	1,564.81	0.20	-	3,230.47
Market Borrowings (other than Banks)	72.10	30.51	1,080.78	704.94	830.18	2,364.76	4,501.22	10,598.27	141.01	-	20,323.78
Assets											
Advances	718.03	43.96	1,287.92	853.98	863.27	3,801.33	5,601.60	18,101.46	1,286.53	302.99	32,861.06
Cash and cash equivalents	3,440.86	1,835.00	-	-	210.00	-	-	-	-	-	5,485.86
Bank balances other than cash and cash equivalents	490.00	-	-	5.00	-	11.00	81.88	3,371.81	-	-	3,959.69



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024
(All amounts in ₹ in lakhs, unless stated otherwise)

As at March 31, 2023

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt	-	-	-	-	553.09	-	-	-	-	-	553.09
Securities	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Banks	-	-	100.04	99.25	99.98	301.21	612.47	1,725.50	4.08	-	2,942.54
Market Borrowings (other than Banks)	57.48	41.19	351.38	395.47	400.46	1,288.26	2,217.94	5,187.53	3,350.00	-	13,289.72
Assets											
Advances	368.32	55.43	676.76	466.80	490.75	1,796.28	3,835.90	12,673.57	1,919.86	419.35	22,703.02
Cash and cash equivalents	978.76	100.00	2,796.94	-	2.77	-	-	-	-	-	3,878.47
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	50.03	3,111.41	0.00	-	3,161.44



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31' 2024

(All amounts in ₹ in lakhs, unless stated otherwise)

(xxiii) Disclosure of details as required under notification issued by RBI dated March 13, 2020, RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20

Asset Classification as per RBI Norms	Asset classification 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
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	30,767.91	41.19	30,726.72	170.27	(129.08)
	Stage 2	495.76	81.25	414.52	1.98	79.26
Subtotal		31,263.67	122.44	31,141.24	172.26	(49.82)
Non-Performing Assets (NPA)						
Substandard	Stage 1	1.62	0.06	1.57	0.16	(0.11)
	Stage 2	216.11	44.36	171.74	21.61	22.75
	Stage 3	1,082.89	421.93	660.96	108.29	313.64
Doubtful - up to 1 year	Stage 3	296.76	80.04	216.72	59.35	20.69
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		296.76	80.04	216.72	59.35	20.69
Loss						
	Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal for NPA		1,597.38	546.40	1,050.99	189.41	356.98
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	Nil	Nil	Nil	Nil	Nil
	Stage 2	Nil	Nil	Nil	Nil	Nil
	Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal		Nil	Nil	Nil	Nil	Nil
Total	Stage 1	30,769.54	41.25	30,728.29	170.44	(129.18)
	Stage 2	711.87	125.61	586.26	23.59	102.02
	Stage 3	1,379.65	501.97	877.68	167.64	334.33
	Total	32,861.06	668.84	32,192.22	361.67	307.16



(xxiv) Breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidence/s of default:-

There is no breach in terms of covenants in respect of loans availed or debt securities issued by the Company including incidence/s of default

(xxv) Divergence in asset classification and provisioning above a certain threshold to be decided by the Reserve Bank:-

There is no divergence in asset classification and provisioning to be reported as per RBI guidelines.

(xxvi) Sectoral Exposure:-

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
Agriculture and allied activities	6,768.04	556.53	8.22%	2,807.57	350.42	12.48%
MSME	3,775.56	473.59	12.54%	3,329.75	354.20	10.64%
Services	17,830.22	496.97	2.79%	10,964.13	335.54	3.06%
Corporate borrowers	4,197.08	-	0.00%	5,434.30	0.00	0.00%
Others	290.16	70.29	24.23%	167.28	4.46	2.67%
Total	32,861.06	1,597.38	4.86%	22,703.02	1,044.62	4.60%

(xxvii) 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	-	-
b) Number of complaint received during the year	32	5
c) Number of complaints disposed during the year	32	5
d) Of which, number of complaints rejected by the company	-	-
d) Number of complaint pending at the end of the year	-	-

Top five grounds of complaints received by the Company from customer

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
1	2	3	4	5	6
For the year ended March 31, 2024					
Complaint/enquiries w.r.t terms of loan agreement	-	32	540%	-	-
For the year ended March 31, 2023					
Complaint/enquiries w.r.t terms of loan agreement	-	5	-38%	-	-

(xxviii) Rating assigned by credit rating agencies and migration of ratings during the year-

During the year, the Company's various instruments were rated, the details of these ratings are as under:-

S. No.	Particulars	Amount	Credit rating agency	Current rating	Previous rating
1	Long-term fund-based bank facilities	80.00	ICRA Limited	ICRA A- (Stable)	NA
2	Long-term fund-based bank facilities	50.00	Acuite Ratings Ltd	ACUTE A- (Stable)	ACUTE BBB+ (Stable)
3	Long-term fund-based bank facilities*	50.00	CARE Ratings Limited	NA	CARE BBB+ (Stable)
4	Long-term fund-based bank facilities*	50.00	CARE Ratings Limited	CARE BBB+ (Stable)	CARE BBB- (Stable)
5	Non Convertible Debentures*	5.00	CARE Ratings Limited	NA	CARE BBB+ (Stable)
6	Non Convertible Debentures*	5.00	CARE Ratings Limited	CARE BBB+ (Stable)	CARE BBB+ (CE)(Stable)
7	Non Convertible Debentures	60.00	ICRA Limited	ICRA A- (Stable)	NA
8	Securitization	7.03	Acuite Ratings Ltd	ACUTE A- (SO)	Provisional ACUTE A- (SO)
9	Securitization	8.44	CARE Ratings Limited	CARE A- (SO)	NA
10	Securitization (Equity Tranche)	0.48	CARE Ratings Limited	CARE BBB (SO)	NA
11	Securitization	8.36	ICRA Limited	[ICRA]A+(SO)	NA
12	Securitization (Equity Tranche)	0.48	ICRA Limited	[ICRA]BBB+(SO)	NA
13	Securitization	21.06	ICRA Limited	[ICRA]A (SO)	NA



47 The Board of Directors of Taraashna Financial Services Limited ("TFSL/merged entity") 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 has been filed before Hon'ble NCLT, Chandigarh Bench after obtaining requisite NOCs from shareholders/creditors of both companies and government authorities. The said first motion application is reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022. The both companies has filed joint second motion application with Hon'ble NCLT on May 25, 2022 which is admitted by Hon'ble NCLT in its hearing dated July 08, 2022 and issued necessary directions of serving notices and newspapers advertisements. Accordingly, the both companies has served the notices to government authorities and completed publication in requisite newspapers as per order. The Hon'ble NCLT in its hearing dated January 31, 2023 has approved the Scheme of Arrangement for Amalgamation of TFSL and SFL. After requisite filing with concerned ROC, the said Scheme got effective from March 01, 2023. The Appointed Date of Scheme is April 01, 2021.

48 There is no cases of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

49 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment - March 31' 2024						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	322.88	2.17	11.13	1.47	-	337.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables– considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired							

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment- March 31' 2023						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	285.16	8.74	2.97	1.27	0.19	298.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables– considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired							

49A Unbilled revenue ageing schedule

Particulars	Outstanding for following periods from due date of payment- March 31' 2024						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Unbilled revenue – considered good	-	121.04	-	-	-	-	121.04

Unbilled revenue ageing schedule

Particulars	Outstanding for following periods from due date of payment- March 31' 2023						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Unbilled revenue – considered good	-	370.63	-	-	-	-	370.63

50 Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule III of Companies Act, 2013

- 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.
- The company is not a wilful defaulter as declared by any bank or financial Institution or any other lender.
- There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- 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.
- 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).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- During the year, 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.
- During the year, 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.

51 Previous year Figures have been re-grouped/re-classified wherever necessary to make it comparable with the figure presented for the year ended 31st March 2024.

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N

Jatin Goyal

Partner

M.No. 553420

DELHI

Place: Gurugram

Date: April 22'2024

For and on behalf of the Board of Directors of

Satin Finserv Limited

Bhuvnesh Khanna

DIN: 03323118

WTD & CEO

Place: Gurugram

Arjun Bansal

Chief Financial Officer

Place: Gurugram

Date: April 22'2024

Harvinder Pal Singh

DIN: 00333754

Director

Place: Gurugram

Gurvinder Singh

M No.: A40102

Company Secretary

Place: Gurugram



To,

The Board of Directors,
Satin Finserv Limited,
Plot no. 492, Wing-4B, Udyog Vihar, Phase-III,
Gurugram, Haryana - 122016

Sub: Master Direction – Non Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016

We, Rajeev Bhatia & Associates, have audited the financial statements of Satin Finserv Limited (the “Company”) for the period ended March 31, 2024 and have issued our report dated April 22, 2024.

Based on the audited financial statements of the Company referred to above and information / explanations and representations received from the management, we confirm the following particulars:

(A) In the case of all Non-Banking Financial Companies

1. The company has obtained a Certificate of Registration (CoR) from the Reserve Bank of India under section 45-IA of Reserve Bank of India Act 1934.

2. Due to the amalgamation of Taraashna Financial Services Limited (amalgamating entity) with the company, as on March 31, 2023, the company was not fulfilling Principal Business Criteria (PBC) laid down by the RBI. As per the criteria, atleast 50% of total assets of the company should be financial assets and atleast 50% of the gross income should be from financial activities. The company met the first criteria, but did not meet the second criteria as on March 31, 2023. However, the RBI vide letter dated July 22, 2022 granted the company, time till March 31, 2024 for fulfilling the said criteria as disclosed in note no. 43B to the financial statements and we reported in our Audit Report dated April 22, 2023.

On the basis of our examination and further information and explanation provided to us, the Company, as on March 31, 2024, is meeting both the criterion for PBC.

3. The company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and amendment thereon from time to time.

(B) In the case of a non-banking financial companies accepting/holding public deposits

Being a Non-Deposit taking Non-banking financial company, para (B) of Chapter II of Master Direction - Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016 is not applicable to the Company.

(C) In the case of a non-banking financial company not accepting public deposits

We further confirm that:

1. The Board of Directors has passed a resolution for non- acceptance of any public deposits dated April 22, 2023.



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Chartered Accountants

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2. As per our verification of books of accounts and further explanation and information produced before us, we confirm that the Company has not accepted any public deposits during the financial year ended March 31, 2024.

3. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

4. The Capital adequacy ratio as disclosed in the return submitted to the RBI in form DNBS-03, has been correctly arrived at and is in compliance with the minimum CRAR prescribed. The company has furnished the return within the stipulated period.

5. On the basis of our verification and further explanation and information as produced before us, we confirm that the Company has been registered with Reserve Bank of India under section 45-IA under the category – Loan Company. Accordingly, classification as NBFC Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is not applicable to the Company for the financial year ended March 31, 2024.

(D) In the case of a company engaged in the business of non-banking financial institution not required to hold CoR subject to certain conditions

Para (D) of Chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 is not applicable to the Company.

This certificate is addressed to and provided to Board of Directors of the Company, in terms of Chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, solely for the purpose of enabling it to comply with the requirement of the Master Directions which inter alia requires it to submit the certificate by the Statutory Auditors to Board of Directors and should not be used, referred to or distributed for any other purposes without our prior written consent. Accordingly, we do not accept or assume any liability if it is to be used for other than its intended purpose without our prior written consent.

Place of Signature: Delhi

Dated: April 22, 2024

For Rajeev Bhatia & Associates
Chartered Accountants

Firm's Registration No.: 021776N



Jatin Goel
Partner

M. No. 553420

UDIN - 24553420 BKABCC 7403

Independent Auditors' Report

To the Members of Satin Finserv Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satin Finserv Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note no. 45 to the financial statements which explains that, during the year, Taraashna Financial Services Limited (amalgamating entity) was amalgamated with the Company vide Hon'able NCLT Order dated January 31, 2023. The scheme got effective from March 01, 2023. The Appointed Date of Scheme is April 01, 2021. By the effect of Appointed Date (i.e. April 01, 2021), the financial numbers of the Company for the financial year ended March 31, 2022 are also restated due to amalgamation of the merged entity with the Company.

We further draw attention to Note no 43B to the financial statements which explains that due to the amalgamation of the amalgamating entity with the company, which is registered as a Non-Banking Financial Company (NBFC), as on March 31, 2023, the company is not fulfilling Principal Business Criteria laid down by the RBI. As per the criteria, at least 50% of total **assets of the company** should be financial assets and at least 50% of the gross income should be from



financial activities. The company meets the first criteria, but does not meet the second criteria as on March 31, 2023. However, the RBI vide letter dated July 22, 2022 has granted to the company time till March 31, 2024 for fulfilling the said criterion.

Our opinion is not modified in respect of this matter.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud



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is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:



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(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 financial statements dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;

(f) we have also audited the internal financial controls over financial reporting of the Company as on March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated April 22, 2023 as per Annexure B expressed unmodified opinion; and

(g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

(i) the Company did not have any pending litigations which impacted its financial position as at March 31, 2023;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;

(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) 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



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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

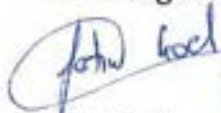
(v) As per the information and records provided to us by the company, no dividend has been declared or paid during the year.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N



Jatin Goel

Partner

Membership No.: 553420

UDIN-23523420BGTZMI 5350.



Place: Gurugram

Date: April 22, 2023

Annexure A to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Finserv Limited** on the financial statements for the year ended March 31, 2023)

(i) Fixed Assets

- 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 on the basis of available information.

The Company has maintained proper records showing full particulars of intangible assets.

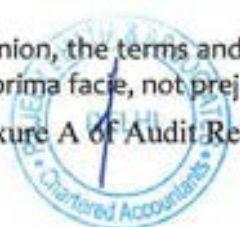
- b) The Property, Plant and Equipment and right-of-use assets of the Company was physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property in its name during the period under audit. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- d) The Company has not revalued any of its Property, Plant & Equipment and intangible assets during the year. Thus, paragraph 3(i) (d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Thus, paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) Inventories & Working Capital Limit

- a) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- b) As per the information and explanation provided to us, the company does not have a working capital limit sanctioned from any bank or financial institution on the basis of security of current assets during the year and as on March 31, 2023. Hence, the reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Loans granted by company

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(a) of the order is not applicable to the company.
- b) In our opinion, the terms and conditions of the grant of loans in nature of loans and advances, during the year are, prima facie, not prejudicial to the Company's interest.



- 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.

- d) In respect of loans granted by the company, the details of total amount overdue above 90 days are as follows:

No. of cases	Principal Amount Overdue (in Rs.)	Interest Overdue (in Rs.)	Total Overdue (in Rs.)	Remarks
382	1,39,92,789	1,18,67,045	2,58,59,834	NIL

* no. of cases includes restructured cases in compliance of guidelines notification issued by RBI from time to time.

The company is taking reasonable steps for the recovery of principal and interest overdue amount.

- e) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(e) of the order is not applicable to the company.
- 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, reporting under clause 3(iii)(f) is not applicable.

(iv) Compliance of Section 185 and 186 of The Act

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, as applicable.

(v) Acceptance of Deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Thus, paragraph 3(v) of the Order is not applicable to the Company.

(vi) Maintenance of Cost records

To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the services of the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



(vii) Payment of Applicable Taxes

- a) According to the information and explanations provided to us and the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income-tax, goods and services tax, provident fund, employees' state insurance, professional taxes and other material statutory dues as applicable with the appropriate authorities in India.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, provident fund, employees' state insurance, professional taxes and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the records of the company examined by us, during the period under audit, there are no dues of income tax or any other applicable statutory dues which have not been deposited on account of any dispute.

viii) Undisclosed income

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) Dues to a Financial Institution or bank or debenture holder

- a) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) Initial Public Offer



- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud by the Company or on the Company

- a) According to the information and explanations given to us, We report that some instances of misappropriation of cash collected from customers and other forms of embezzlement of cash by the employees involving amounts aggregating Rs. 76.14 Lakhs. The Company has terminated the services of such employees and also initiated legal action against such employees. The Company has recovered Rs. 8.56 Lakhs from some employees.
- b) No report under sub-section (12) of section 143 of the Companies 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 up to the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year. hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) Nidhi Company

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) Related Party Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) Internal Audit

- a) 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, in determining the nature, timing and extent of our audit procedures.



(xv) Non – Cash Transactions

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 respect to acquiring any asset for consideration other than cash with directors or persons connected with them or vice versa. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) Registration with RBI

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). As stated in “Emphasis of Matter” paragraph of our main Audit Report dated April 22, 2023, due to the amalgamation of Taraashna Financial Services Limited (amalgamating entity) with the company, which is registered as a Non-Banking Financial Company (NBFC), as on March 31, 2023, the company is not fulfilling Principal Business Criteria laid down by the RBI. As per the criteria, atleast 50% of total assets of the company should be financial assets and atleast 50% of the gross income should be from financial activities. The company meets the first criteria, but does not meets the second criteria as on March 31, 2023. However, the RBI vide letter dated July 22, 2022 has granted to the company, time till March 31, 2024 for fulfilling the said criteria as disclosed in note no. 43B to the financial statements.
- b) The Company has conducted Non-Banking Financial activities during the year having a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934.
- c) The Company is not a Core Investment Company 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, 2 companies in the group are in the process of registration as Core Investment Company under the Reserve Bank of India Act and an application regarding the same has been submitted with the RBI on March 28, 2023.

xvii) Cash Losses

The Company has not incurred any cash losses during the current financial year. However, cash losses were incurred during the immediately preceding financial year amounting to Rs. 20.51 Crores.

xviii) Resignation of Statutory Auditor

There has been no resignation of Statutory Auditors of the Company during the year. Hence the reporting under clause 3(xviii) of the Order is not applicable to the company.

xix) Material Uncertainty about the Company's Capability to discharge its liabilities

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's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that



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Chartered Accountants

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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) Corporate Social Responsibility

- a) The provisions of the section 135 of the Companies Act, 2013 are not applicable to the company during the current financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi) Qualification or Adverse Remarks by the respective auditors

Since the company is not required to prepare Consolidated Financial Statements, the reporting under this clause is not applicable to the company.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner
Membership No.: 553420



UDIN - 23553420BGTZMI5350.

Place: Gurugram
Date: April 22, 2023

Annexure B to the Independent Auditors' Report of even date to the members of Satin Finserv Limited on the financial statements for the year ended March 31, 2023

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Satin Finserv Limited ('the Company') as at and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.



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Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include those policies and procedures that

- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2023, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner

Membership No.: 553420

UDIN - 23553420BGTZMI5350

Place: Gurugram

Date: April 22, 2023

To,

**The Board of Directors,
Satin Finserv Limited,
Plot no. 492, Wing-4B, Udyog Vihar, Phase-III,
Gurugram, Haryana - 122016**

Sub:- Master Direction – Non Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016

We, Rajeev Bhatia & Associates, have audited the financial statements of Satin Finserv Limited (the “Company”) for the period ended March 31, 2023 and have issued our report dated April 22, 2023.

Based on the audited financial statements of the Company referred to above and information / explanations and representations received from the management, we confirm the following particulars:-

(A) In the case of all Non-Banking Financial Companies

1. The company has obtained a Certificate of Registration (CoR) from the Reserve Bank of India under section 45-IA of Reserve Bank of India Act 1934.
2. During the year, Taraashna Financial Services Limited (amalgamating entity) was amalgamated with the Company vide Hon’able NCLT Order dated January 31, 2023. The scheme got effective from March 01, 2023. The Appointed Date of Scheme is April 01, 2021. Due to the amalgamation of Taraashna Financial Services Limited (amalgamating entity) with the company, as on March 31, 2023, the company is not fulfilling Principal Business Criteria laid down by the RBI. As per the criteria, atleast 50% of total assets of the company should be financial assets and atleast 50% of the gross income should be from financial activities. The company meets the first criteria, but does not meet the second criteria as on March 31, 2023. However, the RBI vide letter dated July 22, 2022 has granted the company, time till March 31, 2024 for fulfilling the said criteria as disclosed in note no. 43B to the financial statements and reported in our Audit report dated April 22, 2023. Accordingly, the company is entitled to continue to hold such CoR as on 31 March 2023.
3. The company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and amendment thereon from time to time.

(B) In the case of a non-banking financial companies accepting/holding public deposits

Being a Non-deposit taking Non-banking financial company, para (B) of Chapter II of Master Direction - Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016 is not applicable to the Company.

(C) In the case of a non-banking financial company not accepting public deposits

We further confirm that:

1. The Board of Directors has passed a resolution for non- acceptance of any public deposits dated April 27, 2022.



Rajeev Bhatia & Associates

Chartered Accountants

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2. As per our verification of books of accounts and further explanation and information produced before us, we confirm that the Company has not accepted any public deposits during the financial year ended March 31, 2023.

3. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

4. The Capital adequacy ratio as disclosed in the return submitted to the RBI in form DNBS-03, has been correctly arrived at and is in compliance with the minimum CRAR prescribed. The company has furnished the return within the stipulated period.

5. On the basis of our verification and further explanation and information as produced before us, we confirm that the Company has been registered with Reserve Bank of India under section 45-IA under the category – Loan Company. Accordingly, classification as NBFC Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 is not applicable to the Company for the financial year ended March 31, 2023.

(D) In the case of a company engaged in the business of non-banking financial institution not required to hold CoR subject to certain conditions

Para (D) of Chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 is not applicable to the Company.

This certificate is addressed to and provided to Board of Directors of the Company, in terms of Chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, solely for the purpose of enabling it to comply with the requirement of the Master Directions which inter alia requires it to submit the certificate by the Statutory Auditors to Board of Directors and should not be used, referred to or distributed for any other purposes without our prior written consent. Accordingly, we do not accept or assume any liability if it is to be used for other than its intended purpose without our prior written consent.

Place of Signature: Gurugram

Dated: April 22, 2023

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N


Jatin Goel
Partner

M. No. 553420

UDIN - 23553420BGTZM36217

SATIN FINSERV LIMITED**Balance Sheet as at March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial assets			
Cash and cash equivalents	4	3,878.47	2,537.76
Bank balances other than cash and cash equivalents	5	3,161.44	4,276.24
Trade receivables	6	298.33	36.69
Loans	7	22,126.34	16,182.79
Other financial assets	8	690.08	902.93
		30,154.66	23,936.41
Non Financial assets			
Current tax assets (net)	9	996.78	821.87
Deferred tax assets (net)	10	1,123.55	1,218.65
Property, Plant and Equipment	11	299.12	351.24
Intangible assets	12	4.70	5.88
Other non financial assets	13	340.04	273.96
		2,764.19	2,671.60
TOTAL		32,918.85	26,608.01
LIABILITIES AND EQUITY			
Financial Liabilities			
Payables			
Trade payables	14		
total outstanding dues of MSMEs		10.42	10.42
total outstanding dues of creditors other than MSMEs		279.61	235.67
Debt securities	15	553.09	550.38
Borrowings (other than debt securities)	16	16,401.48	10,822.07
Other financial liabilities	17	271.49	228.62
		17,516.09	11,847.16
Non Financial Liabilities			
Provisions	18	1,527.57	1,482.67
Other non-financial liabilities	19	107.67	108.76
		1,635.24	1,591.43
EQUITY			
Equity share capital	20	14,051.49	10,250.00
Other equity	21	(283.97)	2,919.42
		13,767.52	13,169.42
TOTAL EQUITY AND LIABILITIES		32,918.85	26,608.01

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates**Chartered Accountants**

Firm's Registration No.: 021776N



Jatin Goel

Partner

M.No. 553420

Place: Gurugram
Date: April, 22 2023**For and on behalf of the Board of Directors of****Satin Finserv Limited**


Sumit Mukherjee

DIN: 08369056

WTD & CEO

Place : Gurugram



Arjun Bansal

Chief Financial Officer

Place : Gurugram

Date: April, 22 2023



Harvinder Pal Singh

DIN: 00333754

Director

Place : Gurugram



Preeti Jolly

Mem No. 43608

Company Secretary

Place : Gurugram



SATIN FINSERV LIMITED
Statement of Profit and Loss for the period ended March 31, 2023

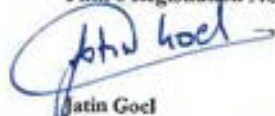
(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	Notes	For the period ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Interest income	22	4,165.78	2,902.24
Fees and commission income	23	6,382.43	6,484.87
Net gain on fair value changes	24	0.19	-
Total revenue from operations		10,548.41	9,387.11
Other income	25	102.28	323.55
Total income		10,650.69	9,710.66
Expenses:			
Finance costs	26	1,849.57	1,250.68
Impairment on financial instruments	27	378.05	414.94
Employee benefits expense	28	5,334.77	5,686.62
Depreciation and amortization expense	29	174.89	204.99
Other expenses	30	2,092.01	4,850.99
Total expenses		9,829.29	12,408.22
Profit / (loss) before exceptional items and tax		821.40	(2,697.56)
Exceptional items		-	-
Profit / (loss) before tax		821.40	(2,697.56)
Prior period items			
Tax expense			
Current tax		116.85	-
Mat credit utilization/ (entitlement) (net)		(116.85)	-
Deferred tax expense/(credit)		215.09	(687.88)
Earlier years tax		0.01	-
Total tax expense		215.10	(687.88)
Net profit/(loss) for the period		606.30	(2,009.68)
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(11.36)	8.65
Income tax relating to these items		3.16	(2.41)
Other comprehensive income/(loss) for the period		(8.20)	6.24
Total comprehensive income / (loss) for the period		598.10	(2,003.44)
Earnings per share (basic and diluted) (in Rs.)	31		
Basic (Rs.)		0.43	(1.43)
Diluted (Rs.)		0.43	(1.43)

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For **Rajeev Bhatia & Associates.**
Chartered Accountants
Firm's Registration No.: 021776N

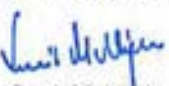


Satin Goel
Partner
M.No. 553420



Place: Gurugram
Date: April, 22 2023

For and on behalf of the Board of Directors of
Satin Finserv Limited



Sumit Mukherjee
DIN: 08369056
WTD & CEO
Place : Gurugram

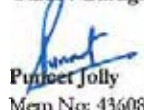


Arjun Bansal

Chief Financial Officer
Place : Gurugram
Date: April, 22 2023



Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram



Punit Jolly
Mem No: 43608

Company Secretary
Place: Gurugram



SATIN FISERVY LIMITED
Cash flow statement for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	821.40	(2,714.66)
Adjustments for:		
Provision for expected credit losses	21.25	317.34
Provision for employee benefits	(3.96)	(57.10)
Depreciation and amortisation expense	82.42	96.67
Depreciation of ROU assets	92.47	108.33
Loss/(gain) on disposal of tangible assets	-	(2.75)
Interest paid on borrowings	1,725.62	1,151.80
Operating Profit/(loss) Before Working Capital Changes	2,739.20	(1,100.37)
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	(261.64)	430.23
Other bank balances	1,114.80	580.36
Financial Assets	(5,964.80)	(3,639.30)
Other financial assets	212.86	(162.75)
Other non financial assets	(66.08)	(38.96)
Adjustments for (increase)/decrease in operating liabilities:		
Trade payables	43.94	(440.84)
Other financial liabilities	42.87	(62.39)
Other non financial liabilities	(1.09)	6.04
Provisions	37.50	406.36
Movement in operating assets and liabilities	(4,841.64)	(2,921.25)
Cash generated from operations	(2,102.44)	(4,021.62)
Less: Income tax refund / (paid) (net)	(291.75)	(16.90)
Net cash flow/(used) in operating activities (A)	(2,394.19)	(4,038.52)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(162.70)	(243.56)
Sale of property, plant and equipment	41.10	14.32
Net cash used in investing activities (B)	(121.60)	(229.24)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(5,834.55)	(2,981.33)
Proceeds from borrowings	11,465.50	8,555.29
Interest paid on borrowings	(1,725.62)	(1,151.80)
Payment of lease liabilities	(48.83)	(89.39)
Net cash flow from financing activities (C)	3,856.50	4,332.77
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	1,340.71	65.01
Cash and cash equivalents at the beginning of the year	2,537.76	2,472.75
Cash and cash equivalents at the end of the year	3,878.47	2,537.76
Reconciliation of cash and cash equivalents as per the cash flow statement	1,340.71	65.01

 The accompanying notes are an integral part of the financial statements.
 As per our review report of even date attached

 For Rajeev Bhatia & Associates
 Chartered Accountants

Firm's Registration No.: 828776N


 Place: Gurugram
 Date: April, 22 2023

 For and on behalf of the Board of Directors of
 Satin Finserv Limited

 Sumit Mukherjee
 DIN: 08369056
 WTD & CEO
 Place: Gurugram

 Anjan Bhatnagar

 Chief Financial Officer
 Place: Gurugram
 Date: April, 22 2023

 Harvinder Pal Singh
 DIN: 00333754
 Director
 Place: Gurugram

 Preet Jolly
 Mem. No: 43608
 Company Secretary
 Place: Gurugram


SATIN FINSERV LIMITED
Statement of changes in equity for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

A Equity share capital
Current reporting period

Particulars	Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 1, 2022	Change in equity share capital during the year	Balance as at March 31, 2023
Equity Share Capital	10,250.00		10,250.00	3,801.49	14,051.49

Previous reporting period

Particulars	Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Balance as at April 1, 2021	Change in equity share capital during the year	Balance as at March 31, 2022
Equity Share Capital	10,250.00		10,250.00	-	10,250.00

B Other equity

Particulars	Reserves and surplus						Total
	Statutory reserves	Securities premium	Share capital pending allotment*	Capital redemption reserve	Amalgamation reserve*	Retained earnings	
Balance as at April 1, 2021	108.88	-	3,801.49	-	725.23	287.26	4,922.86
Profit/(Loss) for the year	-	-	-	-	-	(2,009.68)	(2,009.68)
Other comprehensive income (net of tax)	-	-	-	-	-	6.24	6.24
Issue of equity shares	-	-	-	-	-	-	-
Transfer to statutory reserves	36.63	-	-	-	-	(36.63)	-
Balance as at April 01, 2022	145.51	-	3,801.49	-	725.23	(1,752.81)	2,919.42
Profit/(Loss) for the year	-	-	-	-	-	606.30	606.30
Other comprehensive income (net of tax)	-	-	-	-	-	(8.20)	(8.20)
Issue of equity shares	-	-	(3,801.49)	-	-	-	(3,801.49)
Transfer to statutory reserves	164.28	-	-	-	-	(164.28)	-
Balance as at March 31, 2023	309.79	-	-	-	725.23	(1,318.99)	(283.97)

* Refer note 21

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates.

