SATYA MicroCapital Ltd.

सर्वे भवन्तु सुखिनः

(RBI Registered NBFC MFI)

Great Place To Work. Certified JUL 2021–JUL 2022 INDIA





CELEBRATING 5 Years of EXCELLENCE

2021-22

• ANNUAL REPORT •





CREATING LIVELIHOOD THROUGH ENTREPRENEURSHIP



Celebrating 5 years of Excellence





CELEBRATING 5 Years of EXCELLENCE





CORPORATE INFORMATION

Board of Directors

Mr. C. P. Mohan	Independent Director
Dr. Deepali Pant Joshi	Independent Director
Mr. Naveen Surya	Independent Director
Dr. Ratnesh Tiwari	Director
Mr. Saneesh Singh	Nominee Director
Mr. Sanjay Gandhi	Nominee Director
Mrs. Surekha Marandi	Independent Director
Mr. Taejun Shin	Nominee Director
Mr. Vivek Tiwari	Managing Director, CEO & CIO

Key Managerial Persons

Mr. Vivek Tiwari	Managing Director, CEO & CIO
Ms. Vandita Kaul	Chief Financial Officer
Choudhary Runveer Krishanan	Company Secretary & Chief Compliance Officer

Registered Office

SATYA MicroCapital Limited
519, 5th Floor, DLF Prime Towers, Okhla
Industrial Area, Phase-1, New Delhi-110020
E-mail id: investors@satyamicrocapital.com
Tel. No.: +91 11 4972-4000
Website: www.satyamicrocapital.com

Statutory Auditors

S.N. Dhawan & Co. LLP
421, II Floor, Udyog Vihar, Phase-IV,
Gurugram, Haryana-122002

Debenture Trustees Details

i) Catalyst Trusteeship Limited
(formerly known as GDA)
Office No. 83 – 87, 8th floor, Mittal Tower,
'B' Wing, Nariman Point, Mumbai – 400021
Tel. Nos.: +91 22-49220542
Website: www.catalysttrustee.com
Email:- dt.mumbai@ctltrustee.com

ii) Vardhman Trusteeship Private Limited
(formerly known as Ativir Stock Broking Pvt. Ltd.)
Turner Morrison Building, Unit No. 15,
6 Lyons Range, Kolkata-700001
Tel. Nos.: 022-42648335;
Website: www.vardhmantrustee.com
Email: compliance@vardhmantrustee.com

Registrar & Transfer Agent
(For Equity, Preference Shares & Non-Convertible Debentures)

Link Intime India Private Limited
C 101, 247 Park, 1st Floor, LBS Marg,
Vikhroli (W), Mumbai – 400083
Tel. No.: +91 22 2594 6970
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Any query on Annual Report:
Members can write an email on cs@satyamicrocapital.com or send query on annual report on below mentioned address: 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020, India, addressed to Company Secretary & Chief Compliance Officer.



TABLE OF CONTENTS

CORPORATE OVERVIEW 06-71

Our Vision, Mission, Motto & Soul Of SATYA	06-07
Message From The MD, CEO & CIO	08-09
Message From The Board	10-11
Key Highlights	12-13
Our Presence	14
Financial Highlights	15-16
Our Products	17-21
Milestones	22-29
Client Stories	30-33
Awards & Recognitions	34-35
Technology Infrastructure	36-39
Risk Management	40-43
Social Performance Management	44-47
Vijayalakshmi Das Entrepreneurship Awards	48-49
Contribution To The Community	50-51
Human Capital	52-55
Training & Development	56-57
Vihangam	58-61
#Employeespeaks	62-63
Marketing & Communications	64-65
Sangeeta Soren -First Brand Ambassador of SATYA	66-67
SATYA In The News	68-71

STATUTORY REPORT 72-106

Board's Report(Including Report On Corporate Governance)	72-100
Annual Report On Corporate Social Responsibility(CSR) Activities	101-102
Management Discussion and Analysis	103-105
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures	106

FINANCIAL STATEMENTS 107-216

Standalone Independent Auditor's Report	107-115
Standalone Balance Sheet	116
Standalone Statement of Profit & Loss	117
Standalone Statement of Cash Flow Statement	118
Standalone Statement of Changes In Equity	119-120
Notes To Standalone Financial Statements	121-168
Consolidated Independent Auditor's Report	169-175
Consolidated Balance Sheet	176
Consolidated Statement of Profit & Loss	177
Consolidated Statement of Cash Flow Statement	178
Consolidated Statement of Changes In Equity	179
Notes To Consolidated Financial Statements	180-216

NOTICE 217-231



SOUL OF SATYA

TRUST
To develop a relationship of Trust & Truthfulness within the ecosystem of SATYA.