Chartered Accountants

Firm's Registration No.: 621776N



Place: Gurugram

Date: April, 22 2023

For and on behalf of the Board of Directors of

Satin Finserv Limited

Sumit Mukherjee

DIN: 08369056

WTD & CEO

Place: Gurugram

Chief Financial Officer

Place: Gurugram

Date: April, 22 2023

Harvinder Pal Singh

DIN: 08333754

Director

Place: Gurugram

Pooja Jolly

Mem No: 43608

Company Secretary

Place: Gurugram



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

1. Company Overview / Corporate Information

Satin Finserv Limited ('the Company') is a public limited company and incorporated on August 10, 2018, 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 ('NBFC') with the Reserve Bank of India ("RBI") in January 09, 2019. The main objective of the Company to carry on the business of Non-Banking Financial Company and to undertake business relating to financing. The Company is also engaged in the business of "Business Correspondent" activity with various Banks and NBFCs. As per Reserve Bank of India ('RBI'), scope of activity of Business Correspondent services includes Identification of Borrowers, collection and preliminary processing of loan applications including verification of primary information, processing and submission of applications to banks, promoting, nurturing and monitoring of Self Help Groups/Joint Liability Groups, post-sanction monitoring, follow-up for recovery, disbursement of small value credit and recovery of principal/collection of interest. The Company is domiciled in India and its registered office & corporate office is situated at 4th Floor, B-Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana - 122016.

2. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These Ind AS 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 and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2023 are the financial statements, which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ("RBI").

The financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on April 22, 2023.

(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 historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred and the cost of item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

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 a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Office equipment	5 years
Computer and accessories – end user devices	3 years
Computer and accessories – network equipment	6 years
Furniture and fixtures	10 years
Vehicles	8 years
Plant and machinery	6 - 15 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 recognised is derecognised 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 derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and advances paid to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

b) 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 (amortisation)

Intangible assets are amortised over a period of 3 years from the date when the assets are available for use. The estimated useful life (amortisation 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 amortisation period is revised to reflect the changed pattern, if any.

c) Revenue recognition

Interest, administration and other charges (for loans)

Interest, administration and other charges received are recorded on accrual basis using the effective interest rate (EIR) method along with the consideration of transaction cost directly attributable to the creation of financial instrument being Loan Asset. Additional interest/overdue interest/penal charges are recognised only when it is reasonable certain that the ultimate collection will be made.

Commission income

Income from business correspondent services is recognised as and when the services are rendered as per agreed terms and conditions of the contract.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Other Charges related to Operation

The Company collect other charges i.e. login fee, documentation charges, overdue interest, Cheque bounce charges, prepayment charges, conversion charges, document retrieval charges, Foreclosure charges etc from all the borrowers based on event, and recognise this income on collection basis.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset, are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

e) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ("MAT") credit entitlement is recognised 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 recognised 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.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

f) 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



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

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. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. 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 final 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 recognised 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 avail after one year from the Balance Sheet date is estimated in 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.

g) Share based payments

Share based compensation benefits are provided to employees via Satin Creditcare Network Limited ('Parent Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Parent Company's equity shares.

h) Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a prorata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

i) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.
- If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

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 (as per "Definition of default and credit-impaired" above), 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. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

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.

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



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

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 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.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

k) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for building for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the exclusive options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

The Company as a lessor

The company does not have any leases as a lessor.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the prospective method and has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and corresponding right of use asset at the same value. Due to the prospective method applied, the comparatives as at and for the year ended March 31, 2019 will continue to be reported under the accounting policies included as part of our financial statements for year ended March 31, 2019.

Leases in which the lessor does not transfer substantially all the risks and rewards of ownership of an asset to the lessee are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

l) 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.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

m) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised 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.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Non-derivative financial assets

Subsequent measurement

- i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, 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 derecognise the financial asset and recognise 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 amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 recognised in the Statement of Profit and Loss.

Offsetting of financial instruments



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

o) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly by the executive management ("chief operating decision maker") in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer (CEO) of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

p) Share issue expenses

All the expenses pertaining to issue of equity share capital are adjusted against the Securities Premium Account to the extent any balance is available for utilisation in securities premium account.

q) Guarantee contracts

First loss default guarantee contracts are contracts that require the Company to make specified payments to reimburse the bank and financial institution for a loss, it incurs because a specified customer fails to make payments when due, in accordance with the terms of a loan contracts or due to negligence or deficiency of service or non-observance, by the Company, of stipulations and conditions contained in the agreement with respective business partners. Such guarantees are given to banks and financial institutions, for whom the Company acts as 'Business Correspondent'.

On each reporting date, liabilities against these guarantee contracts are measured and recognised in books as per the terms of agreements and any subsequent mutual consent with respective business partners.

Further, the maximum liability against these guarantee contracts are restricted to the cash outflow agreed in the agreements with respective business partners.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

r) 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.

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 amortised 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
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis 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

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.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable 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.



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SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 4: Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks in current accounts	2,046.94	737.83
Cash in hand	678.76	630.20
Deposits with original maturity of less than 3 months	1,152.77	1,179.73
Total of cash and cash equivalents	3,878.47	2,537.76

Note: There are no repatriation restrictions with respect to cash and cash equivalents as at the end of the reporting year and comparative years.

Note 5: Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Term deposits for remaining maturity of 3 months or less	-	200.76
Term deposits with remaining maturity more than 3 months but less than 12 months	50.03	-
Term deposits having remaining maturity of more than 1 year	-	-
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees/against first loss/second loss default guarantees	3,111.41	4,075.48
Total	3,161.44	4,276.24

Note 6: Trade receivables (at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Receivables considered good - unsecured	298.33	36.69
Less: Provision for impairment on trade receivables	-	-
	298.33	36.69
(II) Other Receivables		
Other Receivables	-	-
Less: Provision for Impairment on other receivables	-	-
	-	-
Total	298.33	36.69

Based on past history of receivables, Management considered Nil allowances towards credit losses

Note 7: Loan portfolio (at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Portfolio loans		
Secured	17,295.42	10,693.06
Unsecured	5,407.60	6,045.16
Less: Impairment loss allowance	(576.68)	(555.43)
	22,126.34	16,182.79
Total	22,126.34	16,182.79
(i) Secured by bank debts, margin money and property plant and equipments	17,295.42	10,693.06
(ii) Covered by bank/government guarantees	-	-
(iii) Unsecured	5,407.60	6,045.16
Total - Gross	22,703.02	16,738.22
Less: Impairment loss allowance	(576.68)	(555.43)
Total - Net	22,126.34	16,182.79
Loans in India		
(i) Public Sector	-	-
(ii) Others	22,703.02	16,738.22
Total - Gross	22,703.02	16,738.22
Less: Impairment loss allowance	(576.68)	(555.43)
Total - Net	22,126.34	16,182.79

The above amount includes the interest accrued and exclude unamortised loan processing fees, as follows:

Particulars		
Interest accrued	341.56	202.85
Unamortised loan processing fee	241.68	147.31

There are no loans or advances receivable on demand or without specifying any terms or period of repayment of the related parties.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 8: Other financial assets (at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits (unsecured, considered good)	29.13	138.36
Staff advance and other recoverable	45.77	42.93
Other recoverable	244.35	
Unbilled revenue	370.63	721.64
	690.08	902.93

Note 9: Current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income-tax and TDS receivable	996.78	821.87
	996.78	821.87

Note 10: Deferred tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax assets:		
(a) Provision for Employee benefits	33.46	41.15
(b) Depreciation and amortisation	29.56	29.03
(c) Carried Forward Losses	305.71	524.10
(d) Impact of IndAs 116	2.87	4.98
(f) Allowance for expected credit loss	535.29	522.11
(g) Minimum alternate tax credit entitlement	222.45	105.60
(h) Measurement of financial assets and financial liabilities at amortised cost	0.12	0.34
(i) Preliminary expenses	-	0.25
	1,129.46	1,227.56
Tax effect of items constituting deferred tax liabilities:		
(j) Provision for 36(1)(viii)	5.91	8.91
	5.91	8.91
Deferred tax assets/(liabilities) (net)	1,123.55	1,218.65

Notes:
(i) Movement in deferred tax assets/(liabilities) for period ended March 31, 2023

Particulars	As at March 31, 2022	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
(a) Provision for Employee benefits	41.15	3.16	(10.85)	33.46
(b) Depreciation and amortisation	29.03	-	0.53	29.56
(c) Carried Forward Losses	524.10	-	(218.39)	305.71
(d) Impact of IndAs 116	4.98	-	(2.11)	2.87
(e) Provision for first loss default guarantee	522.11	-	13.18	535.29
(f) Minimum alternate tax credit entitlement	105.60	-	116.85	222.45
(g) Measurement of financial assets and financial liabilities at amortised cost	0.34	-	(0.22)	0.12
(h) Others	-	-	-	-
(i) Preliminary expenses	0.25	-	(0.25)	-
	1,227.56	3.16	(101.26)	1,129.46
Tax effect of items constituting deferred tax liabilities:				
(j) Employee benefits	-	-	-	-
(j) Provision for 36(1)(viii)	8.91	-	(3.00)	5.91
	8.91	-	(3.00)	5.91
Net deferred tax asset	1,218.65	3.16	(98.26)	1,123.55

(ii) Movement in deferred tax assets/(liabilities) for year ended March 31, 2022:

Particulars	As at March 31, 2021	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at March 31, 2022
Tax effect of items constituting deferred tax assets:				
(a) Provision for Employee benefits	39.19	(2.41)	4.37	41.15
(b) Depreciation and amortisation	37.38	-	(8.35)	29.03
(c) Carried Forward Losses	26.08	-	498.02	524.10
(d) Impact of IndAs 116	2.26	-	2.72	4.98
(e) Allowance for expected credit loss	314.46	-	207.65	522.11
(f) Minimum alternate tax credit entitlement	105.60	-	-	105.60
(g) Measurement of financial assets and financial liabilities at amortised cost	22.07	-	(21.95)	0.34



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(i) Preliminary expenses	0.45	-	(0.20)	0.25
	547.49	(2.41)	682.48	1,227.56
Tax effect of items constituting deferred tax liabilities:				
(i) Employee benefits				-
(ii) Provision for 36(1)(viii)	9.66	-	(0.75)	8.91
	537.83	(2.41)	681.73	1,218.65
Net deferred tax asset				



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

11 Property, plant and equipment

Gross Block	Computer equipment	Office Equipment	Furniture & Fixtures	Vehicle	Right of use asset²	Total
Balance as at March 31, 2021	19.65	3.24	5.77	-	86.49	115.15
Acquired through business combination	322.14	69.34	116.16	-	248.74	756.38
Additions	91.23	9.68	5.47	14.30	122.88	243.56
Adjustments during the year	1.75	8.43	29.74	-	10.75	50.67
Balance as at March 31, 2022	431.27	73.83	97.66	14.30	447.36	1,064.42
Additions	29.75	10.54	29.99	13.22	79.20	162.70
Disposals	(88.58)	(4.82)	(6.10)	-	(68.53)	(168.03)
Balance as at March 31, 2023	372.48	79.50	121.55	27.52	458.03	1,059.08
Accumulated depreciation						
Balance as at March 31, 2021	10.37	0.82	2.19	-	17.40	30.78
Acquired through business combination	261.12	53.52	76.50	-	126.82	517.96
Depreciation charge for the year	69.67	10.24	12.16	3.13	108.33	203.53
Adjustment on account of disposals	(1.05)	(7.71)	(25.00)	-	(5.34)	(39.10)
Balance as at March 31, 2022	340.11	56.87	65.85	3.13	247.21	713.18
Depreciation charge for the period	56.75	8.08	9.64	6.78	92.47	173.72
Adjustment on account of disposals	(82.33)	(3.99)	(4.75)	-	(35.86)	(126.93)
Balance as at March 31, 2023	314.53	60.96	70.74	9.91	303.82	759.97
Net block						
Balance as at March 31, 2022	91.16	16.96	31.81	-	200.15	351.24
Balance as at March 31, 2023	57.95	18.54	50.81	17.61	154.21	299.12

Intangible assets

Gross Block	Software*	Total
Balance as at March 31, 2021	9.86	9.86
Acquired through business combination	20.46	20.46
Additions	-	-
Adjustments during the year	-	-
Balance as at March 31, 2022	30.32	30.32
Additions	-	-
Disposals	-	-
Balance as at March 31, 2023	30.32	30.32
Accumulated depreciation		
Balance as at March 31, 2021	2.51	2.51
Acquired through business combination	20.46	20.46
Depreciation charge	1.47	1.47
Disposals	-	-
Balance as at March 31, 2022	24.44	24.44
Depreciation charge	1.18	1.18
Disposals	-	-
Balance as at March 31, 2023	25.62	25.62
Net block		
Balance as at March 31, 2022	5.88	5.88
Balance as at March 31, 2023	4.70	4.70

* Operating system for computers.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 13: Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Advances recoverable in cash or in kind or for value to be received	42.66	19.83
Balance with government authorities		22.06
Prepaid expenses	297.38	232.07
	340.04	273.96

Note 14: Trade payable

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables		
(i) total outstanding dues of MSMEs	10.42	10.42
(ii) total outstanding dues of creditors other than MSMEs	279.61	235.67
	290.03	246.09
Other Payables		
(i) total outstanding dues of MSMEs	-	-
(ii) total outstanding dues of creditors other than MSMEs	-	-
	-	-
Total	290.03	246.09

Trade Payables ageing schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 Years	More than 3 years
(i) MSME	10.42	-	-	-
(ii) Others	271.67	5.47	1.94	0.54
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
(v) Unbilled dues	-	-	-	-
Total	282.09	5.47	1.94	0.54

Trade Payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 Years	More than 3 years
(i) MSME	10.42	-	-	-
(ii) Others	205.59	20.92	8.79	0.36
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-
(v) Unbilled dues	-	-	-	-
Total	216.01	20.92	8.79	0.36

#: There are no cases where no due date of payment is specified.

##: There are no cases of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 15: Debt securities (at amortised cost)

Note 15: Debt securities (at amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-convertible debentures	553.09	550.38
	553.09	550.38
Debt securities in India	553.09	550.38
Debt securities outside India	-	-
	553.09	550.38
Unamortised Processing Fees	0.50	2.36
Accrued interest	53.59	52.74
	553.09	550.38

Particulars	Terms of Repayment	As at March 31, 2023	As at March 31, 2022
Non-convertible debentures (secured)			
5th (March 31, 2022: 50), @15.75% (Previous year : 15.50%), rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 1,00,00,000 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	553.09	550.38



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 16: Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans from bank (At amortised Cost)		
Secured#	2,942.11	1,929.27
Unsecured		0.17
Term loans from financial institutions (At amortised Cost)		
Secured##	9,940.15	5,104.93
Unsecured		19.65
Loan from related parties (unsecured)	3,350.00	3,550.00
Lease liability	169.22	218.05
	16,401.48	10,822.07
Borrowings in India	16,401.48	10,822.07
Borrowings outside India		-
	16,401.48	10,822.07
# Secured by way of Hypothecation of book debt to the extent of 125% of the value of the loan outstanding and Secured by way of Hypothecation of Vehicles. ## Secured by way of Hypothecation of book debt to the extent of 100% to 110% of the value of the loan outstanding ### There are no instances where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. #### Quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account.		
Unsecured term credit facility from bank includes credit card outstanding issued by RBL bank. Loan from related parties includes loan from holding company which is a revolving credit facility against total sanctioned limit of Rs. 4,000 lakh. The same is unsecured, repayable on demand. The rate of interest is 13.75%		
Unamortised Processing Fees	125.31	85.25
Accrued Interest	50.08	22.30

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Borrowings & Debt securities	Liability against leased assets	Total
March 31, 2021	5,685.03	202.87	5,887.89
Adoption of Ind AS 116	-	122.88	122.88
Cash flows:			
- Repayment	(3,126.65)	(127.45)	(3,254.10)
- Proceeds from overdraft facility		-	-
- Proceeds other than overdraft facility	8,664.80		8,664.80
- Others	(1.54)		(1.54)
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares			-
- Foreign exchange			-
- Amortisation of upfront fees and others	(67.22)	-	(67.22)
- Others	-	19.75	19.75
March 31, 2022	11,154.41	218.05	11,372.47
Adoption of Ind AS 116	-	79.20	79.20
Cash flows:			
- Repayment	(5,834.55)	(108.91)	(5,943.46)
- Proceeds from overdraft facility	0.20		0.20
- Proceeds other than overdraft facility	11,465.30	-	11,465.30
- Others	28.63		28.63
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares	-		-
- Foreign exchange			-
- Amortisation of upfront fees and others	(38.20)		(38.20)
- Others	9.56	(19.12)	(9.56)
March 31, 2023	16,785.35	169.22	16,954.56



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 16A: Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2023

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2		Due between 2 to 3		Due beyond 3 Years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Monthly	Below 9.00%	24	7.42	18	5.19	12	2.68	15	3.66	18.95
	9% to 12%	36	875.00	24	687.50	10	402.97	-	-	1,965.47
	12.01% to 15%	237	3,785.00	183	2,619.80	86	979.42	-	-	7,384.29
	Above 15%	59	1,137.91	58	1,253.04	40	947.83	-	-	3,338.78
Quarterly	12.01% to 15%	4	166.67	2	83.33	-	-	-	-	250.00
Bullet	12.01% to 15%	-	-	-	-	-	-	2	3,350.00	3,350.00
	Above 15%	1	500.00	-	-	-	-	-	-	500.00
Total		361	6,472.00	285	4,648.86	148	2,332.97	17	3,353.66	16,807.49

Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2022

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2		Due between 2 to 3		Due beyond 3 Years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Monthly	Below 9.00%	12	4.74	12	5.11	6	2.70	-	-	12.55
	9% to 12%	11	458.33	12	500.00	12	500.00	11	458.33	1,916.66
	12.01% to 15%	142	2,299.49	109	1,625.25	58	614.26	13	232.09	4,771.09
Quarterly	12.01% to 15%	4	166.67	4	166.67	2	83.33	0	-	416.67
Bullet	12.01% to 15%	-	-	0	-	0	-	2	3,550.00	3,550.00
	Above 15%	-	-	1	500.00	-	-	-	-	500.00
Total		169	2,929.23	138	2,797.03	78	1,200.29	26	4,240.42	11,166.97



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 17: Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Other payable	14.89	10.48
Expenses payable	256.60	151.77
Insurance Payable	-	3.90
Security deposit received from customers	-	62.47
Total	271.49	228.62

Note 18: Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences	120.25	130.32
Provision for gratuity	59.87	31.04
Provision for first loss default guarantee	1,347.45	1,321.31
Total	1,527.57	1,482.67

* Company has made provision on account of compensated absences based on Expert Opinion and Actuarial Valuation considering Basic Salary of employees.

Note 19: Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred income	-	1.58
Statutory dues payable	107.67	107.18
Total	107.67	108.76



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

20 Equity share capital
Authorised equity share capital

140,514,900 (31 March 2022: 140,514,900) Equity shares of ₹10 each

Issued and subscribed

140,514,859 (31 March 2022: 140,514,859) Equity shares of ₹10 each

Paid up equity share capital

140,514,859 (31 March 2022: 102,500,000) Equity shares of ₹10 each

As at March 31, 2023	As at March 31, 2022
14,051.49	14,051.49
14,051.49	14,051.49
14,051.49	14,051.49
14,051.49	14,051.49
14,051.49	10,250.00
14,051.49	10,250.00

i) Rights, preferences and restrictions attached to equity shares:

The company has only one class of equity shares having par face value of ₹ 10 per share. Each equity shareholder is eligible for one vote per 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. Dividends are subject to corporate dividend tax. In the event of liquidation of the Company, the holders of equity share 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.

The Authorised Share Capital, Issued and subscribed Share Capital is increased due to effect of Merger of Tanashaa Financial Services Limited with Satin Finserv Limited as approved by NCLT Chandigarh Bench by order dated January 31, 2023 which has appointed date & effective date are April 01, 2021 & March 01, 2023 respectively. The paid-up share capital of the Company has been increased during the year as required under the scheme of arrangement approved by the NCLT Chandigarh Bench by order dated January 31, 2023 which has appointed date & effective date are April 01, 2021 & March 01, 2023 respectively.

ii) Reconciliation of equity shares outstanding at reporting year end date
Equity share capital of ₹ 10 each fully paid up

Balance at the beginning of the year

Add: Issued during the year

Balance at the end of the year

No. of shares	₹	No. of shares	₹
March 31, 2023		March 31, 2022	
10,25,00,000	10,250.00	10,25,00,000	10,250.00
3,80,14,859	3,801.49	-	-
14,05,14,859	14,051.49	10,25,00,000	10,250.00

iii) Equity shares held by holding/promoter company as at balance sheet date:

	March 31, 2023			March 31, 2022		
	No. of shares	% holding	% change during the year	No. of shares	% holding	% change during the year
Equity share capital of Rs. 10 each fully paid up						
Satin Creditcare Network Limited	14,05,14,859	100.00%	0.00%	10,25,00,000	100.00%	0.00%
	14,05,14,859	100.00%	0.00%	10,25,00,000	100.00%	0.00%

iv) Shareholders holding more than 5% of shares of the Company as at balance sheet date:

	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Equity share capital of Rs. 10 each fully paid up				
Satin Creditcare Network Limited	14,05,14,859	100.00%	10,25,00,000	100.00%
	14,05,14,859	100.00%	10,25,00,000	100.00%

v) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date except pursuant to scheme of amalgamation as mentioned above.



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

21 Other equity

	As at March 31, 2023	As at March 31, 2022
Retained earnings	(1,318.99)	(1,752.82)
Statutory reserves @	309.79	145.51
Amalgamation reserve#	725.23	725.23
Share capital pending allotment#	-	3,801.49
Total Other Equity	(283.97)	2,919.42

@ Statutory reserves

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.

The Hon'ble NCLT in its hearing dated January 31, 2023 has approved the Scheme of Arrangement for Amalgamation of TFSL and SFL. After requisite filing with concerned ROC, the said Scheme got effective from March 01, 2023. The Appointed Date of Scheme is April 01, 2021. By the effect of Appointed Date (i.e. April 01, 2021), the financial numbers of Satin Finserv Limited for the financial year ended March 31, 2022 are also restated due to amalgamation of Taraashna Financial Services Limited (transferor) with Satin Finserv Limited (transferee)"

The Transferee Company has issued its shares to the shareholders of Transferor Company in consideration for amalgamation of Transferor Company with Transferee Company shares in proportion of 237 (Two Hundred Thirty Seven) Equity Shares of Face Value of Rs. 10 (Rupees Ten) only each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs. 10/- (Rupees Ten) only each held by them in "Transferor Company" pursuant to this Scheme of Amalgamation.

Particulars	Amount (Rs. In lac)
Net assets received	4,526.71
Equity share capital (as per approved scheme)	3,801.49
Amalgamation Reserve	725.23



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 22: Interest Income (measured at amortised cost)

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Interest income on portfolio loans	3,874.10	2,565.28
Interest income on deposits, certificate of deposits and commercial papers	291.68	336.96
Net gain/(loss) on liquid funds	-	-
Other Interest Income		
Interest Income on Security Deposits	-	-
Interest Income on refund of Security Deposits	-	-
	4,165.78	2,902.24

Note 23: Fees and commission income

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Income from business correspondents operations	6,160.56	6,393.86
Documentation charges	130.44	49.96
Login Fee Income	91.43	41.05
	6,382.43	6,484.87

Note 24: Net gain on fair value changes

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Net gain/ (loss) on financial instruments at fair value through profit or loss		
- Mutual Funds	0.19	-
Total Net gain/(loss) on fair value changes	0.19	-
Fair Value Changes:		
-Realised	0.19	-
Total Net gain/(loss) on fair value changes	0.19	-

Note 25: Other Income

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Miscellaneous income	77.64	297.46
Reversal of shares based payments (ESOP)	-	5.76
Interest income on security deposits	0.72	1.50
Net gain on derecognition of property, plant and equipment	7.00	2.75
Foreclosure charges received	16.92	16.08
	102.28	323.55



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 26: Finance cost (on financial liabilities measured at amortised cost)

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings		
Interest on borrowings other than debt securities	1,449.28	1,040.09
Interest on debt securities	78.45	77.50
Interest on borrowings from bank	222.57	62.92
Other interest expenses	78.99	46.33
Interest expense on lease liability	19.69	23.84
Interest on taxes	0.59	-
	1,849.57	1,250.68

Note 27: Impairment on financial instruments (on financial assets measured at amortised cost)

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Allowance for expected credit loss	21.25	317.34
Portfolio loans written off	356.80	97.60
	378.05	414.94

Note 28: Employee benefit expenses

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	4,851.39	5,137.73
Contribution to provident and other funds	435.62	508.68
Staff welfare expenses	47.76	40.21
	5,334.77	5,686.62

Note 29: Depreciation and amortization expense

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	81.24	95.19
Amortisation on intangible assets	1.18	1.47
Amortisation on right of use assets	92.47	108.33
	174.89	204.99



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 30: Other expenses

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
Bank charges	5.35	1.69
Rent	179.37	185.08
Travelling and conveyance	181.52	140.32
Repair and maintenance	17.28	17.60
Printing and stationery	77.64	80.79
Communication cost	79.60	68.19
Insurance charges	68.12	83.05
Website and email maintenance charges	167.00	147.05
Rates and taxes	110.34	91.16
Electricity charges	37.23	36.17
Freight and cartage	-	-
Auditor's remuneration*	20.93	22.83
Business promotion	5.46	4.63
Commission paid**	48.30	17.88
Legal and professional charges	191.35	151.59
CSR expenditure	-	7.42
Director sitting fees	4.25	4.91
Balance write off	37.86	12.18
Office expenses	130.90	168.72
Write off against first loss default guarantee	671.94	2,929.82
First loss default guarantee expenses	26.14	406.35
Postage & courier	24.94	28.32
Miscellaneous expenses	6.49	17.85
Full & final settlement with BC partner	-	227.39
	2,092.01	4,850.99

Note*: Auditors remuneration includes payments as follows:

(a) Statutory audit	9.00	10.00
(b) Tax audit	3.00	5.00
(c) Certification fee and other services	8.93	7.83
Total	20.93	22.83

** It includes Foreign Currency payment

13.56



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 31: Earning per Share		
Net profit/(Loss) for the year	606.30	(2,009.68)
Weighted average number of equity shares for EPS	14,05,14,859	14,05,14,859
Par value per share (in RS.)	10	10
Basic Earnings per share (in RS.)	0.43	(1.43)
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares used to compute diluted earnings per share	14,95,14,859	14,05,14,859
Diluted Earnings per share (in RS.)	0.43	(1.43)

Note 32: Tax Expense

Current tax (including taxes earlier years)	116.86	
Minimum alternate tax credit entitlement	(116.85)	-
Deferred tax expense/(credit)	215.09	(687.88)
	215.10	(687.88)

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	821.40	(2,697.56)
At country's statutory income tax rate of 27.82% (March 31, 2023: 27.82%)	228.51	(750.46)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
(i) Tax impact of expenses which is non deductible	0.03	1.03
(ii) Tax impact on items exempt under income tax	-	-
(iii) Impact of difference in tax rate on certain items	0.01	-
(iv) Preliminary expenses allowed	0.25	0.25
(v) Others	(13.71)	61.30
	215.10	(687.88)

Note 33: Leases

The Company has taken various office premises under lease arrangements. Generally, the lease term varies from 11 months to 60 months and is renewable under mutually agreed terms between lessee and lessor and there is no exclusive right to the company. The company has considered leases having initial lease term of upto 12 months as short term leases as per para 6 of Ind AS 116 and their expenses have been recognised as Rent under note 30. For all other leases having lease term of more than 12 months a right of use asset is recognised with a corresponding lease liability. The right of use asset is disclosed under Property, Plant and Equipment and lease liability is disclosed under Borrowings. Further disclosures as on March 31, 2023 are as follows:

- The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	Right of use asset Office Premises	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Total number of leases	184	175
Number of leases considered as short term leases	135	114
No. of right-of-use assets leased	49	61
Range of remaining term	Upto 55 months	Upto 34 months
Average remaining lease term	8 months	9 months
No. of leases with extension options	0	8
No. of leases with purchase options	0	0
No. of leases with variable payments linked to an index	0	0
No. of leases with termination options	184	175

- Additional information on the right-of-use assets by class of assets is as follows:

Particulars	Right of use asset Office Premises
Carrying amount as on March 31, 2022	200.15
Addition	79.20
Depreciation	92.47
Deletion	32.67
Carrying amount as on March 31, 2023	154.22

- Lease liabilities are presented in the statement of financial position as follows:

Particulars	March 31, 2023	March 31, 2022
Current	68.56	91.00
Non-current	100.67	127.05
Total	169.22	218.05



4 At 31 March 2023 the Company do not have any committed leases which had not yet commenced.

5 The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	84.52	15.97	68.55
1-2 years	56.62	9.40	47.22
2-3 years	33.18	4.81	28.37
3-4 years	17.66	2.26	15.40
4-5 years	10.27	0.59	9.68
Total	202.26	33.04	169.22

The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	109.13	18.13	91.00
1-2 years	76.07	9.83	66.24
2-3 years	66.16	5.35	60.81
Total	251.36	33.31	218.05

The Company 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 recognised as lease liabilities and are expensed as incurred. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The expense relating to payments not included in the measurement of the lease liability is as follows:

6 **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	March 31, 2023	March 31, 2022
Short term leases	179.37	186.34
Leases of low value assets	-	-
Variable lease payments	-	-
Total	179.37	186.34
Minimum lease obligations:		
- within one year	68.55	91.00
- Later than one year but not later than five years	100.67	127.05
- Later than five years	-	-

7 The Company had total cash outflows for leases of Rs. 287.5 lakh in March 31, 2023 (Rs. 308.79 lakh in March 31, 2022).

8 The following are the amounts recognised in profit or loss:

Particulars	March 31, 2023	March 31, 2022
Depreciation expense of right-of-use assets	92.47	107.02
Interest expense on lease liabilities	19.69	23.84
Expense relating to short-term leases (included in other expenses)	179.37	186.34
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	291.53	317.20

9 The Company has lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 11 months and 5 years 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 and termination options, which are further discussed below.

The Company has several lease contracts that include extension and termination options. 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.

10 The Company does not have any lease contracts that contains variable payments.

11 Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

2023

Particulars	Within five years	More than five years	Total
Extension options expected not to be exercised (Count)	-	-	-
Termination options expected to be exercised (Count)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-



2022

Particulars	Within five years	More than five years	Total
Extension options expected not to be exercised (Amount)	-	-	-
Termination options expected to be exercised (Amount)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-

Note 34: Contingent Liabilities not provided for

No contingent liabilities as on 31st March 2023 (previous year Nil). Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil). Other commitments is Nil as on 31st March 2022 (previous year Nil).

34.1 Estimates

- a) Impairment of financial assets based on expected credit loss model

34.2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets is measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;
The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

Note 35: Asset Under Management

The Company is also in the activity of business correspondent for various banks and NBFCs. The Company provides first and second loss default guarantees in the form of fixed deposits/guarantees for Assets Under Management as per business correspondent agreements signed with various banks and NBFCs.

The institutionwise Assets Under Management in books of company for business correspondence activity as on March 31, 2023 are as follows:

Name of Partner	March 31, 2023		March 31, 2022	
	AUM	FDR balance for FLDG	AUM	FDR balance for FLDG
Yes Bank Ltd.#	16,741.90	-	30,758.22	1,024.43
RBL Bank Ltd.	12.02	108.03	3,111.95	107.54
Reliance Commercial Finance Ltd.	759.03	169.34	761.77	619.57
Indusind Bank Ltd.	-	-	0.51	-
Northern Arc Capital Ltd.	-	-	20.90	-
Federal Bank	2,127.36	96.61	149.85	-
IDFC First Bank Ltd.	10,874.44	1,312.25	22,537.60	1,511.05
Jana Small Finance Bank Ltd.	12,788.76	943.08	12,615.88	698.58
CSB Bank Ltd.*	2,296.95	132.40	2,405.34	112.21
	45,600.46	2,761.72	72,362.02	3,873.37

FDR balance includes accrued interest.

#FDR of YBL is in process of transfer in the name of Satin Finserv Limited.

*In addition to FDR for FLDG company has provided corporate guarantee of Rs. 45.26 lac to CSB.

Note 36: Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	10.42	10.42
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount 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.	-	-



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 37: Related party disclosures

In accordance with the requirements of Indian Accounting Standard 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a. List of related parties and disclosures:

Description of relationship	Name of related parties
Holding company	Satin Creditcare Network Limited

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Pvt. Ltd

Fellow subsidiary companies

Satin Housing Finance Limited

Key managerial personnel and their relatives:

Name of key managerial personnel	Designation	Relatives
Mr. H P Singh	Director	Mr. Satvinder Singh Mrs. Anurag H P Singh
Mr. Sumit Mukherjee	Director & CEO	-
Mr. Partha Mukherjee	Director	-
Mr. Arjun Bansal	Chief Financial Officer	-
Mr. Rahul Garg*	Chief Financial Officer	-
Mr. Puneet Jolly	Company Secretary	-
Ms. Sneha Khanchuja**	Company Secretary	-
Mr. Manoj Jasoria#	Company Secretary	-

b. Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	For the period ended March 31, 2023	For the period ended March 31, 2022
Mr. H P Singh	Personal Guarantee given	2,750.00	2,000.00
	Share based payments	-	-5.76
	Facilitation charges Income	12.00	5.00
	Technology sharing services expense	128.59	128.59
	Payment of rent for office space sharing	45.56	21.52
Satin Creditcare Network Limited	Interest Paid	506.40	392.74
	Inter corporate loan taken	1,850.00	1,950.00
	Loan Repaid	2,050.00	500.00
	Income from business correspondents operations	1,043.60	870.01
Satin Neo Dimensions Pvt. Ltd.	Interest income on loan	11.72	20.16
	Repayment received against loan	52.46	43.94
Mr. Sumit Mukherjee	Remuneration	105.60	96.92
Mr. Partha Mukherjee (till August 31, 2022)	Remuneration	17.50	39.69
Mr. Arjun Bansal	Remuneration	23.49	16.63
Mr. Rahul Garg* (till February 28, 2023)	Remuneration	21.08	18.06
Mr. Puneet Jolly	Remuneration	15.08	13.00
Ms. Sneha Khanchuja** (w.e.f. July 29 2022 till February 28, 2023)	Remuneration	3.18	-
Mr. Manoj Kumar Jasoria# (till January 31, 2022)	Remuneration	-	7.94



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

c. Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Satin Creditcare Network Limited	Fees for corporate guarantee	4.24	6.12
	Unbilled revenue	-	115.04
	Inter corporate loan Payable	3,350.00	3,550.00
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan Receivable	39.33	91.79
	Accrued Interest Receivable	0.55	1.28

Nil.

1. Mr. H. P Singh, director of the company has given personal guarantee for term loan taken from bank. Outstanding as of March 31, 2023 is Rs. 3,965.47 Lakh (Previous Year: 19,16.67 Lakh)

d. Key management personnel remuneration includes the following expenses:	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Short-term employee benefits	185.93	197.50
Post-employment benefits	5.63	1.98
Other long term benefits	11.15	(4.06)
Total remuneration	202.71	195.42

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SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 38: Employee Benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans**Provident fund**

The Company has made ₹ 443.52 lakhs (March 31, 2022 ₹ 508.38 lakhs) contribution in respect of provident fund and other funds.

Defined benefit plans**A 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 liability of Gratuity is recognized on the basis of actuarial valuation. The scheme is funded by the Company and is managed partially by Life Insurance Corporation of India ("LIC") as we are in process of adding employees pursuant to scheme of amalgamation as mentioned in Note- 46

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 recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation	118.01	113.35
Fair value of plan assets	58.14	82.31
Net obligation recognised in balance sheet as provision	(59.87)	(31.04)

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Current service cost	44.75	28.02
Net interest cost /(income)	(4.71)	0.30
Interest cost on defined benefit obligation	-	0.75
Net impact on profit (before tax)	40.04	29.08
Actuarial (gain)/loss recognised during the year	11.36	(8.65)
Amount recognised in the statement of profit and loss and other comprehensive income	51.40	20.43



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation as at the beginning of year	113.36	118.15
Current service cost	44.75	28.02
Interest cost	1.28	7.99
Past service cost including curtailment gains/losses	-	(3.09)
Benefits paid	(52.74)	(57.59)
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(1.95)	(0.85)
Actuarial (gain)/loss on arising from experience adjustment	13.31	20.74
Present value of defined benefit obligation as at the end of the year	118.01	113.36

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	As at March 31, 2023	As at March 31, 2022
Funds managed by insurer	100%	100%
Total	100%	100%

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at beginning of year	82.32	102.53
Actual return on plan assets	2.51	32.38
Employer's contribution	26.14	5.00
Benefits paid	(52.74)	(57.59)
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	58.23	82.32

(vi) Actuarial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discounting rate	7.39%	7.26%
Future salary increase	4.00%	4.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	56.21%	56.21%
From 31 to 44 years	43.75%	43.75%
Above 44 years	50.00%	50.00%
Weighted average duration	1.36	1.36

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.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(vii) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2023	As at March 31, 2022
Impact of the change in discount rate		
Present value of obligation at the end of the year	118.01	113.36
- Impact due to increase of 0.50 %	(7.91)	(0.86)
- Impact due to decrease of 0.50 %	8.79	0.88
Impact of the change in salary increase		
Present value of obligation at the end of the year	118.01	113.36
- Impact due to increase of 0.50 %	9.05	0.90
- Impact due to decrease of 0.50 %	(8.19)	(0.89)

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.

(viii) Maturity profile of defined benefit obligation	As at March 31, 2023	As at March 31, 2022
0 to 1 year	3.03	35.89
1 to 2 year	2.38	24.62
2 to 3 year	2.55	13.81
3 to 4 year	3.34	7.74
4 to 5 year	3.72	4.30
5 to 6 year	3.13	2.37
6 year onwards	99.87	7.05

B Compensated absences (non-funded)
(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation	120.25	130.32
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	120.25	130.32

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Total service cost	54.74	61.69
Net interest cost on defined benefit obligation	1.93	14.30
Net actuarial (gain)/loss recognised during the year	(2.36)	(75.72)
Amount recognised in the statement of profit and loss	54.30	0.27



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SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 39: Financial instruments
A Financial assets and liabilities

The carrying amounts and fair values of financial instruments in the above are as follows:

Particulars	Notes to schedule	As at March 31, 2023	As at March 31, 2022
Financial assets measured at amortised cost			
Cash and cash equivalents	3	3,878.47	2,537.76
Bank balances (other than cash and cash equivalents)	3	3,161.44	4,276.24
Receivables	6	298.33	36.69
Loans	7	22,126.34	16,182.79
Security deposits	8	29.13	138.36
Other financial assets	8	660.95	764.57
Total		30,154.66	23,936.41
Financial liabilities measured at amortised cost			
Payables	14	290.03	246.09
Debt securities	15	553.09	550.38
Borrowings (other than debt securities)	16	16,232.26	10,604.02
Other financial liabilities	17	271.49	228.62
Total		17,346.87	11,629.11

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

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).

Company does not have any assets measured at fair value.

B.1 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	3,878.47	3,878.47	2,537.76	2,537.76
Bank balances other than cash and cash equivalents	3,161.44	3,161.44	4,276.24	4,276.24
Receivables	298.33	298.33	36.69	36.69
Loans	22,126.34	23,299.24	16,182.79	16,868.73
Security deposits	29.13	29.13	138.36	138.36
Other financial assets	660.95	660.95	764.57	764.57
Total	30,154.66	31,327.56	23,936.41	24,622.35
Financial liabilities				
Payables	290.03	290.03	246.09	246.09
Debt securities	553.09	553.09	550.38	550.38
Borrowings (other than debt securities)	16,232.26	16,232.26	10,604.02	10,604.02
Other financial liabilities	271.49	271.49	228.62	228.62
Total	17,346.87	17,346.87	11,629.11	11,629.11

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.
- The fair values of the Company fixed interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 40: 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's risk management framework. The Company's risks are managed by a treasury department under policies approved by the board of directors. The board of directors provides written 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	Management
Credit risk	Financial assets measured at amortised cost.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Borrowings, debt securities and subordinated liabilities at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
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

The Company's risk management is carried out under the policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, loan assets, and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

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 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 on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Asset Category	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans and other financial assets	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 and other financial assets	Life time expected credit loss fully provided for

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Low credit risk on financial reporting date		
Bank Balance in current accounts & in Fixed Deposits	3,199.71	1,917.56
Bank balances other than above	3,161.44	4,276.24
Security deposits	29.13	138.36
Other financial assets	660.95	764.57
Receivables	298.33	36.69
Loans	21,259.10	15,351.49
(ii) Moderate credit risk	527.41	486.73
(iii) High credit risk	916.50	899.99

* These represent gross carrying values of financial assets, without deduction for expected credit losses.



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country. Ratings are monitored periodically.

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

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering collateral/s/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amount. 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 receivable that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

b) Expected credit losses for financial assets other than loans

i) Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For investments - Considering the investments are in mutual funds, certificate of deposits and Government securities, credit risk is considered low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below.

As at March 31, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Bank Balance in current accounts & in Fixed Deposits	3,199.71	0%	-	3,199.71
Bank balances other than above	3,161.44	0%	-	3,161.44
Security deposits	29.13	0%	-	29.13
Other financial assets	660.95	0%	-	660.95
Receivables	298.33	0%	-	298.33

As at March 31, 2022	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Bank Balance in current accounts & in Fixed Deposits	1,917.56	0%	-	1,917.56
Bank balances other than above	4,276.24	0%	-	4,276.24
Security deposits	138.36	0%	-	138.36
Other financial assets	764.57	0%	-	764.57
Receivables	36.69	0%	-	36.69

ii) The company has off books portfolio of loans which is being managed on behalf of principle partners. The company has provide fixed deposits to the principle partners against first loss default guarantee. The said fixed deposits are lien marked to the concerned principle partners. The company records first loss default guarantee liability based on contract terms with each principle partners as on each reporting date. Along with first loss default guarantee liability the company also recognize loss allowance measured on lifetime expected credit loss as on each reporting date.

iii) Expected credit loss for loans

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime LCL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- (i) The borrower is deceased
- (ii) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- (iii) A material decrease in the borrower's turnover or the loss of a major customer
- (iv) The borrower requesting emergency funding from the Company

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.

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.

Considering, the Company has started business from January 2019 and does not have history and there are no loan balances which has become 90 days past due and hence, provisioning norms are been used to make provision for loan assets, with a background of management overlay.

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 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Gross carrying amount as at March 31, 2021	12,418.88	456.51	223.53
Assets originated or purchased	6,650.88	56.09	121.26
Net transfer between stages			
Transfer to stage 1	35.97	(35.97)	
Transfer to stage 2	(530.94)	530.94	
Transfer to stage 3	(315.12)	(290.37)	605.50
Assets derecognised or repaid (excluding write offs)	(4,908.18)	(230.40)	47.30
Write - offs	-	-	(97.60)
Gross carrying amount as at March 31, 2022	15,351.49	486.73	899.99
Assets originated or purchased	11,089.59	61.25	166.09
Net transfer between stages			
Transfer to stage 1	115.96	(77.28)	(38.67)
Transfer to stage 2	(398.29)	400.762	(2.48)
Transfer to stage 3	(218.95)	(138.72)	357.67
Assets derecognised or repaid (excluding write offs)	(4,680.71)	(205.33)	(109.31)
Write - offs	-	-	(356.80)
Gross carrying amount as at March 31, 2023	21,259.10	527.41	916.50

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Stage 1 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Loss allowance on March 31, 2021	19.76	109.42	108.92
Increase of provision due to assets originated or purchased during the period	23.98	13.59	49.08
Net transfer between stages			
Transfer to stage 1	10.51	(10.51)	
Transfer to stage 2	(2.65)	2.65	
Transfer to stage 3	(1.86)	(62.37)	64.23
Impact of ECL on exposures transferred between stages during the year	33.77	93.57	190.97
Assets derecognised or collected	(3.33)	(33.84)	(50.44)
Loss allowance on March 31, 2022	80.17	112.52	362.75
Increase of provision due to assets originated or purchased during the period	16.28	13.46	74.24
Net transfer between stages			
Transfer to stage 1	31.49	(15.84)	(15.65)
Transfer to stage 2	(5.31)	6.31	(1.00)
Transfer to stage 3	(2.64)	(34.39)	37.03
Impact of ECL on exposures transferred between stages during the year	(62.08)	65.23	151.27
Assets derecognised or collected	(7.59)	(27.80)	(201.75)
Loss allowance on March 31, 2023	50.32	119.48	406.88



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

B) Liquidity risk

Liquidity risk is the risk that the Company will experience difficulty in meeting the obligations associated with its financial liabilities 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 undrawn borrowing facilities at the end of the reporting period:

Particulars	Total facility	Drawn	Undrawn
March 31, 2023			
- Expiring beyond one year		-	-
- Expiring within one year	3,000	-	3,000
Total	3,000	-	3,000
March 31, 2022			
- Expiring beyond one year	3,000	-	3,000
- Expiring within one year	-	-	-
Total	3,000	-	3,000



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Cash and Cash equivalents	3,878.47	-	-	-	3,878.47
Bank balances other than cash and cash equivalents	654.81	2,405.17	101.46	-	3,161.44
Receivables	298.33	-	-	-	298.33
Loans	7,690.24	1,611.00	4,256.57	2,330.21	15,888.02
Other financial assets	690.08	-	-	-	690.08
Total undiscounted financial assets	13,211.93	10,082.17	5,098.03	2,339.21	30,731.34
Financial liabilities					
Debt securities	553.09	-	-	-	553.09
Borrowings (other than debt securities but including interest accrued)	6,033.69	4,651.26	2,337.80	3,378.73	16,401.48
Payables	290.03	-	-	-	290.03
Other financial liabilities	271.49	-	-	-	271.49
Total undiscounted financial liabilities	7,148.30	4,651.26	2,337.80	3,378.73	17,516.09
Net undiscounted financial assets/(liabilities)	6,063.64	5,430.92	2,760.23	(1,039.52)	13,215.26

As at March 31, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Cash and Cash equivalents	2,537.76	-	-	-	2,537.76
Bank balances other than cash and cash equivalents	1,769.61	2,405.17	101.46	-	4,276.24
Receivables	36.69	-	-	-	36.69
Loans	4,308.78	4,735.69	5,044.96	2,648.79	16,738.22
Other financial assets	856.62	21.37	24.94	-	902.93
Total undiscounted financial assets	9,509.46	7,162.23	5,171.36	2,648.79	24,491.84
Financial liabilities					
Debt securities	52.74	497.64	-	-	550.38
Borrowings (other than debt securities but including interest accrued)	2,580.86	2,397.67	1,206.89	4,236.65	10,822.07
Payables	246.09	-	-	-	246.09
Other financial liabilities	228.62	-	-	-	228.62
Total undiscounted financial liabilities	3,508.31	2,895.31	1,206.89	4,236.65	11,847.16
Net undiscounted financial assets/(liabilities)	6,001.15	4,266.92	3,964.47	(1,587.85)	12,644.68

C) Market risk
a) Interest rate risk
i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate liabilities		
Borrowings other than debt securities	10,470.21	4,055.44
Fixed rate liabilities		
Debt Securities	553.09	550.38
Borrowings other than debt securities	5,762.05	6,548.58
Total	16,785.35	11,154.40

Sensitivity

Sensitivity of profit or loss in borrowing having fixed interest rates, is not applicable.

ii) Assets

The Company's fixed deposits are carried at amortised 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.

Note 41: Capital Management

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 and to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

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 subordination 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. 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	March 31, 2023	March 31, 2022
Borrowings (other than debt securities)	16,401.48	10,822.07
Other financial liabilities - Interest accrued	553.09	550.38
Less: Cash and Cash Equivalents	(3,928.50)	(2,738.52)



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Net debt*	13,026.07	8,633.93
Equity Share Capital	14,051.49	10,250.00
Other Equity	(283.97)	2,919.42
Total equity	13,767.51	13,169.42
Net debt to equity ratio / Gearing ratio	0.95	0.66

* Net debt includes debt securities + borrowing other than debt securities + sub-ordinated liabilities interest accrued - cash and cash equivalents - bank balances other than cash & cash equivalents.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 42: 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.

	March 31, 2023			March 31, 2022		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	3,878.47		3,878.47	2,537.76		2,537.76
Bank balances other than cash and cash equivalents	50.03	3,111.41	3,161.44	200.76	4,075.48	4,276.24
Receivables	298.33	-	298.33	36.69	-	36.69
Loans	7,113.56	15,012.78	22,126.34	3,753.35	12,429.44	16,182.79
Other financial assets	690.08	-	690.08	856.62	46.31	902.93
	12,030.47	18,124.19	30,154.66	7,385.18	16,551.23	23,936.41
Non Financial assets						
Current tax assets (net)		996.78	996.78	-	821.87	821.87
Deferred tax assets (net)	-	1,123.55	1,123.55	-	1,218.65	1,218.65
Property, plant and equipment	68.55	230.57	299.12	118.71	232.53	351.24
Other intangible assets	-	4.70	4.70	-	5.88	5.88
Other non financial assets	340.04	-	340.04	273.96	-	273.96
	408.59	2,355.60	2,764.19	392.67	2,278.93	2,671.60
TOTAL ASSETS	12,439.06	20,479.79	32,918.85	7,777.85	18,830.16	26,608.01
LIABILITIES						
Financial Liabilities						
Payables						
Trade Payables						
total outstanding dues of MSMEs	10.42		10.42	10.42	-	10.42
total outstanding dues of creditors other than MSMEs	279.61		279.61	235.67	-	235.67
Debt securities	553.09		553.09	550.38	-	550.38
Borrowings (other than debt securities)	6,033.69	10,367.79	16,401.48	2,980.86	7,841.21	10,822.07
Other financial liabilities	271.49	-	271.49	228.62	-	228.62
	7,148.30	10,367.79	17,516.09	4,005.95	7,841.21	11,847.16
Non Financial Liabilities						
Provisions	6.55	1,521.02	1,527.57	79.36	1,403.31	1,482.67
Other non financial liabilities	107.67	-	107.67	108.76	-	108.76
	114.22	1,521.02	1,635.24	188.12	1,403.31	1,591.43
TOTAL Liabilities	7,262.52	11,888.81	19,151.33	4,194.08	9,244.51	13,438.59
Net	5,176.54	8,590.98	13,767.52	3,583.77	9,585.65	13,169.42



SATIN FINSERV LIMITED**Notes to the financial statements for the period ended March 31, 2023**

(All amounts in ₹ in lakhs, unless stated otherwise)

Note 43: Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were primarily allocated to a corpus and utilised through the year on these activities, which are specified in Schedule VII of the Companies Act 2013.