TRANSPARENCY
Aiming to develop a transparent culture across the organization.

TEAM
To follow the values of "Team Strenth" & promote"Coordination & Cooperation" in all verticals.

TECHNOLOGY
Nurturing SATYA through cutting edge technology in real-time data, reducing TAT & moving towards paperless.

TRAINING
Capacity building & social awareness programs for all stakeholders of SATYA

CORPORATE IDENTITY

Registered as "NBFC – MFI" with Reserve Bank of India, SATYA MicroCapital Limited (hereafter SATYA) is today one of the leading and most trusted microfinance companies in India. Having its operations commenced in January 2017, SATYA has empowered more than **8,73,657 households** across different strata of society. Establishing its terrestrial presence through a branch network of **338 branches** in over **31,651 villages** of **21 states**, SATYA has grown exponentially over the last five years.

Despite of last financial year disrupted by the pandemic, SATYA emerged as one of the fastest growing and highly technology driven Microfinance Institutions in the country. SATYA has evolved as a digitally advanced institution for effective facilitation of affordable and accessible microcredit facilities entailing income generating loans, insurance, and other products to customers at the bottom of the pyramid who have limited or no access to formal financial services in India. It always follows a customer-centric approach of business by focusing on the holistic development of the customer. SATYA continuously engages with its customers to understand their expectations and respond to their needs, which in turn helps in building a long-term relationship with them. At the heart of each product and services offered, SATYA endeavors to prioritize client's needs without any negligence. It also enables us to identify their current and evolving interests, which is fed into our strategy planning process.

The organization is committed to serving and uplifting the rural section of society by promoting financial independence and providing the appropriate resources in terms of manpower, operational area, client outreach, and credit products. The epicenter of SATYA's operations is driving women empowerment channeled via strategic generation of opportunities in relevance with income growth and generation. The company aims to induce a social touch to lending by integrating modern technology into the Microfinance industry.

Led under the visionary guidance of the man with Midas Touch - Mr. Vivek Tiwari (MD, CEO & CIO), SATYA comprises of people having significant experience of scaling up microfinance programs in some of the most economically underdeveloped geographies of India. The company is also backed by investors and partners with a proven track record of promoting sustainable and scalable organizations.

SATYA is an institution built with a vision of change, transformation and is a differentiator in the financial inclusion space. As a microfinance institution, we stay vested in forging a sustainable social impact through myriad of community development and financial literacy programmes.



VISION

"To be catalyst for the socioeconomic upliftment of 5 million households by the year 2025."

"वर्ष 2025 तक 50 लाख परिवारों के सामाजिक एवं आर्थिक उत्थान के लिये एक उत्प्रेरक होना।"

MISSION

"To be a preferred choice for the people at bottom of pyramid in creation of their enterprise & livelihood through a holistic approach."

"सीमित सुविधा प्राप्त लोगों की आजीविका एवं उद्यम-विकास हेतु, बृहद् दृष्टिकोण के साथ, एक प्राथमिक विकल्प होना।"

MOTTO

"May all be Happy."

"सर्वे भवन्तु सुखिनः"

We Promise Happiness To Everyone & That's Our Motto As Well:

"सर्वे भवन्तु सुखिनः"

From The Desk of MD, CEO & CIO

Dear Stakeholders,

With all my due respect, I present the sixth Annual Report of SATYA MicroCapital for your perusal. This year's annual report is being presented in the tapestry of completion of two years of COVID 19 crisis.

The past fiscal year made all of us again confront one of the greatest challenges posed to mankind, which will certainly remain imprinted in our memory. The year began with second wave of widespread disruptions caused by the COVID-19 pandemic, which severely hampered the livelihoods of many people on a larger extent. The impact was particularly severe for the microfinance clients who had to face significant loss of income, being dependent on the informal economy to a large extent. The subsequent health crisis and economic challenges necessitated extraordinary efforts on every front.