Company has spent CSR expense through implementation agency (S. Arun Singh Educational Charitable Trust) for Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The said agency is not a related party for the company.

a. Gross amount required to be spent by the company during the year is Nil and previous year amounting to Rs. 7.41 lacs

b. Amount spent during the year on:

Particulars	For the period ended March 31, 2023			For the period ended March 31, 2022		
	Paid	Accrued but not paid	Total	Paid	Not to be paid	Total
1. Construction/ requirement of an asset	-	-	-	-	-	-
2. On purpose other than (1) above	-	-	-	7.41	-	7.41

Note 43A: Segment Reporting

The Company operates in a single reportable segment i.e. financing activity, which has similar risks and returns for the purpose of Ind AS 108 "Reporting segments" and 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 is operating in India which is considered as a single geographical segment.

Note 43B: Principal Business Criteria (PBC)

As on March 31, 2023, the Company which is registered Non-Banking Financial Company (NBFC) with Reserve Bank of India (RBI), post-merger of Taraashna Financial Services Limited (TFSL) with the Company, does not fulfil the principal business criteria laid down by RBI. As per the said criteria, Company should have at least 50% of total asset as financial asset and should derive more than 50% of total income from the non-banking financial activities asset. The Company meets the first criteria of asset however it does not meet the second criteria of income. Considering merger of TFSL with the Company, RBI has allowed time till Mar/2024 to fulfil the said criteria as per letter issued by RBI dated July 22, 2022.

Note 43C: Business combinations

Satin Finserv Limited (The Company) had entered into a scheme of amalgamation for the merger of Taraashna Financial Services Limited ("TFSL") with the Company. The appointed date of Scheme is April 01, 2021. Further, during the year, all the closing conditions for the said merger were fulfilled, the said transaction was consummated. The difference of Rs. 725.23 lac between the purchase consideration and fair value of net assets was recognised as Amalgamation reserve, a component of equity. The Company has issued its shares to the shareholders of TFSL, in consideration for amalgamation in proportion of 247 (Two Hundred Thirty Seven) Equity Shares of Face Value of Rs. 10/- each in The Company for every 100 (One Hundred) Equity shares of face value of Rs. 10/- each held by them. TFSL was involved in Business Correspondent services include: Identification of Borrowers, collection and preliminary processing of loan applications including verification of primary information, processing and submission of application to bank, promoting, nurturing and monitoring of Self Help Groups, Joint Liability Groups, post-transaction monitoring, follow-up for recovery, disbursement of small value credit and recovery of principal/collection of interest.

The fair values of the assets and liabilities recognised at the date of merger are as follows:

Assets	Amount (Rs. in lac)
Property, plant and equipment	238.42
Cash and cash equivalents	1,641.89
Bank balances other than above	4,856.60
Others	2,414.10
Liabilities	
Borrowings	2,664.59
Trade payables	325.48
Others	1,634.23
Net assets acquired	4,526.71
Equity Shares	3,801.49
Amalgamation reserve	725.23

Note 44: Additional disclosures as required by the Reserve Bank of India**(i) Capital to Risk Assets Ratio (CRAR)**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
CRAR (%)	46.63	54.50
CRAR - Tier I Capital (%)	46.45	54.19
CRAR - Tier II Capital (%)	0.19	0.31
Liquidity Coverage Ratio	1079%	1051%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

(ii)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Value of Investments		
Gross Value of Investments		
(a) In India		
(b) Outside India		
Provisions for Depreciation		
(a) In India		
(b) Outside India		
Net Value of Investments		
(a) In India		
(b) Outside India		
Movement of provisions held towards depreciation on investments		
(i) Opening balance		
(ii) Add : Provisions made during the year		
(iii) Less : Write-off / write-back of excess provisions during the year		
(iv) Closing balance		



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(iii) Derivatives:-

The Company has no transactions/exposure in derivatives in the current period and previous period.

(iv) Details of assignment transactions undertaken:-

The Company has no transactions/exposure in assignment transactions in the current period and previous period.

(v) Details of financial assets sold to Specialised / Reconstruction Company for asset reconstruction:-

The Company has not sold financial assets.

(vi) Details of non-performing financial assets purchased / sold:-

The Company has not purchased/sold non-performing financial asset in the current period and previous period.

(vii) Exposure to real estate sector:-

The Company has not exposed to real estate sector during the current period and previous period.

(viii) Exposure to capital market:-

The Company has no exposure to capital market during the current period and previous period.



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(ix) Disclosure relating to securitization:-

The Company has entered into agreement for the securitization of loans with assignees, wherein it has securitized a part of its loans portfolio amounting to INR 800 lakh during the year ended March 31, 2023, 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 pro-rata collection amount as per individual agreement terms.

Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
1. Net of SPEs holding assets for securitization transactions originated by the company	-	-
2. Total amount of securitized assets as per books of the SPEs	803.15	-
3. Total amount of exposures retained by the company to comply with MSR as on the date of balance sheet	140.55	-
a) Off Balance sheet exposures	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
* First loss	140.55	-
* Others	-	-
4. Amount of exposures to securitization transactions other than MSR	-	-
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	-	-
ii) Exposure to third party securitizations	-	-
* First loss	-	-
* Others	-	-
5. Net consideration received for the securitized assets and gain/loss on sale on account of securitization	702.76	-
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	-	-
(c) Outstanding amount	800.73	-
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. Income complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

(x) Information on instances of fraud:-

Nature of fraud (cash embezzlement by employee) *	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of Cases	7	1
Amount of Fraud	139.14	0.22
Recovery	35.60	-
Amount written off	103.55	0.22

* Amount reported above for the current year is pursuant to merger of Tarashta Financial Services Limited with Satin Finserv Limited. These amount are related to previous financial years.

Nature of fraud (Borrowers)	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of Cases	1	-
Amount of Fraud	175.12	-
Recovery	-	-
Amount written off	175.12	-

(xi) Details of single borrower limit exceeded by applicable NBFC:-

The Company does not have single borrower exceeding the limits during the current period and previous period.

(xii) Details of financing of parent Company product:-

The Company does not have such transaction during the current period and previous period.

(xiii) Registration obtained from other financial sector regulators:-

The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance).

(xiv) Disclosure of Penalties imposed by RBI & other regulators:-

No penalties imposed by RBI and other regulators during the current period and previous period.

(xv) Concentration of Advances, Exposures and NPAs

Particulars	As at March 31, 2023	As at March 31, 2022
Concentration of Advances		
Total advances to twenty largest borrowers	6,381.72	7,255.80
(%) of advances to twenty largest borrowers to total advances	28.84%	56.42%
Concentration of Exposures		
Total exposure to twenty largest borrowers	6,381.72	7,255.80
(%) of exposure to twenty largest borrowers to total exposure	28.84%	56.42%
Concentration of NPAs		
Total exposure to top four NPA accounts	34.53	38.93
(%) of exposure to top four NPA accounts	0.16%	0.30%



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(xvi) Movement of NPAs:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Net NPAs to net advance (%)	1.14	1.14
ii) Movement of NPAs (Gross)		
a) Opening balance	899.99	223.53
b) Addition during the year	(119.72)	726.76
c) Reduction/ write off during the year	(264.35)	(50.30)
d) Closing balance	1,044.62	899.99
iii) Movement of NPAs (Net)		
a) Opening balance	537.24	114.61
b) Addition during the year	236.73	422.48
c) Reduction/ write off during the year	(264.35)	0.15
d) Closing balance	509.62	537.24
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	362.75	108.92
b) Addition during the year	245.88	304.28
c) Reduction/ write off during the year	(201.75)	(50.44)
d) Closing balance	406.88	362.75

(xvii) Unsecured advances - refer note 7 of Balance Sheet Notes
(xviii) Provisions & contingencies (shown under Expenses head in statement of profit & loss)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provision for standard and non performing assets	21.25	317.34
Provision for gratuity	59.87	9.57
Provision for compensation advances	120.25	(8.81)

(xix) Un-pledged foreign currency

The Company does not have any foreign currency transaction during the current and previous period

(xx) Intra-group exposures:-

Particulars	For the year ended March 31, 2023 (Customer)	For the year ended March 31, 2022 (Customer)	For the year ended March 31, 2023 (Borrower)	For the year ended March 31, 2022 (Borrower)
a) Total amount of intra-group exposures	39.88	93.07	4,000.00	4,000.00
b) Total amount of top 20 intra group exposures	39.88	93.07	4,000.00	4,000.00
c) Percentage of intra group exposures to total exposures of	0.18%	0.56%	23.59%	35.17%

Disclosure of stress assets as required under notification issued by RBI dated August 06, 2020, RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 with notification issued by RBI dated and May 05, 2021, RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 (INR in Lakhs)

(xxi)

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half-year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans					
Corporate persons*	300.10			32.03	268.07
Of which, MSMEs					
Others - MSME	882.76	12.29		117.48	752.98
Total	1,182.85	12.29		149.51	1,021.05

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(xxii) Asset Liabilities Management Maturity pattern of certain items of assets and liabilities:-

As at March 31, 2023

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt Securites	-	-	-	-	553.09	-	-	-	-	-	553.09
Borrowings from Banks	-	-	100.04	99.25	99.98	301.21	612.47	1,725.50	4.08	-	2,942.54
Market Borrowings (other than Banks)	57.48	41.19	351.38	395.47	400.46	1,288.26	2,217.94	5,187.53	3,350.00	-	13,289.72
Assets											
Advances	368.32	55.43	676.76	466.80	490.75	1,796.28	3,835.90	12,673.57	1,919.86	419.35	22,703.02
Cash and cash equivalents	978.76	100.00	2,796.94	-	2.77	-	-	-	-	-	3,878.47
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	50.03	3,111.41	-	-	3,161.44



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023
(All amounts in ₹ in lakhs, unless stated otherwise)
As at March 31, 2022

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt Securites	-	-	-	-	-	52.74	-	497.64	-	-	550.38
Borrowings from Banks	0.38	-	0.17	42.05	42.05	126.17	252.42	1,007.81	458.38	-	1,929.44
Market Borrowings (other than Banks)	66.88	27.78	176.45	210.22	254.56	604.10	1,100.71	2,455.62	3,778.26	-	8,674.58
Assets											
Advances	141.67	53.22	293.62	257.08	577.10	871.13	1,752.45	10,143.16	2,079.85	568.94	16,738.22
Cash and cash equivalents	620.20	-	737.83	-	1,179.73	-	-	-	-	-	2,537.76
Bank balances other than cash and cash equivalents	-	-	-	-	200.76	-	-	4,075.48	0.00	-	4,276.24



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023
(All amounts in ₹ in lakhs, unless stated otherwise)
(xxiii) Disclosure of details as required under notification issued by RBI dated March 13, 2020, RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20

Asset Classification as per RBI Norms	Asset classification 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
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	21,257.93	50.27	21,207.68	142.57	(92.29)
	Stage 2	400.44	87.44	313.01	1.60	85.83
Subtotal		21,658.40	137.71	21,520.69	144.17	(6.46)
Non-Performing Assets (NPA)						
Substandard	Stage 1	1.15	0.04	1.11	0.12	(0.07)
Substandard	Stage 2	126.97	32.05	94.92	12.70	19.35
Substandard	Stage 3	691.40	328.88	362.52	69.14	259.74
Doubtful - up to 1 year	Stage 3	225.10	78.00	147.10	45.02	32.98
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		225.10	78.00	147.10	45.02	32.98
Loss	Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal for NPA		1,044.62	438.97	605.65	126.97	312.00
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	Nil	Nil	Nil	Nil	Nil
	Stage 2	Nil	Nil	Nil	Nil	Nil
	Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal		Nil	Nil	Nil	Nil	Nil
Total	Stage 1	21,259.10	50.32	21,208.79	142.68	(92.36)
	Stage 2	527.41	119.48	407.93	14.30	105.18
	Stage 3	916.50	406.88	509.62	114.16	292.72
	Total	22,703.02	576.68	22,126.34	271.14	305.54



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

(xxiv) Breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidence/s of default:-
There is no breach in terms of covenants in respect of loans availed or debt securities issued by the Company including incidence/s of default

(xxv) Divergence in asset classification and provisioning above a certain threshold to be decided by the Reserve Bank:-
There is no divergence in asset classification and provisioning to be reported as per RBI guidelines

Sector	For the year ended March 31, 2023			For the year ended March 31, 2022		
	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
Agriculture and allied activities	2,807.57	330.42	12.48%	3,669.22	152.48	4.16%
MSME	3,329.75	354.20	10.64%	4,635.54	365.85	7.91%
Services	10,964.13	335.54	3.06%	2,181.87	145.54	6.67%
Corporate borrowers	5,434.30	-	0.00%	6,200.86	235.12	3.79%
Others	167.28	4.46	2.67%	49.73	-	0.00%
Total	22,703.02	1,044.62	4.60%	16,738.22	899.99	5.38%

(xxvii) Customer complaints:-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Number of complaints pending at the beginning of the year	-	-
b) Number of complaint received during the year	-	-
c) Number of complaints disposed during the year	3	8
d) Of which, number of complaints rejected by the company	-	-
e) Number of complaint pending at the end of the year	-	-

Top five grounds of complaints received by the Company from customer

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 3, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended March 31, 2023					
Complaint/enquiries w.r.t terms of loan agreement	-	5	-38%	-	-
For the year ended March 31, 2022					
Complaint/enquiries w.r.t terms of loan agreement	-	8	-20%	-	-

(xxviii) Composition of the Board:-

S. No.	Name of Director	Director since	Capacity (i.e. Executive/ NonExecutive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board		No. of other Director ship	Remuneration			No. of shares held in and convertible instruments held in the Company
					Held	Attended		Salary and other compensation (Rs.)	Sitting Fee	Commission	
1	Mr. Harvinder Pal Singh	10/08/2018	Non-executive Director	00333754	-	5	5	9	-	-	NA
2	Mr. Sumit Mukherjee	20/02/2019	Whole-time Director & CEO	08360056	-	5	5	NA	105.60	-	NA
3	Mr. Anil Kumar Kalra	10/08/2018	Independent Director	07361739	-	5	5	2	-	0.50	NA
4	Mr. Sundeeep Kumar Mehta	10/08/2018	Independent Director	00840544	-	5	5	2	-	0.50	NA
5	Ms. Jyoti Ahluwalia	30/03/2021	Independent Director	09112407	-	5	5	1	-	0.50	NA

There is no change in composition of the Board during the current and previous financial year



SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2023
(All amounts in ₹ in lakhs, unless stated otherwise)
(xxix) Committees of the Board and their composition:-

a) The names of the Committees of the Board are:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Asset Liability Management Committee
- iv. Risk Management Committee
- v. IT Strategy Committee

i) The composition of the Audit committees are mentioned below:

S. No.	Name of Director	Member of Committee since	Capacity (i.e. Executive/ NonExecutive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1	Mr. Sundeeep Kumar Mehta	January 31, 2019	Independent	4	4	NA
2	Mr. Harvinder Pal Singh	January 31, 2019	Non-Executive	4	4	NA
3	Mr. Anil Kumar Kalra	January 31, 2019	Independent	4	4	NA

ii) The composition of the Nomination and Remuneration committees are mentioned below:

S. No.	Name of Director	Committee since	Capacity (i.e. Executive/ NonExecutive/)	Number of Meetings of the		No. of shares held in the Company
				Held	Attended	
1	Mr. Sundeeep Kumar Mehta	January 31, 2019	Independent	2	2	NA
2	Mr. Harvinder Pal Singh	January 31, 2019	Non-Executive	2	2	NA
3	Mr. Anil Kumar Kalra	January 31, 2019	Independent	2	2	NA

iii) The composition of the Asset Liability Management committees are mentioned below:

S. No.	Name of Director	Committee since	Capacity (i.e. Executive/ NonExecutive/)	Number of Meetings of the		No. of shares held in the Company
				Held	Attended	
1	Mr. Sumit Mukherjee	February 22, 2019	Executive	2	2	NA
2	Mr. Harvinder Pal Singh	February 22, 2019	Non-Executive	2	2	NA
3	Mr. Arjun Bansal	August 03, 2021	Chief Financial Officer	2	2	NA

iv) The composition of the Risk Management committees are mentioned below:

S. No.	Name of Director	Committee since	Capacity (i.e. Executive/ NonExecutive/)	Number of Meetings of the		No. of shares held in the Company
				Held	Attended	
1	Mr. Sundeeep Kumar Mehta	January 31, 2019	Independent	2	2	NA
2	Mr. Harvinder Pal Singh	January 31, 2019	Non-Executive	2	2	NA
3	Mr. Anil Kumar Kalra	January 31, 2019	Independent	2	2	NA
4	Mr. Sumit Mukherjee	August 03, 2021	Executive	2	2	NA
5	Mr. Saurabh Lall*	August 03, 2021	Head- Credit & Risk	1	1	NA
6	Mr. Surojit Chatterjee**	October 21, 2022	Head- Credit & Risk	1	1	NA

*Mr. Saurabh Lall resigned from his position as Head - Credit & Risk w.e.f. September 30, 2022 and consequently from the membership of Risk Management Committee.

** Risk Management Committee was reconstituted by Board of Directors in their meeting held on October 21, 2022.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

v) The composition of the IT Strategy committees are mentioned below:

S. No	Name of Director	Committee since	Capacity (i.e. Executive/ NonExecutive/	Number of Meetings of the		No. of shares held in the Company
				Held	Attended	
1	Mr. Sundeeep Kumar Mehta	May 02, 2019	Independent	2	2	NA
2	Mr. Sumit Mukherjee	May 02, 2019	Executive	2	2	NA
3	Mr. Arjun Bansal	August 03, 2021	Chief Financial Officer	2	2	NA
4	Mr. Sunil Yadav	August 03, 2021	Head – IT (SCNL)	2	2	NA

(vi) General Body Meetings:-

S. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	May 02, 2022- Gurugram, Haryana	1



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2023

(All amounts in ₹ in lakhs, unless stated otherwise)

45 The Board of Directors of Taraashna Financial Services Limited ("TFSL/merged entity") 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 242 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application has been filed before Hon'ble NCLT, Chandigarh Bench after obtaining requisite NOCs from shareholders of both companies and government authorities. The said first motion application is reserved and allowed by the said Hon'ble NCLT in its hearing dated April 06, 2022. The both companies has filed joint second motion application with Hon'ble NCLT on May 25, 2022 which is admitted by Hon'ble NCLT in its hearing dated July 08, 2022 and issued necessary directions of serving notices and newspapers advertisements. Accordingly, the both companies has served the notices to government authorities and completed publication in requisite newspapers as per order. The Hon'ble NCLT in its hearing dated January 31, 2023 has approved the Scheme of Arrangement for Amalgamation of TFSL and SFL. After requisite filing with concerned ROC, the said Scheme got effective from March 01, 2023. The Appointed Date of Scheme is April 01, 2021. By the effect of Appointed Date (i.e. April 01, 2021), the financial numbers of Satin Finserv Limited for the financial year ended March 31, 2022 are also restated due to amalgamation of Taraashna Financial Services Limited with Satin Finserv Limited.

46 There is no cases of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

47 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	285.16	8.74	2.97	1.27	0.19	298.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables – considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired							

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	26.09	4.62	3.20	0.84	1.95	36.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables – considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired							

47A Unbilled revenue ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Unbilled revenue – considered good	370.63	-	-	-	-	-	370.63

Unbilled revenue ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Unbilled revenue – considered good	721.64	-	-	-	-	-	721.64

48 Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule III of Companies Act, 2013

- 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.
- The company is not a willful defaulter as declared by any bank or financial institution or any other lender.
- There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- 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.
- 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).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- During the year, 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, direct 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.
- During the year, 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.

49 Previous year Figures have been re-grouped/re-classified wherever necessary to make it comparable with the figure presented for the year ended 31st March 2023.

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021736N

Jatin Goyal

Partner

SA No. 553420

Place: Gurugram

Date: April, 22 2023

For and on behalf of the Board of Directors of

Satin Finserv Limited

Sandeep Maheshwari

UIN: 08360056

WTD & CEO

Place: Gurugram

Arjun Bansal

Chief Financial Officer

Place: Gurugram

Date: April, 22 2023

Harvinder Pal Singh

UIN: 00333754

Director

Place: Gurugram

Praveen Jolly

Member No. 43008

Company Secretary

Place: Gurugram

Independent Auditors' Report

To the Members of Satin Finserv Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satin Finserv Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2022, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note No 41 to the financial statements which explains that, the extent to which COVID-19 pandemic will continue to impact, the Company's operations and financial position and performance are dependent on future developments, which are still highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

Our opinion is not modified in respect of this matter.



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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



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(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 financial statements dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

(f) we have also audited the internal financial controls over financial reporting of the Company as on March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated April 27, 2022 as per Annexure B expressed unmodified opinion; and

(g) 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 did not have any pending litigations which impacted its financial position as at March 31, 2022;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

(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) 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



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("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) As per the information and records provided to us by the company, no dividend has been declared or paid during the year.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner

Membership No.: 553420
UDIN - 22553420AKWUHY2000

Place: Gurugram
Date: April 27, 2022

Annexure A to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Finserv Limited** on the financial statements for the year ended 31 March 2022)

(i) Fixed Assets

- 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 on the basis of available information.

The Company has maintained proper records showing full particulars of intangible assets.

- b) The Property, Plant and Equipment and right-of-use assets of the Company was physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property during the period under audit. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- d) The Company has not revalued any of its Property, Plant & Equipment and intangible assets during the year. Thus, paragraph 3(i) (d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Thus, paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) Inventories

- a) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- b) As per the information and explanation provided to us, the company does not have a working capital limit sanctioned from any bank or financial institution during the year and as on 31-03-2022. Hence, the reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Loans granted by company

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(a) of the order is not applicable to the company.



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Chartered Accountants

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- b) In our opinion, the terms and conditions of the grant of loans in nature of loans and advances, during the year are, prima facie, not prejudicial to the Company's interest.
- 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.

- d) In respect of loans granted by the company, the details of total amount overdue above 90 days are as follows:

No. of cases	Principal Amount Overdue (in Rs.)	Interest Overdue (in Rs.)	Total Overdue (in Rs.)	Remarks
139*	2,74,29,420	89,19,434	3,63,48,854	NIL

* no. of cases includes restructured cases in compliance of guidelines notification issued by RBI from time to time.

The company is taking reasonable steps for the recovery of principal and interest overdue amount.

- e) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(e) of the order is not applicable to the company.
- 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, reporting under clause 3(iii)(f) is not applicable.

(iv) Compliance of Section 185 and 186 of The Act

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, as applicable.

(v) Acceptance of Deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Thus, paragraph 3(v) of the Order is not applicable to the Company.

(vi) Maintenance of Cost records

To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the services of the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



(vii) Payment of Applicable Taxes

- a) According to the information and explanations provided to us and the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including income-tax, goods and services tax, provident fund, employees' state insurance, professional taxes and other material statutory dues as applicable with the appropriate authorities in India.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, provident fund, employees' state insurance, professional taxes and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and the records of the company examined by us, during the period under audit, there are no dues of income tax or any other applicable statutory dues which have not been deposited on account of any dispute.

(viii) Undisclosed income

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) Dues to a Financial Institution or bank or debenture holder

- a) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- f) The Company does not have any subsidiary, associate or joint venture during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) Initial Public Offer

- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.



- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud by the Company or on the Company

- a) According to the information and explanations given to us, We report that one instance of misappropriation of cash collected from customer by an employee involving amount aggregating to Rs. 0.22 Lakhs. The Company has initiated legal action against such employee. The Company has not recovered any amount from that employee.
- b) No report under sub-section (12) of section 143 of the Companies 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 up to the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year. hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) Nidhi Company

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) Related Party Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) Internal Audit

- a) 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, in determining the nature, timing and extent of our audit procedures.



(xv) Non – Cash Transactions

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 respect to acquiring any asset for consideration other than cash with directors or persons connected with them or vice versa. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) Registration with RBI

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC).
- b) The Company has conducted Non-Banking Financial activities during the year having a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934.
- c) The Company is not a Core Investment Company 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, 2 companies in the group are in the process of registration as Core Investment Company under the Reserve Bank of India Act.

xvii) Cash Losses

The Company has not incurred any Cash Losses during the year and the immediately preceding financial year, accordingly, paragraph 3(xvii) of the Order is not applicable.

(xviii) Resignation of Statutory Auditor

There has been no resignation of Statutory Auditors of the Company during the year. Hence the reporting under clause 3(xviii) of the Order is not applicable to the company.

(xix) Material Uncertainty about the Company's Capability to discharge its liabilities

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's 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.



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Chartered Accountants

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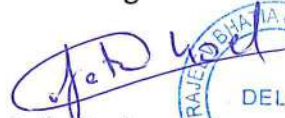
(xx) Corporate Social Responsibility

- a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no ongoing CSR projects as on 31-03-2022 and reporting under clause 3(xx)(b) of the Order is not applicable.

(xxi) Qualification or Adverse Remarks by the respective auditors

Since the company is not required to prepare Consolidated Financial Statements, the reporting under this clause is not applicable to the company.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner

Membership No.: 553420
UDIN - 22553420 AHW UH 12000



Place: Gurugram
Date: April 27, 2022

Annexure B to the Independent Auditors' Report of even date to the members of Satin Finserv Limited on the financial statements for the year ended 31 March 2022

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Satin Finserv Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.



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Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2022, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N



Jatin Goel
Partner

Membership No.: 553420

UDIN - 22553420AHWUHY2000



Place: Gurugram
Date: April 27, 2022

SATIN FINSERV LIMITED

Balance Sheet as at March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,709.22	830.86
Bank balances other than cash and cash equivalents	5	202.10	-
Loans	6	16,182.79	12,860.83
Other financial assets	7	117.11	86.94
		<u>18,211.22</u>	<u>13,778.63</u>
Non-financial assets			
Current tax assets (net)	8	-	1.16
Deferred tax assets (net)	9	161.66	63.97
Property, plant and equipment	10	119.47	84.37
Intangible assets	11	5.88	7.35
Other non-financial assets	12	227.06	198.51
		<u>514.07</u>	<u>355.36</u>
TOTAL ASSETS		<u>18,725.29</u>	<u>14,133.99</u>
LIABILITIES AND EQUITY			
Financial liabilities			
Payables			
Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	48.34	44.28
Debt securities	14	550.38	550.16
Borrowings (other than debt securities)	15	7,123.59	2,673.14
Other financial liabilities	16	90.20	139.96
		<u>7,812.51</u>	<u>3,407.54</u>
Non-financial Liabilities			
Current Tax Liabilities (Net)	17	8.40	-
Provisions	18	44.14	50.13
Other non-financial liabilities	19	30.92	30.18
		<u>83.46</u>	<u>80.31</u>
Equity			
Equity share capital	20	10,250.00	10,250.00
Other equity	21	579.32	396.14
		<u>10,829.32</u>	<u>10,646.14</u>
TOTAL EQUITY AND LIABILITIES		<u>18,725.29</u>	<u>14,133.99</u>

The accompanying notes are an integral part of the financial statements.

As per our review report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N

Jatin Goel

Partner

M No. 553420



Place : Gurugram

Dated: April 27, 2022

For and on behalf of the Board of Directors of

Satin Finserv Limited

Sumit Mukherjee

DIN: 08369056

WTD & CEO

Place : Gurugram

Arjun Bansal

Chief Financial Officer

Place : Gurugram

Dated: April 27, 2022

Harvinder Pal Singh

DIN: 00333754

Director

Place : Gurugram

Runeet Jolly

Mem No: 43608

Company Secretary

Place : Gurugram



SATIN FINSERV LIMITED
Statement of Profit and Loss for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	Notes	For the period ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations			
Interest income	22	2,623.90	2,393.19
Fees and commission income	23	91.01	30.48
Total Revenue from operations		2,714.91	2,423.67
Other Income	24	43.38	57.21
Total Income		2,758.29	2,480.88
II. Expenses			
Finance costs	25	691.09	438.89
Impairment on financial instruments	26	414.94	333.38
Employee benefit expenses	27	907.65	714.39
Depreciation and amortization expense	28	46.55	24.73
Other expenses	29	428.02	326.92
Total		2,488.25	1,838.31
Profit / (loss) before exceptional items and tax		270.04	642.57
Exceptional items		-	-
Profit / (loss) before tax		270.04	642.57
Tax expense:			
Less: - Current tax		187.64	183.47
Add / (Less) : - Deferred tax charge		98.55	18.72
Profit / (loss) after tax		180.95	477.82
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		3.09	2.50
Income tax relating to above items		(0.86)	(0.63)
Other comprehensive income		2.23	1.87
Total comprehensive income		183.18	479.69
Earnings per equity share	30		
Basic (₹)		0.18	0.47
Diluted (₹)		0.18	0.47

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N

Jatin Goel
Jatin Goel
Partner
M No. 553420



Place : Gurugram
Dated: April 27, 2022

For and on behalf of the Board of Directors of
Satin Finserv Limited

Sumit Mukherjee

Sumit Mukherjee
DIN: 08369056
WTD & CEO
Place : Gurugram

Arjun Bansal
Arjun Bansal
Chief Financial Officer
Place : Gurugram

Harvinder Pal Singh

Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram

Puneet Jolly
Puneet Jolly
Mem No: 43608
Company Secretary
Place : Gurugram

Dated: April 27, 2022



SATIN FINSERV LIMITED
Cash flow statement for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit / (loss) before tax	270.04	642.57
Adjustments for:		
Provision for expected credit losses	317.34	87.39
Provision for employee benefits	(5.99)	22.47
Depreciation and amortisation expense	17.90	10.33
Depreciation / disposal of ROU assets	31.80	19.48
Interest expense on lease rental assets	10.98	5.41
Re-measurement gains on defined benefit plans	-	-
Effective interest rate adjustment for financial instruments	32.64	6.28
Operating profit before working capital changes	674.71	793.93
Movements in working capital :		
Increase / (Decrease) in other liabilities and provisions	(41.87)	(125.86)
Decrease in term deposits	-	-
Increase in financial assets	(3,702.11)	(2,083.97)
(Increase) / Decrease in other assets	(28.55)	(47.77)
Cash used in operations	(3,097.82)	(1,463.67)
Income taxes paid (net)	(178.08)	(180.44)
Net cash used in operating activities (A)	(3,275.90)	(1,644.11)
Cash flows from investing activities		
Purchase of property, plant and equipment	(39.67)	(9.43)
Purchase of intangible assets	-	(0.16)
Net cash used in investing activities (B)	(39.67)	(9.59)
Cash flows from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds from borrowings	6,605.29	1,833.40
Repayment of borrowings	(2,209.26)	(1,155.91)
Net cash from financing activities (C)	4,396.03	677.49
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,080.46	(976.21)
Cash and cash equivalents at the beginning of the period	830.86	1,807.07
Cash and cash equivalents at the end of the period	1,911.32	830.86
Components of cash and cash equivalents as at the end of the period		
Cash in hand	0.56	0.50
Balance with banks - on current account	328.17	830.36
Deposits with original maturity of less than or equal to 3 months	1,380.49	-
Bank balances other than cash and cash equivalents	202.10	-
Total cash and cash equivalents	1,911.32	830.86

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N

Jatin Goel
Partner
M No. 553420



Place : Gurugram
Dated: April 27, 2022

For and on behalf of the Board of Directors of
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DIN: 08369056
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Place : Gurugram

Arjun Bansal
Chief Financial Officer
Place : Gurugram

Dated: April 27, 2022

Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram

Puneet Jolly
Mem No: 43608
Company Secretary
Place : Gurugram



SATIN FINSERV LIMITED
Statement of changes in equity for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

A. Equity share capital

March 31, 2022				
Particulars	Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2021	Changes during the year
Equity share capital	10,250.00	-	10,250.00	-
				10,250.00

March 31, 2021				
Particulars	Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2020	Changes during the year
Equity share capital	10,250.00	-	10,250.00	-
				10,250.00

B. Other equity

Particulars	Reserves and surplus						Total
	Statutory reserves	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings	
Balance as at April 1, 2020	12.94	-	-	-	-	(96.49)	(83.55)
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at April 1, 2020	12.94	-	-	-	-	(96.49)	(83.55)
Profit for the year	-	-	-	-	-	479.69	479.69
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-
Transfer to statutory reserves	95.94	-	-	-	-	(95.94)	-
Balance as at March 31, 2021	108.88	-	-	-	-	287.26	396.14
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at March 31, 2021	108.88	-	-	-	-	287.26	396.14
Profit for the year	-	-	-	-	-	183.18	183.18
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Issue of equity shares (net of share issue expenses)	-	-	-	-	-	-	-
Issue of share warrants	-	-	-	-	-	-	-
Transfer to statutory reserves	36.63	-	-	-	-	(36.63)	-
Balance as at March 31, 2022	145.51	-	-	-	-	433.81	579.32

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N



Jaish Gopi
Partner
M No. 553420

Place : Gurugram
Dated: April 27, 2022

For and on behalf of the Board of Directors of
Satin Finserv Limited

Sumit Mukherjee
DIN: 08369056
WTD & CEO

Place : Gurugram

Arjun Bansal
Chief Financial Officer
Place : Gurugram

Dated: April 27, 2022

Harvinder Pal Singh
DIN: 00333754
Director

Place : Gurugram

Pooja Jolly
Mcm No: 43608
Company Secretary
Place : Gurugram



1. Company Overview / Corporate Information

Satin Finserv Limited ('the Company') is a public limited company and incorporated on August 10, 2018, 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 ('NBFC') with the Reserve Bank of India ('RBI') in January 09, 2019. The main objective of the Company to carry on the business of Non-Banking Financial Company and to undertake business relating to financing. The Company is domiciled in India and its registered office & corporate office is situated at 4th Floor, B-Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana - 122016.

2. Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These Ind AS 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 and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2022 are the financial statements, which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI').

The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on April 27, 2022.

(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 historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) 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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

Ind AS 103 "Business Combination"

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – "Proceeds before intended use"

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 "Financial Instruments"

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below.

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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

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 a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Office equipment	5 years
Computer and accessories – end user devices	3 years
Computer and accessories – network equipment	6 years
Furniture and fixtures	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 recognised is derecognised 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 derecognised.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and advances paid to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

b) Revenue recognition

Interest, administration and other charges (for loans)

Interest, administration and other charges received are recorded on accrual basis using the effective interest rate (EIR) method along with the consideration of transaction cost directly attributable to the creation of financial instrument being Loan Asset. Additional interest/overdue interest/penal charges are recognised only when it is reasonable certain that the ultimate collection will be made.

Other Charges related to Operation

The Company collect other charges i.e. login fee, documentation charges, overdue interest, Cheque bounce charges, prepayment charges, conversion charges, document retrieval charges, Foreclosure charges etc from all the borrowers based on event, and recognise this income on collection basis.

Other Income

The Company recognise the interest income on fixed deposits and other income on accrual basis.

c) Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred basis the effective interest rate method.

d) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognised 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 recognised 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.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).



e) 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 gratuity as defined benefit where the amount that employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. 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 final salary. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date. 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 avail after one year from the Balance Sheet date is estimated in 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.

f) Impairment of non-financial assets

The Company's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.



An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a prorata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

g) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

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 (as per "Definition of default and credit-impaired" above), 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. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

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.

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.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

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 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 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.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

i) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for building for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

Certain lease arrangements includes the exclusive options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

The Company as a lessor

The company does not have any leases as a lessor.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the prospective method and has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and corresponding right of use asset at the same value. Due to the prospective method applied, the comparatives as at and for the year ended March 31, 2019 will continue to be reported under the accounting policies included as part of our financial statements for year ended March 31, 2019.

Leases in which the lessor does not transfer substantially all the risks and rewards of ownership of an asset to the lessee are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

j) 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.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.



k) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised 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 amortised cost – a financial asset is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, 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 derecognise the financial asset and recognise 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 amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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-



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

m) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly by the executive management ("chief operating decision maker") in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer (CEO) of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

n) 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.

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 amortised cost requires use of complex models and significant assumptions about future economic conditions



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

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
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis 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

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.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable 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.

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SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Note 4: Cash and cash equivalents		
Cash in hand	0.56	0.50
Balance with banks in current accounts	328.17	830.36
Deposits with original maturity of less than 3 months	1,380.49	-
Total of cash and cash equivalents	1,709.22	830.86

Note 5: Bank balances other than cash and cash equivalents

Deposits for remaining maturity of more than 3 months and upto 12 months

Deposits with remaining maturity more than 12 months

Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees

202.10	-
202.10	-

Note 6: Loan portfolio (at amortised cost)
Portfolio loans

Secured

10,693.06 7,611.78

Unsecured

6,045.16 5,487.14

Less: Impairment loss allowance

(555.43) (238.09)

16,182.79 12,860.83
Total
16,182.79 12,860.83

(i) Secured by book debts, margin money and property plant and equipments

10,693.06 7,611.78

(ii) Covered by bank/government guarantees

- -

(iii) Unsecured

6,045.16 5,487.14

Total - Gross
16,738.22 13,098.92

Less: Impairment loss allowance

(555.43) (238.09)

Total - Net
16,182.79 12,860.83
Loans in India

(i) Public Sector

- -

(ii) Others

16,738.22 13,098.92

Total - Gross
16,738.22 13,098.92

Less: Impairment loss allowance

(555.43) (238.09)

Total - Net
16,182.79 12,860.83

The above amount includes the interest accrued and exclude unamortised loan processing fees, as follows:

Particulars

Interest accrued

202.85 161.59

Unamortised loan processing fee

(147.31) (99.75)

There are no loans or advances repayable on demand or without specifying any terms or period of repayment of the related parties.

Note 7: Other financial assets (at amortised cost)

Security deposit

117.11 86.94

117.11 86.94
Note 8: Current tax assets (net)

Advance Tax (net)

- 1.16

- 1.16


SATIN FINSERV LIMITED
Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 9: Deferred tax assets (net)
Deferred tax assets

Provision for employee benefits	12.28	12.62
Preliminary expenses	0.25	0.45
Allowance for expected credit loss	154.52	59.92
Right of use assets & Lease Liability	2.33	
Difference in written down value as per Companies Act and Income Tax Act	1.19	0.64
Deferred tax liabilities		
Provision for 36(1)(viii)	(8.91)	(9.66)
Net deferred tax assets	161.66	63.97

Movement in deferred tax assets (net)

Particulars	As at March 31, 2021	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2022
Assets				
Provision for employee benefits	12.62	0.52	(0.86)	12.28
Difference in written down value as per Companies Act and Income Tax Act	0.64	0.55	-	1.19
Preliminary expenses	0.45	(0.20)	-	0.25
Allowance for expected credit loss	59.92	94.60	-	154.52
Right of use assets & Lease Liability	-	2.33	-	2.33
Liabilities				
Provision for 36(1)(viii)	9.66	-0.75	-	8.91
Total (net)	63.97	98.55	(0.86)	161.66

Particulars	As at March 31, 2020	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2021
Assets				
Provision for employee benefits	6.92	6.33	(0.63)	12.62
Difference in written down value as per Companies Act and Income Tax Act	0.58	0.06	-	0.64
Preliminary expenses	0.70	(0.25)	-	0.45
Allowance for expected credit loss	37.68	22.24	-	59.92
Liabilities				
Provision for 36(1)(viii)	-	9.66	-	9.66
Total (net)	45.88	18.72	(0.63)	63.97



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 10: Property, Plant and Equipment

Particulars	Plant and equipment	Office Equipment	Vehicle	Furniture and fixtures	ROU Assets	Total
Gross carrying value						
At March 31, 2020	12.55	0.91	-	5.77	26.31	45.54
Addition	7.10	2.33	-	-	68.16	77.58
Disposals	-	-	-	-	7.97	7.97
Balance as at March 31, 2021	19.65	3.24	-	5.77	86.49	115.15
Addition	24.51	0.75	14.30	0.11	43.66	83.33
Disposals	0.35	-	-	-	4.41	4.76
As at 31 March 2022	43.81	3.99	14.30	5.88	125.74	193.72
Accumulated depreciation						
At March 31, 2020	3.59	0.32	-	0.94	5.89	10.74
Charge for the year	6.78	0.50	-	1.25	14.40	22.93
Disposals	-	-	-	-	2.89	2.89
Balance as at March 31, 2021	10.37	0.82	-	2.19	17.40	30.78
Addition	11.10	1.20	3.13	1.00	28.65	45.08
Disposals	0.30	-	-	-	1.31	1.61
As at 31 March 2022	21.17	2.02	3.13	3.19	44.74	74.25
Net Carrying value						
At March 31, 2020	8.96	0.59	-	4.83	20.42	34.80
As at March 31, 2021	9.28	2.42	-	3.58	69.09	84.37
As at 31 March 2022	22.64	1.97	11.17	2.69	81.00	119.47

Note 11: Intangible assets

Description	Intangible assets	Total
Gross carrying value		
At March 31, 2020	9.70	9.70
Addition	0.16	0.16
Disposals	-	-
Balance as at March 31, 2021	9.86	9.86
Addition	-	-
Disposals	-	-
As at 31 March 2022	9.86	9.86
Accumulated depreciation		
At March 31, 2020	0.71	0.71
Charge for the year	1.80	1.80
Disposals	-	-
Balance as at March 31, 2021	2.51	2.51
Addition	1.47	1.47
Disposals	-	-
As at 31 March 2022	3.98	3.98
Net Carrying value		
At March 31, 2020	8.99	8.99
As at March 31, 2021	7.35	7.35
As at 31 March 2022	5.88	5.88



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 12: Other non-financial assets

	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	199.64	152.58
GST Input (Net of Liability)	16.80	11.76
Other advances	10.62	34.17
Total	227.06	198.51

Note 13: Other payable

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	48.34	44.28
	48.34	44.28

Trade Payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	More than 2 years
(i) MSME	-	-	-
(ii) Others	18.52	-	-
(iii) Disputed dues – MSME	-	-	-
(iv) Disputed dues – Others	-	-	-
(v) Unbilled dues	29.82	-	-
Total	48.34	-	-

Trade Payables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	More than 2 years
(i) MSME	-	-	-
(ii) Others	20.97	-	-
(iii) Disputed dues – MSME	-	-	-
(iv) Disputed dues – Others	-	-	-
(v) Unbilled dues	23.31	-	-
Total	44.28	-	-

#: There are no cases where no due date of payment is specified.

##: There is no cases of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 14: Debt securities (at amortised cost)

Non-convertible debentures	550.38	550.16
	550.38	550.16
Debt securities in India	550.38	550.16
Debt securities outside India	-	-
	550.38	550.16
Unamortised Processing Fees	2.36	4.05
Accrued Interest	52.74	54.21

Particulars	Terms of Repayment	As at March 31, 2022	As at March 31, 2021
Non-convertible debentures (secured)			
50 (March 31, 2021: 50), @15.50% (Previous year : 15.50%), rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 1,00,00,000 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	550.38	550.16



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

Note 15: Borrowings (other than debt securities)

Term loans from other parties (At amortised Cost)#

Secured 5,104.93 2,600.34

Term loans from bank (At amortised Cost)##

Secured 1,929.27 -

Lease Liability on Rental assets 89.39 72.80

Total (A) **7,123.59** **2,673.14**

Borrowings in India 7,123.59 2,673.14

Borrowings outside India - -

Total (B) **7,123.59** **2,673.14**

#Secured by way of Hypothecation to the extent of 100% to 110% of the value of the loan outstanding.

Secured by way of Hypothecation to the extent of 125% of the value of the loan outstanding and Secured by way of Hypothecation of Vehicles

###: There are no instances where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

####Quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account.

Unamortised Processing Fees 85.25 13.64

Accrued Interest 22.30 22.37

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Borrowings & Debt securities	Liability against leased assets	Total
March 31, 2020	2,450.43	21.81	2,472.24
Adoption of Ind AS 116	-	68.16	68.16
Cash flows:			
- Repayment	(1,155.91)	(22.57)	(1,178.48)
- Proceeds from overdraft facility	-	-	-
- Proceeds other than overdraft facility	1,800.00	-	1,800.00
- Others	55.37	-	55.37
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	0.60	-	0.60
- Others	-	5.41	5.41
March 31, 2021	3,150.50	72.80	3,223.30
Adoption of Ind AS 116	-	43.66	43.66
Cash flows:			
- Repayment	(2,209.26)	(38.05)	(2,247.31)
- Proceeds from overdraft facility	-	-	-
- Proceeds other than overdraft facility	6,714.80	-	6,714.80
- Others	(1.54)	-	(1.54)
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	(69.91)	-	(69.91)
- Others	-	10.98	10.98
March 31, 2022	7,584.58	89.39	7,673.97



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 15A: Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2022

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due beyond 3 Years		Total
		No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	
Monthly	Below 9.00%	12	4.74	12	5.11	6	2.70	-	-	12.55
	9% to 12%	11	458.33	12	500.00	12	500.00	11	458.33	1,916.66
	12.01% to 15%	140	2,279.67	109	1,625.25	58	614.26	13	232.09	4,751.27
Quarterly	12.01% to 15%	4	166.67	4	166.67	2	83.33	-	-	416.67
Bullet	Above 15%	-	-	1	500.00	-	-	-	-	500.00
Total		167	2,909.41	138	2,797.03	78	1,200.29	24	690.42	7,597.15

Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2021

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due beyond 3 Years		Total
		No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	No. of Installments	Amount (in Rupees)	
Monthly	12.01% to 15%	95	1,460.09	36	619.14	24	452.76	3	59.62	2,591.61
Bullet	Above 15%	-	-	-	-	1	500.00	-	-	500.00
Total		95	1,460.09	36	619.14	24	952.76	3	59.62	3,091.61



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 16: Other financial liabilities

Security deposit received from customers	62.47	108.56
Insurance Payable	3.90	6.10
Other payable	12.63	14.34
Salary payable	11.20	10.96
Total	90.20	139.96

Note 17: Current Tax Liabilities (net)

Provision for tax (net)	8.40	-
Total	8.40	-

Note 18: Provisions

Provision for compensation absences#	26.55	39.01
Provision for gratuity	17.59	11.12
	44.14	50.13

#Company has made provision on account of compensated absences based on opinion and actuarial valuation considering basic salary of employee.

Note 19: Other non-financial liabilities

Deferred income	1.58	4.70
Statutory dues:		
GST payable (net of input)	-	-
TDS payable	18.90	19.33
Other statutory dues payable	10.44	6.15
Total	30.92	30.18



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

Note 20: Equity share capital

	As at 31 March 2022		As at 31 Mar 2021	
	Number	Amount	Number	Amount
Authorised share capital				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	10,30,00,000	10,300.00	10,30,00,000	10,300.00
Additions during the year	-	-	-	-
Total	10,30,00,000	10,300.00	10,30,00,000	10,300.00
Issued, subscribed and paid up capital				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Additions during the year	-	-	-	-
Total	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Reconciliation of number of equity shares outstanding at the beginning and at the end of the period				
Balance at the beginning of the year	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Add: Issued during the year	-	-	-	-
	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Equity shares held by Holding and Promoter Company:				
Satin Creditcare Network Limited				
	Number	%	Number	%
	10,25,00,000	100	10,25,00,000	100
Total	10,25,00,000	100	10,25,00,000	100

The company has only one class of equity shares having par face value of ₹ 10 per share. Each equity shareholder is eligible for one vote per 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. Dividends are subject to corporate dividend tax. In the event of liquidation of the Company, the holders of equity share 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.

There is no change in promoter shareholding during the year.

	As at March 31, 2022	As at March 31, 2021
Note 21: Other equity		
Statutory reserves	145.51	108.88
Retained earnings	433.81	287.26
Total	579.32	396.14

Nature and purpose of other reserve

Statutory reserves

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.



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Note 22: Interest Income (measured at amortised cost)	On financial assets measured at amortised cost	On financial assets measured at amortised cost
Interest income on loans	2,565.28	2,350.24
Interest income on deposits with banks	58.62	42.95
Total	2,623.90	2,393.19
Note 23: Fees and commission income		
Login Fee Income	41.05	14.54
Documentation charges	49.96	15.94
Total	91.01	30.48
Note 24: Other Income		
Miscellaneous income	27.30	25.44
Foreclosure charges received	16.08	31.77
Total	43.38	57.21
Note 25: Finance cost (on financial liabilities measured at amortised cost)		
Interest on debt securities	77.50	58.60
Interest on borrowings other than debt securities	494.31	340.40
Interest on borrowings from bank	62.92	-
Interest expense on lease rental assets	10.98	5.41
Other interest expenses	45.38	34.48
	691.09	438.89
Note 26: Impairment on financial instruments (on financial assets measured at amortised cost)		
Allowance for expected credit loss	317.34	87.39
Portfolio loans written off	97.60	245.99
	414.94	333.38
Note 27: Employee benefit expenses		
Salaries, wages and bonus	856.76	676.15
Contribution to funds	47.10	32.78
Staff welfare expenses	3.79	5.46
Total	907.65	714.39
Note 28: Depreciation and amortization expense		
Depreciation on property, plant & equipments	16.43	8.53
Depreciation on right on use assets	28.65	14.40
Amortization on Intangible assets	1.47	1.80
	46.55	24.73



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Note 29: Other expenses		
Bank charges	1.69	0.94
Business development expenses	1.33	1.14
Commission expenses	42.06	13.40
Interest on interest to borrowers	-	10.64
Sitting fees paid to directors	4.51	3.58
Corporate social responsibility	4.31	-
Travelling and conveyance	66.18	26.83
Rent expenses	22.77	31.70
Office expenses	74.92	62.84
Software maintenance expenses	73.91	66.81
Payment to auditors	11.38	7.35
Legal and Professional fees	114.39	96.57
Printing and stationery	10.57	5.12
Total	428.02	326.92

*Remuneration to auditors comprises of:

As statutory auditor	4.00	1.50
As tax auditor	2.00	1.00
GST Audit Fees	-	2.40
Other services	5.38	2.45
	11.38	7.35

**Details of Corporate Social Responsibility Expenses

(a) amount required to be spent by the Company during the year	4.30	-
(b) amount of expenditure incurred	4.31	-
(c) shortfall at the end of the year	-	-
(d) total of previous year shortfall	-	-
(e) reason for shortfall	NA	NA

Company has spent CSR expense through implementation agency (S. Amar Singh Educational Charitable Trust) for Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The said agency is not a related party for the company.

Note 30: Earning per Share

Net profit attributable to equity shareholders

Net profit for the period	180.95	477.82
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares	10,25,00,000.00	10,25,00,000.00
Basic earnings per share (₹)	0.18	0.47
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares used to compute diluted earnings per share	10,25,00,000.00	10,25,00,000.00
Diluted earnings per share (₹)	0.18	0.47

Note 31: Tax expense

Current tax (including taxes earlier years)	187.64	183.47
Deferred tax credit	(98.55)	(18.72)
	89.09	164.75

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	270.04	642.57
At country's statutory income tax rate of 27.82% (31 March 2021: 25%)	75.13	161.73
Adjustments in respect of taxes		
(i) Change in rate	12.24	(0.37)
(ii) Preliminary expenses allowed	0.25	0.89
(v) Others	1.48	2.48
	89.09	164.75



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

32 Financial instruments
A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Financial assets measured at amortised cost			
Cash and cash equivalents	Note - 4	1,709.22	830.86
Bank balances other than cash and cash equivalents	Note - 5	202.10	-
Loans	Note - 6	16,182.79	12,860.83
Security deposits	Note - 7	117.11	86.94
Total		18,211.22	13,778.63
Financial liabilities measured at amortised cost			
Other payables	Note - 12	48.34	44.28
Debt securities	Note - 13	550.38	550.16
Borrowings (other than debt securities)	Note - 14	7,123.59	2,673.14
Other financial liabilities	Note - 15	90.20	139.96
Total		7,812.51	3,407.54

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).

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	1,709.22	1,709.22	830.86	830.86
Bank balances other than cash and cash equivalents	202.10	202.10	-	-
Loans	16,182.79	16,868.73	12,860.83	13,469.48
Security deposits	117.11	117.11	86.94	86.94
Total	18,211.22	18,897.16	13,778.63	14,387.28
Financial liabilities				
Other payables	48.34	48.34	44.28	44.28
Borrowings (other than debt securities)	7,123.59	7,123.59	2,673.14	2,637.79
Borrowings (debt securities)	550.38	550.38	550.16	554.61
Other financial liabilities	90.20	90.20	139.96	139.96
Total	7,812.51	7,812.51	3,407.54	3,376.64

The management assessed that fair values of investments, 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 and receivables are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

(ii) The fair values of the Company fixed rate interest-bearing borrowings are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

33 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's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written 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	Management
Credit risk	Bank balances in current accounts, other bank balances, loans and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Committed borrowing (whenever required)
Market risk - interest rate	Variable or fixed rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors
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

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. 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

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 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

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Specific valuation techniques used to value financial instruments include:	Bank balances in current accounts, other bank balances, loans and other financial assets	12 month and life time expected credit loss

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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 recognised in statement of profit and loss.