Despite of all these hardships, I can proudly say that nothing could deter the spirit of SATYA for serving the community it operates in. This was yet another noteworthy year for SATYA where we expanded our outreach to more than 8,73,657 clients across 21 states. We are probably the fastest growing MFI in India to achieve this client and terrestrial outreach within 5 years of its establishment. With a loan portfolio of over 2,900Cr, I feel beyond delighted to state that SATYA is the No.1 MFI worldwide in contempt of its growth curve. SATYA's journey of these five years in the most diversified, digitized, qualitative and fastest one in comparison to any MFI all across the globe. The SATYA's success in terms of growth, portfolio quality, and profitability has been a result of ardent implementation of its strategy since Day 1 of its establishment.

In this unpredictable atmosphere of ever-changing economic scenarios, SATYA accorded top notch priority to continuity of its service to customers. It also ensured that it stays resilient against potential risks and confident to avail recovery. Each member of SATYA family has exhibited immense professionalism and devotion towards the glorious triumph over these challenges by our institution. I would like to extend heartiest gratitude to all employees for their dedication, zeal code of conduct during these trying times, and for upholding the ethos of SATYA. We have continued to provide much required fiscal backing to help our clients revive from the damaging blows of COVID and help them return to normalcy. In accordance with our Impact Assessment Research, the income levels of over 75% clients of SATYA are now back to pre-covid levels. This is clear illustrative of the catalytic role which SATYA has played in the livelihood recovery of its clients.

The Impact Assessment Research also demonstrates that SATYA has been successful in evidently reaching out to the hitherto unbanked segments of the population. More than 87% of the client base of SATYA nestles in the rural boundaries of the country. For a significant proportion of clients (32%), SATYA is the first MFI from whom the clients have availed loan from. Whereas on the other hand, only 4% of the respondents reported having any individual loan from an MFI or a bank. This indicates that MFIs were the only source of formal financial credit for almost all the borrowers.

Advancing its dedication to serve the humanity, SATYA MicroCapital Ltd. constituted its CSR arm, SATYA Shakti Foundation - an NPO under the flagship of SATYA. The MFI is now more concentrated towards elevating the life state of marginalized people by enabling their social wellbeing via sustainable and holistic approach. Through this foundation, SATYA has been working in thematic areas like Sanitation, Health, Education & Employment assistance to instill social consciousness amongst its clients.

In association with the foundation, SATYA organized Free Mega Health Check-Up Drive with the noble purpose of creating public awareness for preventive healthcare and enabling a healthy society for people of Punjab. The health camp drive organized 25 camps which benefitted more than 7500 people. Moving forward, we hope to expand the operations of the foundation to further magnify our outreach.

Contributing to transforming the dream of Atma Nirbhar Bharat into reality and providing affordable working loan to Street Vendors, SATYA actively participated in PM SVANidhi Scheme at Varanasi (Uttar Pradesh), with gradual implementation to other states. To protect the business establishments of the beneficiaries of these loans from harsh weather conditions, the company is also extending its support in best possible way.

SATYA coped with the pandemic with absolute resilience and agility. It safeguarded both its clients and employees by myriad of relief initiatives constituted on the spirit of humanity. We launched Digital OPD (Doctor on Call Service) – a free-of-cost telephonic medical consultation initiative which is an absolute technology-based distribution of health consultation, services & information. From the day of its commencement to present day, SATYA has catered to more than 25 Lacs people across the nation through this service. In accordance with advice of certified Doctors, we also organized distribution drive of COVID-19 Care Kits for its people which included hand sanitizers, hand wash, face masks, hand gloves and general medicines. SATYA, rendered medical support via delivery of these preventive medical kits in over 27,000 villages of India during the second wave of pandemic.

During the year under review, we continued our focus on building robust operational framework by leveraging the advent of digitalization across all echelons. We adopted several digital initiatives, enhancing business processes and ensuring seamless experience to customers. We reinforced our Application Programming Interface (API) which enabled SATYA to garner 100% cashless disbursements and more than 90% cashless collections. We continue to train our clients and facilitate required infrastructure in geographies we operate in so that our clients can make cashless payments without any hitch.

We made sure that at SATYA technology is harnessed in every possible means and doesn't get limited to single prospects. Our field operations are now 100% paperless. With the HC processes being automated, Trainings at SATYA are also now conducted virtually via best suited technological solutions.

On account of International Women's Day, SATYA organized the second edition of Vijayalakshmi Das Entrepreneurship Awards. We recognized and felicitated yet another batch of promising women entrepreneurs in different categories.