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

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Financial assets that expose the entity to credit risk

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Low credit risk		
Cash and cash equivalents	1,709.22	830.36
Bank balances other than cash and cash equivalents	202.10	-
Loans	14,565.37	12,744.20
Security deposits	117.11	86.94
(ii) Moderate credit risk		
Loans	1,080.17	85.47
(iii) High credit risk		
Loans	537.24	31.16

Bank balances in current accounts and bank deposits

Credit risk related to bank balances in current accounts and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. 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.

b) Credit risk exposure
i) Expected credit losses for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For bank balances in current accounts and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of bank balances in current accounts, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,709.22	-	1,709.22
Bank balances other than cash and cash equivalents	202.10	-	-
Security deposits	117.11	-	117.11

As at March 31, 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Bank balances in current accounts	830.36	-	830.36
Security deposits	86.94	-	86.94



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

ii) Expected credit loss for loans

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

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.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- (i) The borrower is deceased
- (ii) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- (iii) A material decrease in the borrower's turnover or the loss of a major customer
- (iv) The borrower requesting emergency funding from the Company

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.

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.

Considering, the Company has started business from January 2019 and does not have history and there are no loan balances which has become 90 days past due and hence, provisioning norms are been used to make provision for loan assets, with a background of management overlay.

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 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Assets originated or purchased	1,139.90	-	-
Net transfer between stages	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-
Write - offs	-	-	-
Gross carrying amount as at March 31, 2019	1,139.90	-	-
Assets originated or purchased	10,277.10	-	-
Net transfer between stages	(189.35)	120.00	69.35
Assets derecognised or repaid (excluding write offs)	(325.90)	-	-
Write - offs	-	-	-
Gross carrying amount as at March 31, 2020	10,901.75	120.00	69.35
Assets originated or purchased	6,129.03	-	-
Net transfer between stages	(468.68)	336.51	132.17
Assets derecognised or repaid (excluding write offs)	(3,875.22)	-	-
Write - offs	(245.99)	-	-
Gross carrying amount as at March 31, 2021	12,440.89	456.51	201.52
Assets originated or purchased	9,561.50	-	-
Net transfer between stages	(1,637.54)	869.72	767.82
Assets derecognised or repaid (excluding write offs)	(5,824.60)	-	-
Write - offs	(97.60)	-	-
Gross carrying amount as at March 31, 2022	14,442.65	1,326.23	969.34



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Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Loans	Other financial assets
Increase of provision due to assets originated or purchased during the period	4.56	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2019	4.56	-
Increase of provision due to assets originated or purchased during the period	146.14	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2020	150.70	-
Increase of provision due to assets originated or purchased during the period	87.39	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2021	238.09	-
Increase of provision due to assets originated or purchased during the period	317.34	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2022	555.43	-

c) Concentration of loans

The Company's exposure to credit risk for loans and trade receivables is presented as below. Other financial assets majorly represents loans to employees and deposits given for business purposes.

Particulars	As at March 31, 2022	As at March 31, 2021
Agriculture and allied activities	3,651.13	1,680.87
MSME	4,578.16	2,618.60
Services	2,171.98	1,326.13
Corporate borrowers	6,183.56	7,239.42
Others	153.39	233.90
Total	16,738.22	13,098.92

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities 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 had access to the following funding facilities:

As at March 31, 2022	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	3,000.00	-	3,000.00
Total	3,000.00	-	3,000.00

As at March 31, 2021	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	3,000.00	-	3,000.00
Total	3,000.00	-	3,000.00



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Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	1,709.22	-	-	-	1,709.22
Bank balances other than cash and cash equivalents	-	-	-	202.10	202.10
Loans	4,308.78	4,735.69	5,044.96	2,648.79	16,738.22
Other financial assets	70.80	21.37	24.94	-	117.11
Total undiscounted financial assets	6,088.79	4,757.06	5,069.90	2,850.90	18,766.65
Non-derivatives					
Other payables	48.34	-	-	-	48.34
Debt securities	52.74	497.64	-	-	550.38
Borrowings other than debt securities	2,884.12	2,364.17	1,188.66	686.65	7,123.59
Other financial liabilities	90.20	-	-	-	90.20
Total undiscounted financial liabilities	3,075.40	2,861.81	1,188.66	686.65	7,812.51
Net undiscounted financial assets/(liabilities)	3,013.39	1,895.26	3,881.24	2,164.25	10,954.14

As at March 31, 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Bank balances in current accounts	830.86	-	-	-	830.86
Loans	5,242.04	4,379.07	4,402.84	5,092.80	19,116.75
Other financial assets	46.67	40.27	-	-	86.94
Total undiscounted financial assets	6,119.56	4,419.35	4,402.84	5,092.80	20,034.55
Non-derivatives					
Other payables	44.28	-	-	-	44.28
Debt securities	72.50	72.50	572.50	-	717.50
Borrowings other than debt securities	1,733.85	734.11	498.60	60.55	3,027.11
Other financial liabilities	139.96	-	-	-	139.96
Total undiscounted financial liabilities	1,990.59	806.61	1,071.10	60.55	3,928.85
Net undiscounted financial assets/(liabilities)	4,128.98	3,612.74	3,331.73	5,032.24	16,105.69

C) Market risk
a) Interest rate risk
i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2022, the Company is exposed to changes in market interest rates through other borrowings 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, 2022	As at March 31, 2021
Variable rate liabilities		
Borrowings other than debt securities	4,055.44	1,300.05
Fixed rate liabilities		
Debt Securities	550.38	550.16
Borrowings other than debt securities	2,978.76	1,300.29
Total	7,584.58	3,150.50

Sensitivity

Sensitivity, of profit or loss in borrowing having fixed interest rates, is not applicable.

ii) Assets

The Company's fixed deposits are carried at amortised 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.

34 Capital management

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

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

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 subordination 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. 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, 2022	As at March 31, 2021
Net debt*	5,762.65	2,392.44
Total equity	10,829.32	10,646.14
Net debt to equity ratio	0.53	0.22

* Net debt includes debt securities + borrowing other than debt securities + sub-ordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash & cash equivalents.



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Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

35 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, 2022		As at March 31, 2021	
	thin 12 mon	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	1,709.22		830.86	-
Bank balances other than cash and cash equivalents		202.10		
Trade receivables	-			
Loans	3,390.84	12,791.95	2,951.98	9,908.85
Other financial assets	95.74	21.37	46.67	40.27
	5,195.79	13,015.43	3,829.51	9,949.12
Non-financial assets				
Current tax assets (net)	-	-	1.16	-
Deferred tax assets (net)	161.66	-	63.97	-
Property, plant and equipment	-	119.47	-	84.37
Intangible assets under development	-	5.88	-	7.35
Other non-financial assets	227.06	-	198.51	-
	388.72	125.35	263.64	91.72
TOTAL ASSETS	5,584.51	13,140.78	4,093.15	10,040.85
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	48.34	-	44.28	-
Debt securities	52.74	497.64	72.50	477.66
Borrowings (other than debt securities)	2,884.12	4,239.47	1,733.85	939.29
Other financial liabilities	90.20	-	139.96	-
	3,075.40	4,737.11	1,990.59	1,416.95
Non-financial liabilities				
Current Tax Liabilities (Net)	8.40	-	-	-
Provisions	26.55	17.59	39.01	11.12
Other non-financial liabilities	29.34	1.58	25.48	4.70
	64.29	19.17	64.49	15.82
TOTAL LIABILITIES	3,139.69	4,756.28	2,055.08	1,432.77
Net equity	2,444.82	8,384.50	2,038.07	8,608.08



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

36 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.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers contribution to provident and other fund*	47.10	29.03

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 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 recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	17.59	11.12
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	17.59	11.12

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	8.81	7.24
Past service cost including curtailment gains/losses	-	-
Interest cost on defined benefit obligation	0.75	0.40
Interest income on plan assets	-	-
Net impact on profit (before tax)	9.57	7.64

Amount recognised in the other comprehensive income:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial gain/(loss) unrecognised during the year	3.09	2.50

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present value of defined benefit obligation as at the beginning of year	11.12	5.98
Current service cost	8.81	7.24
Interest cost	0.75	0.40
Past service cost including curtailment gains/losses	(3.09)	(2.50)
Benefits paid	-	-
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	-	-
Actuarial loss on arising from experience adjustment	-	-
Present value of defined benefit obligation as at the end of the year	17.59	11.12



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Notes to the Financial Statements for the period ended March 31, 2022
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(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	As at March 31, 2022	As at March 31, 2021
Total	-	-

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Expected return on plan assets	-	-
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discounting rate	7.26%	6.76%
Future salary increase	4.00%	4.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 years	5%	5%
From 31 to 44 years	3%	3%
Above 44 years	2%	2%
Weighted average duration	18.00	17.58

Mortality rates inclusive of provision for disability -100% of IALM (2006 - 08)

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 (2006-08) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	17.59	11.12
- Impact due to increase of 0.50 %	(1.00)	(0.69)
- Impact due to decrease of 0.50 %	1.09	0.75
Impact of the change in salary increase		
Present value of obligation at the end of the year	17.59	11.12
- Impact due to increase of 0.50 %	1.12	0.77
- Impact due to decrease of 0.50 %	(1.03)	(0.71)

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.

(viii) Maturity profile of defined benefit obligation (discounted)

year	As at March 31, 2022 Amount	As at March 31, 2021 Amount
0 to 1 year	0.08	0.04
1 to 2 year	0.12	0.06
2 to 3 year	0.37	0.09
3 to 4 year	0.42	0.28
4 to 5 year	0.47	0.29
5 to 6 year	1.72	0.28
6 year onwards	14.42	10.08
Total	17.59	11.12

C Compensated absences (non-funded)

(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	26.55	39.01
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	26.55	39.01

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Total service cost	14.84	25.92
Net interest cost on defined benefit obligation	2.64	1.47
Net actuarial (gain)/loss recognised during the year	(26.29)	(10.05)
Amount recognised in the statement of profit and loss	(8.81)	17.33



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

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37 Related party disclosures
A List of related parties and disclosures
Holding Company:

Satin Creditcare Network Limited

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Pvt. Ltd.

Key managerial personnel and their relatives:

Name of key managerial personnel	Designation	Relatives
Mr. H P Singh	Director	Mr. Savinder Singh Mrs. Anureet H P Singh
Mr. Sumit Mukherjee	Director & CEO	-
Mr. Jitendra Jain*	Chief Financial Officer	-
Mr. Arjun Bansal*	Chief Financial Officer	-
Mrs. Bhanu Priya**	Company Secretary	-
Mr. Puneet Jolly	Company Secretary	-

* Mr. Jitendra Jain resigned from Chief Financial Officer w.e.f May 31, 2021 and Mr. Arjun Bansal joined w.e.f June 16, 2021

** resigned from company secretary w.e.f March 30, 2021

B Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	For the period ended March 31, 2022	For the period ended March 31, 2021
Mr. H P Singh	Personal Guarantee given	2,000.00	-
Satin Creditcare Network Limited	Facilitation charges Income	5.00	-
	Technology sharing services expense	63.00	39.29
	Fees for corporate guarantee	-	9.44
	Payment of rent for office space sharing	21.52	24.86
Tarashna Financial Services Limited	DSA Commission expenses	18.03	23.49
	Payment of rent for office space sharing	1.26	-
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan given	-	150.00
	Interest income on loan	20.16	9.20
	Repayment received against loan	43.94	14.27
	Remuneration	96.92	70.00
Mr. Sumit Mukherjee	Remuneration	16.63	-
Mr. Arjun Bansal	Remuneration	13.00	0.84
Mr. Puneet Jolly	Remuneration	5.26	23.56
Mr. Jitendra Jain	Remuneration	-	7.31
Mrs. Bhanu Priya	Remuneration	-	-

C Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of balance	March 31, 2022	As at March 31, 2021
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan Receivable	91.79	135.73
	Accrued Interest Receivable	1.28	1.90
Tarashna Financial Services Limited	DSA Commission Payable	-	(1.52)
Satin Creditcare Network Limited	Fees for corporate guarantee	6.12	8.01

Note:

1. Mr. H. P Singh, director of the company has given personal guarantee for term loan taken from bank. Outstanding as of March 31, 2022 is Rs. 19,16.67 Lakh (Previous Year: Nil)

D Key management personnel remuneration includes the following expenses:

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Short-term employee benefits	131.81	101.71
Post employment benefits	1.64	3.14
Other long-term benefits	(4.41)	10.11



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

38 Segment information

The Company operates in a single business segment i.e. lending to customers who have similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

39 Leases

The Company has taken various office premises under lease arrangements. Generally, the lease term varies from 11 months to 60 months and is renewable under mutually agreed terms between lessee and lessor and there is no exclusive right to the company. The company has considered leases having initial lease term of upto 12 months as short term leases as per para 6 of Ind AS 116 and their expenses have been recognised as Rent under note 31. For all other leases having lease term of more than 12 months a right of use asset is recognised with a corresponding lease liability. The right of use asset is disclosed under Property, Plant and Equipment and lease liability is disclosed under Borrowings. Further disclosures as on March 31, 2022 are as follows:

1 The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	Righ of use asset Office Premises as on 31-03-2022	Righ of use asset Office Premises as on 31-03-2021
Total number of leases	13	11
Number of leases considered as short term leases	5	4
No. of right-of use assets leased	8	7
Range of remaining term	From 7 Months to 46 months	From 17 Months to 54 months
Average remaining lease term	26 months	35 months
No. of leases with extension options	8	7
No. of leases with purchase options	0	0
No. of leases with variable payments linked to an index	0	0
No. of leases with termination options	0	0

2 Additional information on the right-of-use assets by class of assets is as follows:

Particulars	Righ of use asset Office Premises as on 31-03-2022	Righ of use asset Office Premises as on 31-03-2021
Carrying amount as on March 31, 2021	69.10	20.42
Reclassified on account of adoption of Ind AS 116	-	-
Addition	43.66	68.16
Depreciation	27.34	14.40
Deletion	4.42	5.08
Carrying amount as on March 31, 2022	81.00	69.10

3 Lease liabilities are presented in the statement of financial position as follows:

	As at March 31, 2022	For the year ended March 31, 2021
Particulars		
Current	23.56	18.55
Non-current	65.83	54.24
Total	89.39	72.80

4 At 31 March 2022 the Company do not have any committed leases which had not commenced.

5 The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	32.21	8.65	23.56
1-2 years	28.78	6.09	22.69
2-5 years	47.93	4.79	43.14
Total	108.93	19.53	89.39

The undiscounted maturity analysis of lease liabilities at 31 March 2021 is as follows:

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	25.70	7.15	18.55
1-2 years	23.07	5.02	18.06
2-5 years	41.08	4.90	36.18
Total	89.86	17.06	72.80

The Company 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 recognised as lease liabilities and are expensed as incurred. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

6 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	March 31, 2022	March 31, 2021
Short term leases	22.77	31.70
Leases of low value assets	-	-
Variable lease payments	-	-
Total	22.77	31.70

7 The Company had total cash outflows for leases of Rs. 57.49 Lakhs in financial year ended on 31 March 2022 (Rs. 40.49 Lakhs in 31 March 2021).

8 The following are the amounts recognised in profit or loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets	27.34	14.40
Interest expense on lease liabilities	10.98	5.41
Expense relating to short-term leases (included in other expenses)	22.77	31.70
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	61.09	51.51

9

The Company has lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 11 months and 5 years 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 and termination options, which are further discussed below.

The Company has several lease contracts that include extension and termination options. 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.

10 The Company does not have any lease contracts that contains variable payments.

11 Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	More than five years	Total
Extension options expected not to be exercised (Count)	-	-	-
Termination options expected to be exercised (Count)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-
	-	-	-

Since the company has adopted Ind AS 116 w.e.f. April 1, 2019 prospectively, comparative figures are not required to be disclosed in accordance with standard.



SATIN FINSERV LIMITED**Notes to the Financial Statements for the period ended March 31, 2022**

(All amounts in Lakhs, unless otherwise stated)

40 Contingent liability and Capital & other commitments

No contingent liabilities as on 31st March 2022 (previous year Nil). Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil). Other commitments is Nil as on 31st March 2022 (previous year Nil).

40.1 Estimates**a) Impairment of financial assets based on expected credit loss model****40.2 Classification and measurement of financial assets and liabilities**

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets is measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

41 Impact of COVID-19 Pandemic

The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the all the three waves of Covid, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

41A Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loan receivables & other receivables, property plant & equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

41B Impact of Covid-19 on loan receivables and Revenue from Operations

The Company has evaluated the impact of COVID - 19. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company holds provisions as at March 31, 2022 against the potential impact of COVID-19 based on the information available at this point in time. The provisions held by the Company are in excess of the RBI prescribed norms.

41C Impact of Covid-19 on Loss allowance for loan receivables and other receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions. In calculating expected credit loss on loan receivables and other receivables, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

41D Impairment assessment of Property plant and equipment, Intangible assets

The Company is engaged primarily in providing Loan to the middle and lowest end of the pyramid income customer for their business need. Considering the nature of business the Company does not have major PP&E assets. As at March 31, 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to Covid 19 is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

41E Credit risk on cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks. Company also invests in mutual funds and reviews the portfolio on regular basis. Mutual Funds with high quality portfolio are preferred.

Company has considered the latest available credit ratings in view of COVID - 19 as at the date of approval of these financial statements.

41F Contingencies

The economic consequences and uncertainties resulting from the Coronavirus itself or from actions taken by governments and the company to respond to the outbreak may have an impact on contingent liability. Liabilities previously meeting or not meeting the definition of a contingent liability may need to be reconsidered for the purpose of disclosure in financial statement. Same has been duly considered by the management.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

42 Additional disclosures as required by the Reserve Bank of India:-

(i) Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2022	As at March 31, 2021
CRAR (%)	64.04	80.23
CRAR - Tier I Capital (%)	63.63	79.32
CRAR - Tier II Capital (%)	0.41	0.91
Liquidity Coverage Ratio	1427%	1181%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

(ii) Disclosure of investments:-

Particulars	As at March 31, 2022	As at March 31, 2021
Value of Investments		
Gross Value of Investments		
(a) In India	-	-
(b) Outside India,	-	-
Provisions for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
Net Value of Investments		
(a) In India	-	-
(b) Outside India,	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

(iii) Derivatives:-

The Company has no transactions/exposure in derivatives in the current period and previous period.

(iv) Disclosure relating to securitization:-

The Company has no transactions/exposure in securitization in the current period and previous period.

(v) Details of assignment transactions undertaken:-

The Company has no transactions/exposure in assignment transactions in the current period and previous period.

(vi) Details of financial asset sold to Securitisation / Reconstruction Company for asset reconstruction:-

The Company has not sold financial assets to Securitisation / Reconstruction Companies for asset reconstruction in the current period and previous period.

(vii) Details of non-performing financial assets purchased / sold:-

The Company has not purchased/sold non-performing financial asset in the current period and previous period.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(vi) Asset Liabilities Management Maturity pattern of certain items of assets and liabilities:-

As at March 31, 2022

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt	-	-	-	-	-	52.74	-	497.64	-	-	550.38
Securities						126.17	252.42	1,007.81	458.38	-	1,929.27
Borrowings from Banks	0.38	-	-	42.05							
Market Borrowings (other than Banks)	66.88	27.78	156.80	210.22		604.10	1,100.71	2,455.62	228.26	-	5,104.93
Assets											
Advances	141.67	53.22	293.62	257.08	577.10	871.13	1,752.45	10,143.16	2,079.85	568.94	16,738.22
Cash and cash equivalents	627.17	529.00	0.56	552.49	-	-	-	-	-	-	1,709.22
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	202.10	-	202.10

As at March 31, 2021

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt	-	-	-	-	-	50.16	-	500.00	-	-	550.16
Securities						395.82	664.96	1,067.18	59.63	-	2,600.34
Market Borrowings (other than Banks)	26.01	27.78	87.32	136.32	135.33						
Assets											
Advances	122.41	61.69	254.68	261.93	250.24	819.84	1,419.28	5,982.09	3,236.54	690.22	13,098.92
Cash and cash equivalents	830.36	-	0.50	-	-	-	-	-	-	-	830.86



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(viii) Exposure to real estate sector:-

The Company has no exposure to real estate sector during the current period and previous period.

(ix) Exposure to capital market:-

The Company has no exposure to capital market during the current period and previous period.

(x) Information on instances of fraud:-

Nature of fraud (cash embezzlement by employee)	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of Cases	1	-
Amount of Fraud	0.22	-
Recovery	-	-
Amount written off	0.22	-

Nature of fraud (Borrower)	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of Cases	-	1
Amount of Fraud	-	222.24
Recovery	-	-
Amount written off	-	222.24

(xi) Details of single borrower limit exceeded by applicable NBFC:-

The Company does not have single borrower exceeding the limits during the current period and previous period.

(xii) Details of financing of parent Company product:-

The Company does not have such transaction during the current period and previous period.

(xiii) Registration obtained from other financial sector regulators:-

The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance).

(xiv) Disclosure of Penalties imposed by RBI & other regulators:-

No penalties imposed by RBI and other regulators during the current period and previous period.

(xv) Concentration of Advances, Exposures and NPAs

Particulars	As at March 31, 2022	As at March 31, 2021
Concentration of Advances		
Total advances to twenty largest borrowers	7,621.59	7,255.80
(%) of advances to twenty largest borrowers to total advances	47.10%	56.42%
Concentration of Exposures		
Total exposure to twenty largest borrowers	7,621.59	7,255.80
(%) of exposure to twenty largest borrowers to total exposure	47.10%	56.42%
Concentration of NPAs		
Total exposure to top four NPA accounts	288.10	38.93
(%) of exposure to top four NPA accounts	1.78%	0.30%



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(xvi) Movement of NPAs:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Net NPAs to net advance (%)	3.32%	0.89%
ii) Movement of NPAs (Gross)		
a) Opening balance	201.52	69.35
b) Addition during the year	796.08	378.16
c) Reduction/ write off during the year	97.60	245.99
d) Closing balance	899.99	201.52
iii) Movement of NPAs (Net)		
a) Opening balance	92.66	31.16
b) Addition during the year	542.18	307.49
c) Reduction/ write off during the year	97.60	245.99
d) Closing balance	537.24	92.66
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	108.86	38.19
b) Addition during the year	253.89	70.67
c) Reduction/ write off during the year	-	-
d) Closing balance	362.75	108.86

(xvii) Unsecured advances - refer note 6 of Balance Sheet Notes
(xviii) Provisions & contingencies (shown under Expenses head in statement of profit & loss)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provision for standard and non performing assets	317.34	87.39
Provision for gratuity	9.57	7.64
Provision for compensation absences	(8.81)	23.83

(xix) Un-hedged foreign currency

The Company does not have any foreign currency transaction during the current and previous period.

(xx) Customer complaints:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Number of complaints pending at the beginning of the year	-	-
b) Number of complaint received during the year	8	10
c) Number of complaint redressed during the year	8	10
d) Number of complaint pending at the end of the year	-	-



SATIN FINSERV LIMITED
Notes to the Financial Statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

(xx) Disclosure of details as required under notification issued by RBI dated March 13, 2020, RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20

Asset Classification as per RBI Norms	(1)	(2)	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	14,632.00	66.63	14,565.37	58.53	8.10
Subtotal		Stage 2	1,206.23	126.05	1,080.17	4.82	121.23
Non-Performing Assets (NPA)							
Substandard		Stage 3	759.13	305.73	453.40	75.91	229.82
Doubtful - up to 1 year		Stage 3	140.86	57.02	83.84	28.17	28.85
1 to 3 years		Stage 3	Nil	Nil	Nil	Nil	Nil
More than 3 years		Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal for doubtful		Stage 3	140.86	57.02	83.84	28.17	28.85
Loss		Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal for NPA		Stage 3	Nil	Nil	Nil	Nil	Nil
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	Nil	Nil	Nil	Nil	Nil
		Stage 2	Nil	Nil	Nil	Nil	Nil
		Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal		Stage 3	Nil	Nil	Nil	Nil	Nil
Total		Stage 1	14,632.00	66.63	14,565.37	58.53	8.10
		Stage 2	1,206.23	126.05	1,080.17	4.82	121.23
		Stage 3	895.99	362.75	537.24	75.91	229.82
		Total	16,738.22	555.43	16,182.79	139.27	359.15

(xxxi) Disclosure of stress assets as required under notification issued by RBI dated August 06, 2020, RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 read with notification issued by RBI dated and May 05, 2021, RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 (INR in Lakhs)

Type of borrower	(A)	(B)	(C)	(D)	(E)
Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (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 the end of this half-year	
Personal Loans	-	-	-	-	-
Corporate persons*	355.15	-	-	26.22	328.93
Of which, MSMEs	-	-	-	-	-
Others - MSME	1,608.46	288.20	-	166.11	1,154.15
Total	1,963.61	288.20	-	192.33	1,483.08

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

43 The Board of Directors of the Company in their meeting held on August 03, 2021, has approved the Scheme of Arrangement for Amalgamation between Taraashna Financial Services Limited (Transferor Company) and Satin Finserv Limited (Transferee Company) and their respective shareholders and creditors 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 has been filed before Hon'ble NCLT Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors. The said first motion application is reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022

44 Previous year Figures have been re-grouped/re-classified wherever necessary to make it comparable with the figure presented for the year ended 31st March 2022.

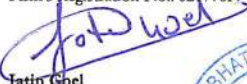
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N



Jatin Goel

Partner

M No. 553420

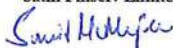


Place : Gurugram

Dated: April 27, 2022

For and on behalf of the Board of Directors of

Satin Finserv Limited



Sumit Mukherjee

DIN: 08369056

WTD & CEO

Place : Gurugram


Arjun Bansal
Chief Financial Officer

Place : Gurugram

Dated: April 27, 2022



Harvinder Pal Singh

DIN: 00333754

Director

Place : Gurugram


Puneet Jolly
Mem No: 43608
Company Secretary
Place : Gurugram



ICRA/Satin Finserv Limited/21082024/1**Date: Aug 21, 2024****Mr. Arjun Bansal**

Chief Financial Officer

Satin Finserv Limited

Plot No. 492, 4th floor, B-Wing,

Udyog Vihar, Phase – III, Gurugram,

Haryana – 122016, India

Dear Sir,**Re: ICRA's Credit Rating for below mentioned instruments of Satin Finserv Limited**

As per the Rating Agreement/Statement of Work executed with ICRA Limited, ICRA's Rating Committee has taken the following rating actions for the mentioned instruments of your company.

Instrument	Rated Amount (Rs. crore)	Rating Action ¹
NCD programme	60.0	[ICRA]A- (Stable); Assigned
Total	60.0	

Once the instrument is issued, the rating is valid throughout the life of the captioned programme until withdrawn. However, ICRA reserves the right to review and/or, revise the above rating(s) at any time based on new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the rating(s). Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest rating(s) of the company.

The rating(s) are specific to the terms and conditions of the instruments as indicated to us by you, and any change in the terms or size of the same would require a review of the rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the instrument is used by you. In the event such changes occur after the rating(s) have been assigned by us and their use has been confirmed by you, the rating(s) would be subject to our review, following which there could be a change in the rating(s) previously

¹ Complete definitions of the ratings assigned are available at www.icra.in



assigned. Notwithstanding the foregoing, any change in the over-all limit of the instrument from that specified in this letter, would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated instruments issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

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by AGAPPA
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Date:
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A M Karthik
Senior Vice President
Co-Group Head – Financial Sector Ratings
a.karthik@icraindia.com

August 28, 2024

Satin Finserv Limited: [ICRA]A- (Stable) assigned to Rs. 60-crore NCD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term bank facilities (others)	80.0	80.0	[ICRA]A- (Stable); outstanding
NCD programme	60.0	60.0	[ICRA]A- (Stable); outstanding
NCD programme	0.0	60.0	[ICRA]A- (Stable); assigned
Total	140.0	200.0	

*Instrument details are provided in Annexure I

Rationale

The rating factors in Satin Finserv Limited's (SFL) adequate capitalisation profile with a capital-to-risk weighted assets ratio (CRAR) of 44.9% and a managed gearing¹ of 1.9 times as on June 30, 2024, supported by regular capital infusions by Satin Creditcare Network Limited (SCNL; rated [ICRA]A (Stable)/[ICRA]A1). The rating continues to consider the strength enjoyed by SFL as a wholly-owned subsidiary of SCNL. While SCNL's management's involvement in SFL is limited, it enjoys board-level guidance in the form of common directors, including Mr. H P Singh (promotor of SCNL). ICRA expects that SCNL will continue to support SFL's growth plans in the form of board-level guidance and funding (debt and equity), as and when required.

The rating is, however, constrained by SFL's moderate scale of operations, asset quality and profitability metrics. The company reported assets under management (AUM) of Rs. 452 crore (Rs. 353 crore of on-book portfolio) as on June 30, 2024 against Rs. 682 crore (Rs. 226 crore of on-book portfolio) in March 2023. ICRA expects the growth to remain moderate in the near term as the business correspondent (BC) book runs down. ICRA also notes that SFL shall need to diversify its funding relations to support its growth plans. As on June 30, 2024, SFL's funding profile comprised loans from non-banking financial companies (NBFCs; ~41%), BC portfolio (~28%), non-convertible debentures (NCDs; ~13%), securitisation (~9%) and loans from banks (~8%).

Moreover, since the underlying borrower segment remains vulnerable to income shocks, the company's ability to engage with customers and improve its systems and controls continuously to maintain the asset quality remains critical. SFL reported gross non-performing assets (GNPAs) of 4.7% as on June 30, 2024 (4.3% as on March 31, 2024) vis-à-vis 4.6% in March 2023. Furthermore, its wholesale lending book is partially unsecured in nature and has relatively higher ticket size loans. ICRA notes that SFL's borrowers have a track record of around two loan cycles and the share of the wholesale lending book has also been declining gradually, providing some comfort. ICRA also notes that SFL's management is in the process of strengthening its systems and processes to improve its operational efficiency and asset quality metrics; its ability to do so and maintain adequate asset quality metrics shall be key for its credit profile. The company's profitability metrics remain moderate primarily on account of higher credit costs and elevated operating expenses (opex) because of lower operational efficiency.

The Stable outlook on the long-term rating reflects ICRA's opinion that SFL will be able to maintain a steady credit profile, aided by adequate capitalisation while expanding its scale of operations and improving its profitability, along with the expectation of continued support from the parent in the form of equity and debt funding.

¹ Managed gearing = (on-book debt + off-book portfolio) / Net worth

Key rating drivers and their description

Credit strengths

Credit profile supported by parentage – The company enjoys board-level guidance from its parent – SCNL. Further, it enjoys financial support in the form of timely capital infusions from SCNL along with debt funding lines. ICRA takes comfort that SCNL does not intend to reduce its stake in SFL in the near-to-medium term and is expected to continue supporting the company by way of board-level guidance and funding. Further, SFL can potentially leverage SCNL's diversified lending relationships to support its growth plans.

Adequate capitalisation – SFL has adequate capitalisation metrics for its current scale along with cushions for its near-term growth plans. It reported a CRAR of 44.9% as on June 30, 2024 vis-à-vis 46.6% in March 2023, while its managed gearing stood at 1.9 times in June 2024 (2.4 times in March 2024) against 4.5 times in March 2023. Its capitalisation is primarily supported by timely capital infusions by its parent and the decline in its AUM. SCNL infused Rs. 40-crore equity capital in SFL in FY2024 and is expected to continue providing support as and when required.

Credit challenges

Moderate scale of operations – SFL started operations in March 2019 and its AUM stood at Rs. 452 crore as on June 30, 2024 (Rs. 501 crore as on March 31, 2024) vis-à-vis Rs. 682 crore in March 2023. The decline was primarily on account of the decrease in the BC book, which was acquired under the merger with SCNL's erstwhile subsidiary, Taraashna Financial Services Limited (Taraashna), in March 2023. However, the on-book portfolio has witnessed growth, supported by the onboarding of new borrowers. The company reported an on-book portfolio of Rs. 353 crore as on June 30, 2024 (Rs. 326 crore as on March 31, 2024) against Rs. 226 crore in March 2023.

Moderate asset quality and relatively vulnerable borrower profile – SFL reported GNPA's of 4.7% as on June 30, 2024 (4.3% as on March 31, 2024) vis-à-vis 4.6% in March 2023. Additionally, its wholesale lending book is partially unsecured in nature and has relatively higher ticket size loans; thus, the performance remains a monitorable. Nonetheless, these risks are somewhat mitigated as the company is carrying adequate provisions for its on-book GNPA's as well as towards the first loss default guarantee (FLDG) for the BC portfolio. Moreover, its wholesale borrowers have a multicycle track record with SCNL and/or SFL. Further, ICRA notes that SFL's management is in the process of strengthening its recovery mechanism, which is expected to improve its asset quality metrics gradually.

Since the underlying borrower segment remains vulnerable to income shocks, the company's ability to engage with customers and improve its systems and controls continuously to enhance the asset quality remains critical. However, ICRA notes that SFL's retail customers have a credit history and track record of at least two cycles with SCNL.

Elevated credit costs and opex impacting profitability metrics – SFL's profitability profile remains moderate on account of elevated credit costs and the high opex ratio. It reported a profit after tax (PAT) of Rs. 1.7 crore in Q1 FY2025 (provisional), translating into a return on average managed assets (RoMA) of 1.1% (annualised) and a return on average net worth (RoNW) of 3.6% (annualised) against Rs. 5.1 crore, 0.7% and 3.2%, respectively, in FY2024 (Rs. 6.1 crore, 0.7% and 4.5%, respectively, in FY2023). Credit costs, with respect to average managed assets (AMA), stood at 1.4% (annualised) in Q1 FY2025 against 0.5% in FY2024 while the opex to AMA ratio was 11.6% (annualised) against 11.8% in FY2024. ICRA notes that the management has taken steps to improve the operational efficiency and strengthen the recovery process so that these two costs can be reduced. However, the materialisation of the same remains to be seen.

Liquidity position: Adequate

SFL had adequate on-book liquidity of Rs. 34 crore as on June 30, 2024, as per its provisional asset-liability management (ALM) statement. Apart from this, it had unavailed sanctioned lines of ~Rs. 31 crore (including Rs. 30 crore from SCNL). Against this, SFL has debt obligations of Rs. 105 crore due over the 12-month period of July 2024 to June 2025 and estimated collections of Rs. 133 crore.

Rating sensitivities

Positive factors – A healthy growth in SFL’s scale of operations, with an improvement in its asset quality and profitability profile, while maintaining a prudent capitalisation profile could positively impact the rating. Also, an improvement in SCNL’s credit profile could positively impact the rating.

Negative factors – A material change in the expected support from SCNL and/or a deterioration in the parent’s credit profile could negatively impact the rating. Further, pressure on the rating could arise on a sustained deterioration in the scale and/or asset quality, thereby weakening the profitability profile, or a material weakening of the capitalisation profile.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Non-banking Finance Companies
Parent/Group support	The rating factors in the high likelihood of support from SCNL (parent company), given the shared brand name, operational and financial support already being extended to SFL.
Consolidation/Standalone	Standalone

About the company

SFL is an NBFC and a wholly-owned subsidiary of SCNL. It offers micro, small and medium enterprise (MSME) loans (retail and wholesale). It had operations in 11 states as on June 30, 2024 and reported an AUM of Rs. 452 crore. On a standalone basis, it reported a net profit of Rs. 5 crore in FY2024 (total comprehensive income (TCI) of Rs. 5 crore) against Rs. 6 crore in FY2023 (TCI of Rs. 6 crore).

SCNL is an NBFC-microfinance institution (NBFC-MFI), primarily offering joint liability group (JLG) loans to women. It operates through 1,447 branches spreads across 27 States/Union Territories on a consolidated basis. Apart from SFL, SCNL has another wholly-owned subsidiary – Satin Housing Finance Limited (SHFL).

Key financial indicators (audited)

Satin Finserv Limited	FY2023	FY2024	Q1 FY2025^
Total income	107	121	30
PAT	6	5	2
Total managed assets	791	643	570
Return on managed assets	0.7%	0.7%	1.1%
Managed gearing	4.5x	2.4x	1.9x
Gross NPA	4.6%	4.3%	4.7%
CRAR	46.6%	48.0%	44.9%

Source: Company, ICRA Research; All ratios as per ICRA’s calculations and estimates; Amount in Rs. crore; ^ Limited review financials for Q1 FY2025

Status of non-cooperation with previous CRA: Not applicable

Any other information:

SFL also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial, operating and rating-linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Current (FY2025)				Chronology of rating history for the past 3 years					
FY2025				FY2024		FY2023		FY2022	
Instrument	Type	Amount rated (Rs. crore)	Aug 28, 2024	Date	Rating	Date	Rating	Date	Rating
Bank facilities	Long term	80.0	[ICRA]A- (Stable)	Jan-08-2024	[ICRA]A- (Stable)	-	-	-	-
				Dec-27-2023	[ICRA]A- (Stable)				
NCD programme	Long term	120.0	[ICRA]A- (Stable)	Jan-08-2024	[ICRA]A- (Stable)	-	-	-	-
				Dec-27-2023	-				

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term bank facilities (others)	Simple
NCD programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
Not issued yet	NCD programme	NA	NA	NA	75.0	[ICRA]A- (Stable)
INE03K307033	NCD programme	Jun-28-2024	10.85%	Jun-28-2026	25.0	[ICRA]A- (Stable)
INE03K307025	NCD programme	Mar-04-2024	10.85%	Sep-04-2025	20.0	[ICRA]A- (Stable)
NA	Long-term bank facilities (others)	Sep-2017 to Feb-2024	NA	NA	80.0	[ICRA]A- (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Not applicable

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+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

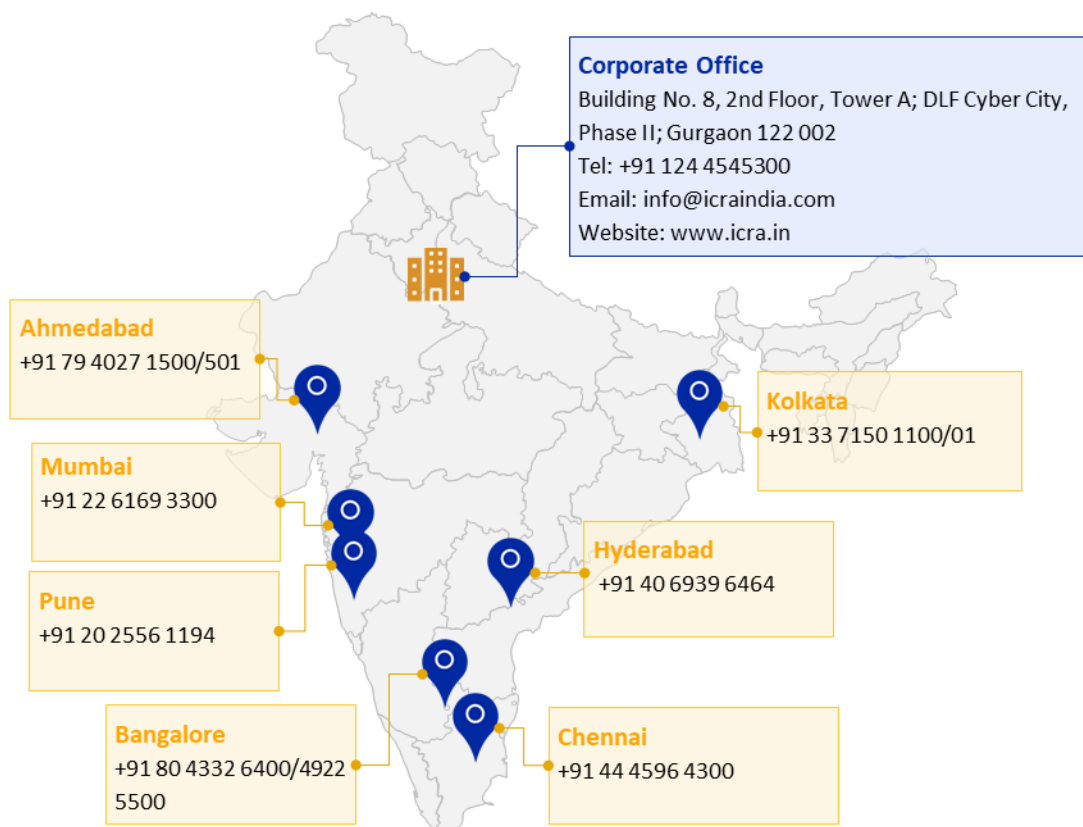


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Branches



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ICRA/Satin Finserv Limited/21082024/1**Date: Aug 21, 2024****Mr. Arjun Bansal**

Chief Financial Officer

Satin Finserv Limited

Plot No. 492, 4th floor, B-Wing,

Udyog Vihar, Phase – III, Gurugram,

Haryana – 122016, India

Dear Sir,**Re: ICRA's Credit Rating for below mentioned instruments of Satin Finserv Limited**

As per the Rating Agreement/Statement of Work executed with ICRA Limited, ICRA's Rating Committee has taken the following rating actions for the mentioned instruments of your company.

Instrument	Rated Amount (Rs. crore)	Rating Action ¹
NCD programme	60.0	[ICRA]A- (Stable); Assigned
Total	60.0	

Once the instrument is issued, the rating is valid throughout the life of the captioned programme until withdrawn. However, ICRA reserves the right to review and/or, revise the above rating(s) at any time based on new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the rating(s). Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest rating(s) of the company.

The rating(s) are specific to the terms and conditions of the instruments as indicated to us by you, and any change in the terms or size of the same would require a review of the rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the instrument is used by you. In the event such changes occur after the rating(s) have been assigned by us and their use has been confirmed by you, the rating(s) would be subject to our review, following which there could be a change in the rating(s) previously

¹ Complete definitions of the ratings assigned are available at www.icra.in



assigned. Notwithstanding the foregoing, any change in the over-all limit of the instrument from that specified in this letter, would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated instruments issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

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A M Karthik
Senior Vice President
Co-Group Head – Financial Sector Ratings
a.karthik@icraindia.com

August 28, 2024

Satin Finserv Limited: [ICRA]A- (Stable) assigned to Rs. 60-crore NCD programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term bank facilities (others)	80.0	80.0	[ICRA]A- (Stable); outstanding
NCD programme	60.0	60.0	[ICRA]A- (Stable); outstanding
NCD programme	0.0	60.0	[ICRA]A- (Stable); assigned
Total	140.0	200.0	

*Instrument details are provided in Annexure I

Rationale

The rating factors in Satin Finserv Limited's (SFL) adequate capitalisation profile with a capital-to-risk weighted assets ratio (CRAR) of 44.9% and a managed gearing¹ of 1.9 times as on June 30, 2024, supported by regular capital infusions by Satin Creditcare Network Limited (SCNL; rated [ICRA]A (Stable)/[ICRA]A1). The rating continues to consider the strength enjoyed by SFL as a wholly-owned subsidiary of SCNL. While SCNL's management's involvement in SFL is limited, it enjoys board-level guidance in the form of common directors, including Mr. H P Singh (promotor of SCNL). ICRA expects that SCNL will continue to support SFL's growth plans in the form of board-level guidance and funding (debt and equity), as and when required.

The rating is, however, constrained by SFL's moderate scale of operations, asset quality and profitability metrics. The company reported assets under management (AUM) of Rs. 452 crore (Rs. 353 crore of on-book portfolio) as on June 30, 2024 against Rs. 682 crore (Rs. 226 crore of on-book portfolio) in March 2023. ICRA expects the growth to remain moderate in the near term as the business correspondent (BC) book runs down. ICRA also notes that SFL shall need to diversify its funding relations to support its growth plans. As on June 30, 2024, SFL's funding profile comprised loans from non-banking financial companies (NBFCs; ~41%), BC portfolio (~28%), non-convertible debentures (NCDs; ~13%), securitisation (~9%) and loans from banks (~8%).

Moreover, since the underlying borrower segment remains vulnerable to income shocks, the company's ability to engage with customers and improve its systems and controls continuously to maintain the asset quality remains critical. SFL reported gross non-performing assets (GNPAs) of 4.7% as on June 30, 2024 (4.3% as on March 31, 2024) vis-à-vis 4.6% in March 2023. Furthermore, its wholesale lending book is partially unsecured in nature and has relatively higher ticket size loans. ICRA notes that SFL's borrowers have a track record of around two loan cycles and the share of the wholesale lending book has also been declining gradually, providing some comfort. ICRA also notes that SFL's management is in the process of strengthening its systems and processes to improve its operational efficiency and asset quality metrics; its ability to do so and maintain adequate asset quality metrics shall be key for its credit profile. The company's profitability metrics remain moderate primarily on account of higher credit costs and elevated operating expenses (opex) because of lower operational efficiency.

The Stable outlook on the long-term rating reflects ICRA's opinion that SFL will be able to maintain a steady credit profile, aided by adequate capitalisation while expanding its scale of operations and improving its profitability, along with the expectation of continued support from the parent in the form of equity and debt funding.

¹ Managed gearing = (on-book debt + off-book portfolio) / Net worth

Key rating drivers and their description

Credit strengths

Credit profile supported by parentage – The company enjoys board-level guidance from its parent – SCNL. Further, it enjoys financial support in the form of timely capital infusions from SCNL along with debt funding lines. ICRA takes comfort that SCNL does not intend to reduce its stake in SFL in the near-to-medium term and is expected to continue supporting the company by way of board-level guidance and funding. Further, SFL can potentially leverage SCNL's diversified lending relationships to support its growth plans.

Adequate capitalisation – SFL has adequate capitalisation metrics for its current scale along with cushions for its near-term growth plans. It reported a CRAR of 44.9% as on June 30, 2024 vis-à-vis 46.6% in March 2023, while its managed gearing stood at 1.9 times in June 2024 (2.4 times in March 2024) against 4.5 times in March 2023. Its capitalisation is primarily supported by timely capital infusions by its parent and the decline in its AUM. SCNL infused Rs. 40-crore equity capital in SFL in FY2024 and is expected to continue providing support as and when required.

Credit challenges

Moderate scale of operations – SFL started operations in March 2019 and its AUM stood at Rs. 452 crore as on June 30, 2024 (Rs. 501 crore as on March 31, 2024) vis-à-vis Rs. 682 crore in March 2023. The decline was primarily on account of the decrease in the BC book, which was acquired under the merger with SCNL's erstwhile subsidiary, Taraashna Financial Services Limited (Taraashna), in March 2023. However, the on-book portfolio has witnessed growth, supported by the onboarding of new borrowers. The company reported an on-book portfolio of Rs. 353 crore as on June 30, 2024 (Rs. 326 crore as on March 31, 2024) against Rs. 226 crore in March 2023.

Moderate asset quality and relatively vulnerable borrower profile – SFL reported GNPA's of 4.7% as on June 30, 2024 (4.3% as on March 31, 2024) vis-à-vis 4.6% in March 2023. Additionally, its wholesale lending book is partially unsecured in nature and has relatively higher ticket size loans; thus, the performance remains a monitorable. Nonetheless, these risks are somewhat mitigated as the company is carrying adequate provisions for its on-book GNPA's as well as towards the first loss default guarantee (FLDG) for the BC portfolio. Moreover, its wholesale borrowers have a multicycle track record with SCNL and/or SFL. Further, ICRA notes that SFL's management is in the process of strengthening its recovery mechanism, which is expected to improve its asset quality metrics gradually.

Since the underlying borrower segment remains vulnerable to income shocks, the company's ability to engage with customers and improve its systems and controls continuously to enhance the asset quality remains critical. However, ICRA notes that SFL's retail customers have a credit history and track record of at least two cycles with SCNL.

Elevated credit costs and opex impacting profitability metrics – SFL's profitability profile remains moderate on account of elevated credit costs and the high opex ratio. It reported a profit after tax (PAT) of Rs. 1.7 crore in Q1 FY2025 (provisional), translating into a return on average managed assets (RoMA) of 1.1% (annualised) and a return on average net worth (RoNW) of 3.6% (annualised) against Rs. 5.1 crore, 0.7% and 3.2%, respectively, in FY2024 (Rs. 6.1 crore, 0.7% and 4.5%, respectively, in FY2023). Credit costs, with respect to average managed assets (AMA), stood at 1.4% (annualised) in Q1 FY2025 against 0.5% in FY2024 while the opex to AMA ratio was 11.6% (annualised) against 11.8% in FY2024. ICRA notes that the management has taken steps to improve the operational efficiency and strengthen the recovery process so that these two costs can be reduced. However, the materialisation of the same remains to be seen.

Liquidity position: Adequate

SFL had adequate on-book liquidity of Rs. 34 crore as on June 30, 2024, as per its provisional asset-liability management (ALM) statement. Apart from this, it had unavailed sanctioned lines of ~Rs. 31 crore (including Rs. 30 crore from SCNL). Against this, SFL has debt obligations of Rs. 105 crore due over the 12-month period of July 2024 to June 2025 and estimated collections of Rs. 133 crore.

Rating sensitivities

Positive factors – A healthy growth in SFL’s scale of operations, with an improvement in its asset quality and profitability profile, while maintaining a prudent capitalisation profile could positively impact the rating. Also, an improvement in SCNL’s credit profile could positively impact the rating.

Negative factors – A material change in the expected support from SCNL and/or a deterioration in the parent’s credit profile could negatively impact the rating. Further, pressure on the rating could arise on a sustained deterioration in the scale and/or asset quality, thereby weakening the profitability profile, or a material weakening of the capitalisation profile.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Non-banking Finance Companies
Parent/Group support	The rating factors in the high likelihood of support from SCNL (parent company), given the shared brand name, operational and financial support already being extended to SFL.
Consolidation/Standalone	Standalone

About the company

SFL is an NBFC and a wholly-owned subsidiary of SCNL. It offers micro, small and medium enterprise (MSME) loans (retail and wholesale). It had operations in 11 states as on June 30, 2024 and reported an AUM of Rs. 452 crore. On a standalone basis, it reported a net profit of Rs. 5 crore in FY2024 (total comprehensive income (TCI) of Rs. 5 crore) against Rs. 6 crore in FY2023 (TCI of Rs. 6 crore).

SCNL is an NBFC-microfinance institution (NBFC-MFI), primarily offering joint liability group (JLG) loans to women. It operates through 1,447 branches spreads across 27 States/Union Territories on a consolidated basis. Apart from SFL, SCNL has another wholly-owned subsidiary – Satin Housing Finance Limited (SHFL).

Key financial indicators (audited)

Satin Finserv Limited	FY2023	FY2024	Q1 FY2025^
Total income	107	121	30
PAT	6	5	2
Total managed assets	791	643	570
Return on managed assets	0.7%	0.7%	1.1%
Managed gearing	4.5x	2.4x	1.9x
Gross NPA	4.6%	4.3%	4.7%
CRAR	46.6%	48.0%	44.9%

Source: Company, ICRA Research; All ratios as per ICRA’s calculations and estimates; Amount in Rs. crore; ^ Limited review financials for Q1 FY2025

Status of non-cooperation with previous CRA: Not applicable

Any other information:

SFL also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial, operating and rating-linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Current (FY2025)				Chronology of rating history for the past 3 years					
FY2025				FY2024		FY2023		FY2022	
Instrument	Type	Amount rated (Rs. crore)	Aug 28, 2024	Date	Rating	Date	Rating	Date	Rating
Bank facilities	Long term	80.0	[ICRA]A- (Stable)	Jan-08-2024	[ICRA]A- (Stable)	-	-	-	-
				Dec-27-2023	[ICRA]A- (Stable)				
NCD programme	Long term	120.0	[ICRA]A- (Stable)	Jan-08-2024	[ICRA]A- (Stable)	-	-	-	-
				Dec-27-2023	-				

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term bank facilities (others)	Simple
NCD programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
Not issued yet	NCD programme	NA	NA	NA	75.0	[ICRA]A- (Stable)
INE03K307033	NCD programme	Jun-28-2024	10.85%	Jun-28-2026	25.0	[ICRA]A- (Stable)
INE03K307025	NCD programme	Mar-04-2024	10.85%	Sep-04-2025	20.0	[ICRA]A- (Stable)
NA	Long-term bank facilities (others)	Sep-2017 to Feb-2024	NA	NA	80.0	[ICRA]A- (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

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Ms. Naznin Prodhani
Tel: +91 124 4545 860
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Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

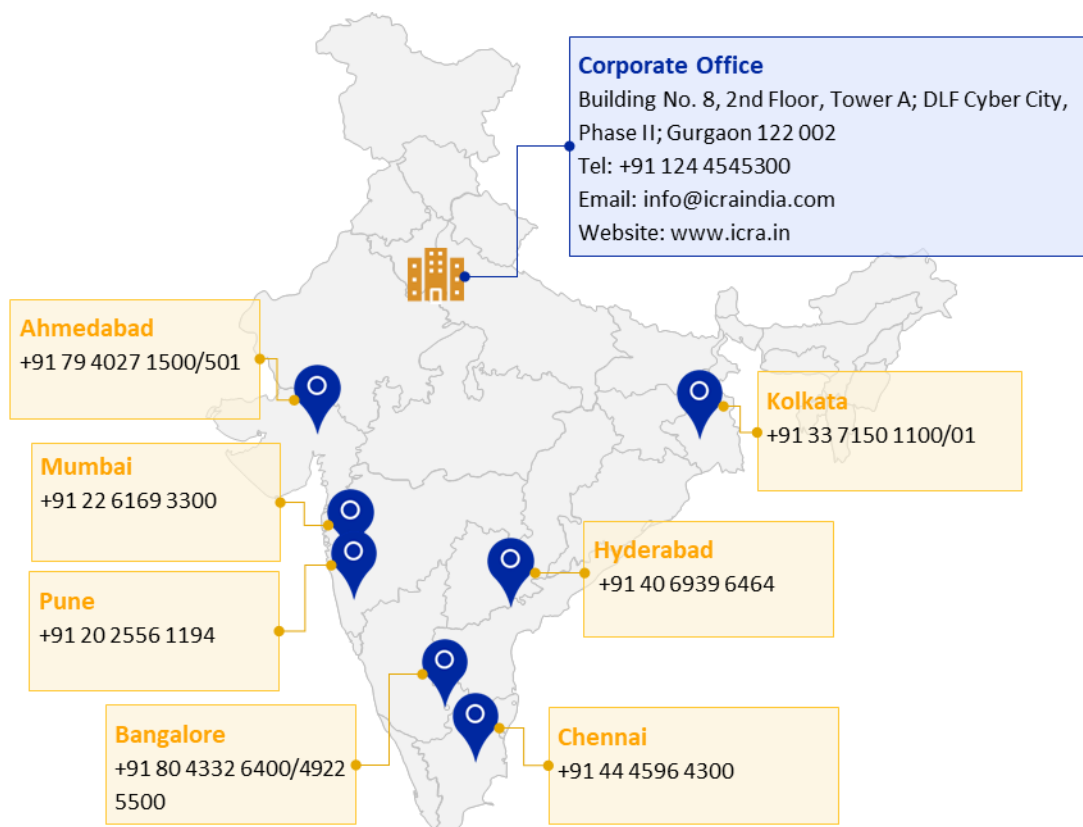


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Branches



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ATSL/CO/24-25/7316

September 10, 2024

To,

Satin Finserv Limited

4th Floor, B-Wing, Plot No. 492,

Udyog Vihar Phase III, Udyog Vihar Phase II Road, Gurugram

Haryana, State Code: 06 Pincode: 122016

India

Dear Sir/ Madam,

Sub.: Consent to act as the Debenture Trustee for the proposed issuance of Secured, Listed Non-Convertible Debentures of up to Rs. 25 Crores by Satin Finserv Limited ("Issuer").