We feel ecstatic to realize that our Hospicash product is already being very popular and is hence extending much needed financial protection to our clients in times of health crisis. As per the data received, more than 1 Lac clients have taken claims under the Hospicash Policy.

SATYA is committed to fostering a community culture which inspires people to perform and make a difference in the society. We are inclined towards provision of educational opportunities for developing a growth-driven career for all. Abiding by this approach and in tandem with support from National Skill Development Corporation (NSDC) and Opportunity EduFinance, SATYA is under the process of developing an affordable loan product for financing skill development training courses of aspiring candidates enrolled with NSDC's network of training partners. Under the partnership, SATYA will leverage the vast geographical presence and reach of NSDC training partners. This is also expected to contribute to the skilling ecosystem in the country.

In March 2022, the Reserve Bank of India announced the revised regulatory framework for microfinance industry in India. The new framework is expected to further streamline the functioning of microfinance institutions in the country. It will further pave way for their evolution and growing maturity. The new regulatory framework also bestows SATYA with the flexibility to furnish a vast range of tailor-made products to our clients in the most productive manner. SATYA will innovate and design new loan products in times to come for meeting the multifarious requirements of our clients. Government and regulators announced a slew of measures to boost liquidity and systemic stability. We received liquidity support from the government and regulators over the last two years as a result of appropriate policy interventions, for which SATYA is extremely grateful. As a result, appropriate credit flow to the microfinance sector was secured, stabilizing the financial ecosystem, and accelerating economic recovery. We appreciate the RBI's prompt involvement and announcement of additional measures, which will assist restore public trust in microfinance sector.

SATYA successfully raised over 22,789.33 Mn of debt during the year. SATYA added a total of 67 lenders in its portfolio. I extend my heartfelt gratitude to them for unwavering trust and confidence in our business model amidst such challenging times. Our existing equity investors have reaffirmed their belief in us with time and again. GOJO invested a whopping amount of 1,132.66 Mn in SATYA during the year. This investment quintessentially played a pivotal role in the portfolio growth which will be registered during this financial year.

We anticipate FY 2022-2023 to be a year of monumental growth as we retain our relentless focus on enhancing profitability, maintaining a healthy portfolio quality, and bolstering our focus on digitization to enhance our various product offerings.

We are thankful to all our esteemed stakeholders – customers, employees, and investors once again for reposing their faith with SATYA and we look forward to yet another year of cooperation and support.



Vivek Tiwari

Strengthening Our Perseverance & Resilience To Help Revive Our People

SATYA MicroCapital Ltd. remained robust in face of such massive humanitarian catastrophe, guided by our fundamental objective of socioeconomically upliftment of our clients. We also prioritized the well-being of our teams & business partners with diligence. Despite of initial slowdown in business during H1 FY 2021-2022 due to nationwide lockdown, SATYA saw a rebound & generated a record high volume of business in Q4 FY 2021-2022

Vivek Tiwari
Managing Director, CEO & CIO

Message From The Board



C.P Mohan
(Independent Director)

SATYA MicroCapital Limited which started operations in 2017 has come a long way during these past years. It has carved for itself a leadership position in the sector both in terms of the growth numbers as well as all other financial and performance parameters. It is a matter of pride that the Company has kept Good Governance at the core of its value system which is reflected in both the composition of its Board as well as the quality of information it shares. It is no wonder that both Mr. Vivek, the founder MD and the Company has been receiving several awards and accolades of repute. What makes SATYA MicroCapital stand out is not only the fact that they support several lakhs of micro-entrepreneurs, but also the fact that they have shown exemplary sense of compassion and adherence to human values. During the peak of the COVID 19, the company did yeomen service by providing digital OPD services which benefitted lakhs of people across the country. In short, SATYA MicroCapital has developed into a microfinance company that has reached the heart of rural India. I wish Mr. Vivek, his team and SATYA MicroCapital every success as it marches on to create benchmarks for the industry.



Deepali Pant Joshi
(Independent Director)

Financial Inclusion and the provision of financial services for the poor are critical; every household irrespective of its rural, urban, or economic status has a set of consumption and investment needs to be met. The delivery of financial services to the last mile borrower is a laudable goal of SATYA, stability outreach, last mile delivery with profitability makes SATYA stand out. It has made a mark for itself in just a few years. A fundamental shift has occurred in microfinance - a recognition of the need for commercial viability of microfinance. SATYA thus has an even greater role to play in securing growth with equity as we move on to a higher trajectory of economic growth, to a 5 trillion economy. It gives me great happiness to be part of SATYA in this endeavor.