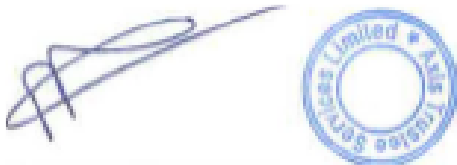
We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the abovementioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustee is purely its business decision and not an indication on the Issuer's standing or on the Debenture Issue. By consenting to act as Debenture Trustee, ATSL does not make nor deems to have made any representation on the Issuer, its Operations, the details and projections about the Issuer or the Debentures under Offer made in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the General Information Document and Key Information Document /Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debenture) Rules, 2014.

Yours truly,

For Axis Trustee Services Limited

A handwritten signature in blue ink is written over a blue circular stamp. The stamp contains the text "Axis Trustee Services Limited" around the perimeter and a small logo in the center.

Authorized Signatory

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SATIN FINSERV LIMITED IN THEIR MEETING HELD ON FRIDAY, JANUARY 19, 2024 AT REGISTERED OFFICE OF THE COMPANY AT 4TH FLOOR, 'B' WING, PLOT NO. 492, UDYOG VIHAR, PHASE- III, GURUGRAM, HARYANA- 122016

APPROVAL OF THE ISSUANCE OF NON-CONVERTIBLE DEBENTURES UPTO INR 200 CRORE

“RESOLVED THAT in supersession to all the earlier resolutions passed in this regard and pursuant to the provisions of Sections 23, 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, including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India (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, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper”, each as amended and the enabling provision of the listing agreements to be entered into with the stock exchanges where the debentures of the Company to be listed, the Reserve Bank of India (“RBI”) Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 dated October 19, 2023 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, and subject to approval of the Shareholders of the Company, the consent of the Board be and is hereby accorded to create, offer, invite for subscription, issue and allot non-convertible debentures ((a) subordinated, (b) listed, (c) senior secured, (d) senior unsecured, (e) unsecured, (f) market linked debentures, (g) perpetual or non-perpetual, and/or (h) any others (as may be determined)) (“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, provided that the aggregate amount to be raised through the issuance of NCDs shall not collectively exceed an overall limit of INR 200,00,00,000/- (Indian Rupees Two Hundred Crore only) (“Limit”) on such terms and conditions including the price, coupon, premium / discount on face value, redemption premium, 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 funds, pension/provident funds, 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, from the date of approval of this resolution by the shareholders of the Company and the Limit shall be subject to the overall borrowing limits of the Company, as approved by the shareholders 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, any Director and Working Committee of the Company be and are hereby severally authorized and empowered to arrange, settle and determine the terms and conditions of issue of NCDs including but not limited to determining size, issue price, timing, tenure, interest rate of NCDs, listing of NCDs, creation of security, utilization of the issue proceeds, appointment of debenture trustee(s), Registrar and Transfer Agent, Legal Counsel and other agency(ies) etc., as it may think fit and to do all necessary acts and things and to execute all deeds, documents, instruments, papers and writings as may be required to give effect to these resolutions and to settle all questions, difficulties or doubts that may arise in this regard in its sole and absolute discretion as may be deemed fit and to delegate all or any of its powers herein conferred to any committee of the Board, Director(s) and/ or officer(s) of the Company.

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RESOLVED FURTHER THAT any Director or Chief Executive Officer or Chief Financial Officer of the Company be and are hereby severally authorised to file necessary forms with the jurisdictional Registrar of Companies or other regulatory authorities and to do all such acts, deeds, matters and things as may be necessary or desirable for giving effect to this resolution.”

RESOLVED FURTHER THAT copies of the foregoing resolutions certified to be true copies by any Director or Chief Executive Officer or Chief Financial Officer of the Company be furnished to such persons as may be deemed necessary.”

For **Satin Finsery Limited**


Arjun Bansal
Chief Financial Officer



Address: 4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar,
Phase- III, Gurugram, Haryana- 122016

Date: February 8, 2024
Place: Gurugram

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE WORKING COMMITTEE ("COMMITTEE") OF THE BOARD OF DIRECTORS OF SATIN FINSERV LIMITED ("COMPANY") HELD ON SEPTEMBER 11, 2024, AT REGISTERED OFFICE OF THE COMPANY AT 4TH FLOOR, 'B' WING, PLOT NO. 492, UDYOG VIHAR, PHASE-III, GURUGRAM, HARYANA-122016, INDIA

APPROVAL OF PROPOSED ISSUANCE OF NON-CONVERTIBLE DEBENTURES

"RESOLVED THAT pursuant to the authority provided under board resolution dated January 19, 2024 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Companies Act**"), the rules, regulations, guidelines, notifications, and circulars prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**NCS Regulations**"), the SEBI master circular bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", each as amended, modified or restated from time to time ("**Listed NCDs Master Circular**") or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and the listing agreement entered with the Stock Exchange(s) (the "**Stock Exchange**") where the securities of the Company proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be required from any appropriate statutory and regulatory authorities, and the approval of the shareholders of the Company as may be required in accordance with the Companies Act, the approval of the Committee be and is hereby accorded for:

- (a) issue/allot up to 2,500 (Two Thousand Five Hundred) senior, secured, rated, listed, redeemable, taxable, non-convertible debentures each having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) aggregating to INR 25,00,00,000/- (Indian Rupees Twenty Five Crores Only) ("**NCDs**" / "**Debenture**") on private placement basis ("**Issue**") at a coupon/interest rate of 10.80% (ten decimal eight zero) per annum or such other interest/coupon rate as may be determined (subject to such step up rate as may be agreed), payable quarterly or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, for a period of 24 (Twenty-Four) months or such other tenure/maturity as may be determined, at par, on a private placement basis to person(s) as may be identified by the Company for the purposes of Section 42 of the Companies Act ("**Investor(s)**") for raising debt for (i) General corporate purposes (ii) for the ordinary course of business of the Issuer including repayment/re-financing of existing debt; and
- (b) securing the amounts to be raised pursuant to the issue of the Debentures, together with all interest and all other amounts and charges thereon (at such ranking/priority and up to such limits and security cover as may be agreed with the Investor(s)) by one or more of the following: (i) hypothecation of certain identified book debts/loan receivables and/or other assets of the Company, and/or (ii) such other security/contractual comfort as may be agreed between the Company and the Investor(s) ((i) and (ii) are collectively referred to as the ("**Transaction Security**").

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RESOLVED FURTHER THAT Mr. Bhuvnesh Khanna (Whole Time Director & CEO), Mr. Arjun Bansal (Chief Financial Officer & Head-IT), Mr. Gurvinder Singh (Company Secretary & Chief Compliance Officer), and Ms. Anugya Dubey (Deputy Manager – Finance & Accounts) (hereinafter referred to as “**Authorised Persons**”) be and are hereby severally authorised to do such acts, deeds and things as they deem necessary or desirable in connection with the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures, including:

- (a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities and any other person (including any lenders of the Company), and/or any other approvals, consent or waivers that may be required in connection with the offer, issue and allotment of the Debentures;
- (b) executing the term sheet in relation to the Debentures;
- (c) negotiating, approving and deciding the terms of the issue of Debentures and all other related matters;
- (d) seeking the listing of any of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing in accordance with the NCS Regulations;
- (e) preparing and finalising the Debt Disclosure Documents (as defined below), in accordance with all applicable laws, rules, regulations and guidelines (including any amendments, variations or modifications of the Debt Disclosure Documents, as may be considered desirable or expedient), and approving the Debt Disclosure Documents (including any amendments, variations or modifications thereof);
- (f) finalising the terms and conditions of the appointment of an arranger (if so required), a debenture trustee, a registrar and transfer agent, a credit rating agency, legal counsel, a valuation agent, a depository and such other intermediaries as may be required including their successors and their agents as may be required in relation to the offer, issue and allotment of the Debentures;
- (g) finalising the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures;
- (h) entering into arrangements with the depositories in connection with issue of Debentures in dematerialised form;
- (i) creating and perfecting the Transaction Security as required in accordance with the terms of the Transaction Documents in relation to the offer, issue and allotment of the Debentures;
- (j) finalising the deemed date of allotment of the Debentures;
- (k) to negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the offer, issue and allotment of the Debentures and deal with regulatory authorities in connection with the offer, issue and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange, the jurisdictional registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, the Ministry of Corporate Affairs, or any depository, and such other authorities as may be required;

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- (l) to execute all documents to, file forms with, and submit applications to, the jurisdictional registrar of companies, the Ministry of Corporate Affairs, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, any Stock Exchange or any depository;
- (m) to sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;
- (n) issuing the Debentures through the electronic book mechanism process, if require, pursuant to the guidelines and circulars issued by the SEBI in this respect (including without limitation, the Listed NCDs Master Circular), and taking all such action and steps as may be required for the purposes of complying with relevant guidelines, including making all relevant disclosures to the "electronic book provider";
- (o) create the recovery expense fund in accordance with the requirements of Chapter IV (*Recovery Expenses Fund*) of the SEBI master circular bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 on "*Master Circular for Debenture Trustees*" (as amended, modified, supplemented and/or restated from time to time, "**Debenture Trustees Master Circular**") read with guidance note(s) issued by the Stock Exchange(s) in this regard;
- (p) complying with the requirements prescribed under the Listed NCDs Master Circular and the Debenture Trustees Master Circular;
- (q) to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):
 - (i) the general information document, the key information document in respect of the issuance of Debentures, and the private placement offer cum application letter for the offer, issue and allotment of the Debentures (collectively, the "**Debt Disclosure Documents**");
 - (ii) the debenture certificate(s) for the Debentures (if required);
 - (iii) the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, and any other documents required for the creation of security interest over the Company's movable properties and assets or the providing of any guarantee or contractual comfort, or the offer, issue and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto (together with the Debt Disclosure Documents, the "**Transaction Documents**");
 - (iv) any other documents required for the purposes of the offer, issue and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and
 - (v) any other document designated as a Transaction Document by the debenture trustee and/or the holders of the Debentures;
- (r) to do all acts necessary for the finalisation of the terms of, and completing all applicable

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requirements for the offer, issue and allotment of the Debentures in accordance with the terms set out in the Transaction Documents; and

- (s) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the offer, issue and allotment of the Debentures, and to give such directions as it deems fit or as may be necessary or desirable with regard to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms in relation to the Transaction Security and/or the offer, issue and allotment of the Debentures with any Stock Exchange, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India, the jurisdictional registrar of companies, the Ministry of Corporate Affairs, or any depository, the SEBI, or any other governmental authority.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the offer, issue and allotment of the Debentures and the Transaction Documents, including through any intermediaries such as the Stock Exchanges, clearing corporations or any depositories that may be authorised in this regard, in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Committee hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purpose of the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and acts as may be required to give effect to the finalisation of the terms of, and completing all applicable requirements for, the offer, issue and allotment of the Debentures and the listing of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnity and documents as may be required, or any of them in connection with the Debentures to be issued by the Company.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or governmental authority competent in that behalf.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the finalisation of the terms of, and completing all applicable requirements for the offer, issue and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorized to affix the Common Seal of the Company, in the presence of any Director(s) of the Company and/or any Authorised Persons and/or the Company Secretary & Chief Compliance Officer of the Company who

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shall sign/ countersign the same in token thereof in accordance with the articles of association of the Company, on any of the Transaction Documents, and/or any other agreements and documents that may be required in relation to the Debentures.

RESOLVED FURTHER THAT the copies of the foregoing resolutions certified to be true copies by Whole Time Director & CEO or Chief Financial Officer & Head-IT or Company Secretary & Chief Compliance Officer of the Company be furnished to such persons as may be deemed necessary."

For Satin Finserv Limited

GURVINDER SINGH

Digitally signed by GURVINDER

SINGH

Date: 2024.09.11 11:00:35 +05'30'

Gurvinder Singh

Company Secretary & Chief Compliance Officer

M. No.: A40102

**Address: 4th Floor, B wing, Plot No.492, Udyog Vihar,
Phase III, Gurugram - 122006**

Date: September 11, 2024

Place: Gurugram

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CERTIFIED TRUE COPY OF RESOLUTION PASSED IN FIRST MEETING (IN FINANCIAL YEAR 2022-23) OF THE BOARD OF DIRECTORS OF SATIN FINSERV LIMITED HELD APRIL 27, 2022 AT 4TH FLOOR, 'B' WING, PLOT NO. 492, UDYOG VIHAR, PHASE- III, GURUGRAM, HARYANA- 122016

TO CONSIDER, DISCUSS AND APPROVE THE RE-CONSTITUTION OF THE WORKING COMMITTEE OF THE COMPANY

"RESOLVED THAT in supersession of earlier resolution passed by the Board of Directors in their meeting held on August 03, 2021 or any other resolution(s) passed in this regard, the members of the Working Committee, constituted by the Board of Directors be and are hereby reconstituted with officials holding following designations with immediate effect:

S. No.	Members of Working Committee	Designation in the Committee
1.	Non-executive & Non-independent Director	Member
2.	Whole-time Director & CEO	Member
3.	Chief Financial Officer	Member
4.	Company Secretary	Member

RESOLVED FURTHER THAT the quorum for the meeting(s) of Working Committee shall be 1/3 of total eligible members or 2, whichever is higher.

RESOLVED FURTHER THAT subject to the relevant approval of Members and/or statutory authorities, if required, scope and functions of Working Committee of the Company shall be as follows:

1. Accepting Loan from various Banks/Financial Institutions/entity both domestic and foreign;
2. Transaction related to securitization/assignment and External Commercial Borrowings/issuance of Non-Convertible Debentures and through any other way as stipulated and permissible under laws;
3. To invest the funds of the Company to the extent permissible under applicable laws;
4. To open/apply for placing fixed deposit with any Bank/financial institutions/Non-Banking Financial Companies, to the extent permissible under applicable laws;
5. To grant loans or give guarantee or provide security in respect of loans to the extent permissible under applicable laws;
6. To open demat/trading account with any depository participant(s) and to do all necessary needful in this regard;
7. Pledge, Mortgage and/or Charge in all or any part of the movable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever;
8. Allotment of Securities to the extent permissible under the Companies Act, 2013 and other applicable laws;
9. Affixation of common seal in terms of Articles of Association of the Company, wherever required to facilitate transactions;
10. Opening of Current Accounts and other bank accounts from various banks/financial institutions at different places in India;
11. Any changes in authorised signatories who operate such accounts;
12. Apply for Net Banking and consequent changes in their authority to operate;
13. Any closure of existing Current Account of the Company;
14. Any other matter relating to the operations of various bank accounts and other general purposes of the Company;
15. Any other general purpose related to grant authorization to perform day to day affairs of the Company;
16. To open/close/change authorized signatories wrt accounts related to business correspondents;

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17. To engage in business correspondents with various banks and financial institutions etc;
18. Other matter/functions in general course of business;"

For **Satin Finserv Limited**



Gurvinder Singh

Company Secretary & Chief Compliance Officer



Regd. & Corporate Office:

4th Floor, B Wing, Plot No. 492, Udyog Vihar, Phase -III, Gurugram, Haryana - 122016

CIN: U65999HR2018PLC099128 | **Landline No:** 0124 - 4715400

E-Mail ID: info@satinfinserv.com | **Website:** www.satinfinserv.com

CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE EXTRA ORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF SATIN FINSERV LIMITED HELD ON FRIDAY, JANUARY 19, 2024 AT REGISTERED OFFICE OF THE COMPANY AT 4TH FLOOR, 'B' WING, PLOT NO. 492, UDYOG VIHAR, PHASE- III, GURUGRAM, HARYANA- 122016

ISSUANCE OF NON-CONVERTIBLE DEBENTURES (NCDS), IN ONE OR MORE SERIES/TRANCHES ON PRIVATE PLACEMENT BASIS

“RESOLVED THAT in supersession to all the earlier resolutions passed in this regard and pursuant to the provisions of Sections 23, 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 re-enactment(s) thereof for the time being in force, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India (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, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper”, each as amended and the enabling provision of the listing agreements to be entered into with the stock exchanges where the debentures of the Company to be listed, the Reserve Bank of India (“RBI”) Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 dated October 19, 2023 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, the consent of the 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, perpetual or non-perpetual, redeemable (including market linked debentures), cumulative or non-cumulative nonconvertible 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 200,00,00,000/- (Indian Rupees Two Hundred 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.

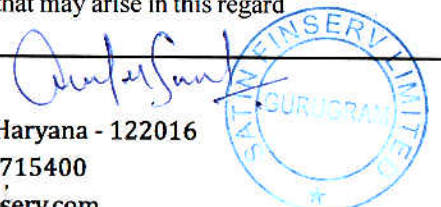
RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue of NCDs including but not limited to determining size, issue price, timing, tenure, interest rate, listing, if required, creation of security, utilization of 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 deem fit.

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RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred herein to any committee authorised by the Board, or any Director(s) or executive(s)/officer(s) of the Company."

For Satin Finserv Limited



Gurvinder Singh
Company Secretary & Chief Compliance Officer
M. No. 40102

Address: 4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar,
Phase- III, Gurugram, Haryana- 122016

Date: February 8, 2024

Place: Gurugram

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE 'ACT')

ITEM NO. 3

Pursuant to Section 42 of the Companies Act, 2013, 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 shareholders by way of a special resolution, before making any offer or invitation for issuance of NCDs on a private placement basis. The said approval shall be the basis for the Board of Directors of the Company ("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 shareholders have provided the approval by way of the special resolution.

In order to augment resources for on-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, general corporate purposes, and for any other purposes, the Company may invite subscription for 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"), in 1 (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:

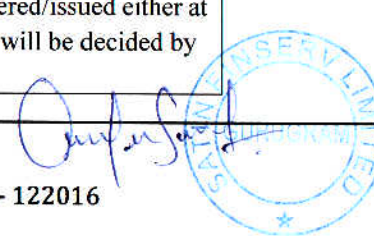
Particulars of the offer including date of passing Board Resolution	The third proviso to the Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules"), prescribes that where the proposed amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed under Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs during such year. In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs [whether secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, perpetual or non-perpetual, redeemable (including market linked debentures) 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 of the Company ("Board") 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 (including any committee duly authorized 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

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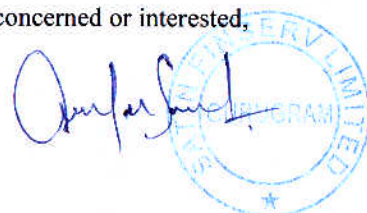


	the Board (including any committee duly authorized by the Board) for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.
Basis or justification for the price (including premium, if any) at which 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 (including any committee duly authorized 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 Companies Act, 2013 i.e. upto ₹200 crore (Rupees Two Hundred Crore only) and shall be subject to the overall borrowing limits of the Company as approved by the shareholders of the Company from time to time under Section 180(1)(c) of the Companies Act, 2013.
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 (including any committee duly authorized 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.

The Board of Directors at their meeting held on January 19, 2024 has approved (subject to approval of shareholders) the Issuance of Non-Convertible Debentures, in one or more series/tranches on Private Placement Basis.

Accordingly, consent of the Shareholders of the Company is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board (including any committee duly authorized by the Board) to issue such NCDs for a period of 1 (one) year on private placement basis upto ₹200 Crore (Rupees Two Hundred Crore only) as stipulated above, in one or more series/tranches on private placement basis within subject to the overall borrowing limits of the Company, the overall borrowing limits of the Company, as approved by the shareholders of the Company from time to time under Section 180(1)(c) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested,



financially or otherwise in this Resolution.

For Satin Finserv Limited



Gurvinder Singh

Company Secretary & Chief Compliance Officer

M. No. 40102

Address: 4th Floor, 'B' Wing, Plot No. 492, Udyog Vihar,
Phase- III, Gurugram, Haryana- 122016

Date: February 8, 2024

Place: Gurugram

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE FIRST ANNUAL GENERAL MEETING OF MEMBERS OF SATIN FINSERV LIMITED HELD ON MONDAY, JUNE 3, 2019 AT 03:30 P.M. AT REGISTERED OFFICE SITUATED AT 503, 5TH FLOOR, KUNDAN BHAWAN, AZADPUR COMMERCIAL COMPLEX, AZADPUR, DELHI-110033

TO INCREASE THE BORROWING LIMIT OF BOARD OF DIRECTORS AS REQUIRED UNDER SECTION 180(1) (c) OF THE COMPANIES ACT, 2013

"RESOLVED THAT consent of the members be and is hereby accorded pursuant to section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder read with enabling provisions of the Articles of Association of the Company, to the Board of Directors of the Company to raise or borrow from time to time such sum or sums as they may deem appropriate for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the paid-up share capital, free reserves and securities premium of the company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed Rs. 1000 Crore (Rupees one thousand Crore only) at any point of time.

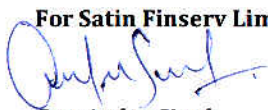
RESOLVED FURTHER THAT any director or the Company Secretary of the Company be and are hereby severally and/or jointly, as may be required, authorized to sign execute and submit all the necessary documents and file requisite documents with the appropriate authority including filing of requisite forms and all other necessary documents with Registrar of Companies, NCT of Delhi and Haryana and to do all acts, deeds, and things as may be necessary to carry out above purpose."

CREATION OF CHARGES ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWING UNDER SECTION 180(1) (A) OF THE COMPANIES ACT, 2013

"RESOLVED THAT consent of the members of the Company be and is hereby accorded pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 read with enabling provisions of the Articles of Association of the Company and the rules made thereunder, to the Board of Directors of the Company to pledge, mortgage and/or create charge on all or any part of the Moveable or Immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any Movable or Immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 1000 Crore (Rupees one thousand Crore only) at any point of time.

RESOLVED FURTHER THAT any director or the Company Secretary of the Company be and are hereby severally and/or jointly, as may be required, authorized to sign execute and submit all the necessary documents and file requisite documents with the appropriate authority including filing of requisite forms and all other necessary documents with Registrar of Companies, NCT of Delhi and Haryana and to do all acts, deeds, and things as may be necessary to carry out above purpose."

For Satin Finserv Limited



Gurvinder Singh
Company Secretary & Chief Compliance Officer

Date: February 13, 2024

Place: Gurugram

Regd. & Corporate Office:

4th Floor, B Wing, Plot No. 492, Udyog Vihar, Phase -III, Gurugram, Haryana - 122016

CIN: U65999HR2018PLC099128 | Landline No: 0124 - 4715400

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DCS/COMP/MJ/IP-PPDI/486/23-24

March 01, 2024

SATIN FINSERV LIMITED

Plot 492, 4th Floor, B Wing,
Udyog Vihar, Phase-III, Gurugram, Haryana: 122016

Dear Sir/Madam

Re: Private Placement of Senior/ Subordinated/ Unsubordinated, Unsecured/ Secured, Listed, Rated, Redeemable, Non-Convertible Debentures, Listing Of Commercial Papers (GID Ref no. 1 dated 29.02.2024)

We acknowledge receipt of your application on the online portal on February 29, 2024 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, whichever ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited



Rupal Khandelwal
Deputy General Manager



Akshay Arolkar
Deputy Manager

September 10, 2024

To,
SATIN FINSERV LIMITED
4TH FLOOR, B WING, PLOT NO. 492, UDYOG VIHAR,
PHASE-3, GURUGRAM, HARYANA-122016.

Sub: Consent to act as RTA for issue of Senior, Secured, Rated, Listed, Redeemable, Taxable, Non-Convertible Debentures.

Details of issuance:

Name of the company	SATIN FINSERV LIMITED
Issue Size	25,00,00,000 (25 Crores)
Security Description	SENIOR, SECURED, RATED, LISTED, REDEEMABLE, TAXABLE, NON-CONVERTIBLE DEBENTURES

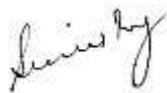
Dear Sir/Madam,

This has reference to your email dated Tuesday, September 10, 2024 with regard to the captioned subject. We hereby accord our consent to act as Registrar to the aforesaid issue and have our name included as Registrar and Transfer Agents in the information Memorandum, which your company proposes to issue.

Further we give our consent for inclusion of our name as "**Registrar to the Issue**" in the Disclosure Document and /or applications to be made or to be filed by Stock Exchange(s) and/or Depositories in this regard.

Thanking you,

Yours faithfully,
For **KFin Technologies Limited**



Shaibal Haripada Roy
Corporate Registry

ATSL/CO/2024-25/7373
September 11, 2024

Annexure A

To
Stock Exchanges

Dear Sir / Madam

SUB.: Issue of Listed, senior, secured, rated, Redeemable, taxable, Non-Convertible Debentures of upto INR 25 crores by Satin Finserv Limited.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications,

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in placement memorandum/ offer document or private placement memorandum/ information memorandum/ General Information Document and all disclosures made in the placement memorandum/ offer document or private placement memorandum/ information memorandum/General Information Document with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum/ General Information Document and given an undertaking that debenture trust deed would be executed before filing of listing application.
- g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.
For Axis Trustee Services Limited


Authorised Signatory 

PLACE: MUMBAI
DATE: 11-09-2024

NK