Naveen Surya
(Independent Director)

It is heartening to see another exemplary year of performance by the SATYA team under leadership of Mr. Vivek. In a year which again had seen COVID wave and affected most of the industry, yet the relentless 'Team SATYA kept its head high focused on goals and targets and delivered the best performance ever and even highest profit so far. While the financial performance is one yardstick for the organization performance but multiple other areas and even policies related to COVID support implemented by SATYA is its true human face and not just a passive organization. Being true to its corporate philosophy and culture is the most important and being able to do that even in the toughest of the year truly reflects of the character of the organization that is being built and growing without any dilution of its core values. I congratulate Mr. Vivek and entire SATYA Family for this great achievement and wish all the very best for coming new financial year.



Ratnesh Tiwari
(Director)

This FY was the most challenging one in multiple ways. Our employees showed extraordinary commitment and went beyond the call of their duties to serve our customers and take care of each other in the wake of the pandemic. The welfare and well-being of our employees and their families is of utmost importance to us. We have supported COVID-19 affected colleagues and their families with Digital OPD and assisted them in quarantine and hospitalization. Safety of our employees, customers and all our stakeholders was of paramount significance. We deployed a robust business continuity plan to minimize service disruptions. Our branches were operational throughout the year, and we offered digital services to our customers. Our strategy of focusing on the Client Ecosystem helped our customers to manage their businesses efficiently and created new opportunities for the SATYA. In the end, I would like to salute MD, CIO & CEO of our organization – Mr. Vivek for spearheading this fiscal year in such trying times.



Saneesh Singh
(Nominee Director)

Dia Vikas is proud to be a partner of SATYA in its journey of providing inclusive financial services to the poor under the stellar leadership of its founder Mr. Vivek. By focusing on women empowerment and generating income opportunities for betterment of the less privileged, SATYA has indeed become an agent for change, transformation, and nation building. The financial innovations introduced by SATYA have made it the pioneer and undisputed leader of the digital financial inclusion ecosystem. As we look ahead to another year, I wish Team SATYA great success and godspeed to breach many milestones and continue their focus on providing comprehensive stack of financial services targeted at the poor.



Sanjay Gandhi
(Nominee Director)

SATYA MicroCapital - The name which has become synonymous for higher standards being set up in the micro finance industry. If one was to set up a list of milestones in the MFI sector: a) outreach of over 8,50,000 clients; b) AUM of INR 2,900 Cr; c) Branch network of over 300; d) Penetration into 21 states; e) more than 3,000 personnel, and ask the question, "Which MFI got to these milestones in the shortest time?" The answer will be SATYA MicroCapital for not one, but all and many more such milestones. And the man behind this huge success story is none other than the Promoter Managing Director, CIO & CEO - Mr. Vivek. He is someone who started SATYA MicroCapital with the dream of making it the largest MFI in the micro finance sector & he continues to stay on track. It will be no surprise, when in the next few years, SATYA will race to become the # 1 MFI in the country.

Apart from the Operational strengths that SATYA has, Mr. Vivek's deep commitment towards making SATYA the best MFI is clearly visible when you review its Board composition. It probably has the strongest "Board of Directors" in any MFI; this being one of the key reasons that Gojo first invested in SATYA MicroCapital in 2018. Since then, Gojo's confidence on SATYA has grown, leading to fresh investments over numerous rounds of equity raise. Having witnessed Mr. Vivek from close quarters, I am always amazed with his leadership skills. He is someone who leads from the front; be it visiting branches across the nation; or meeting the bankers and investors, he is always motivating his team members with his own personal high levels of energy and commitment. The most admirable skill about Mr. Vivek is the "seemingly effortless ease" with which he is able to manage "tough challenges ". This has allowed him to build an army of "dreamers and believers" within SATYA. His team has learnt that any difficult situation can be managed with ease, if only one believes in oneself. The large number of "dreamers and believers" is SATYA's biggest strength, since with their combined energies, the MFI will continue to set higher standards and benchmarks in the sector. I wish Mr. Vivek and his team all the very best for the journey ahead. It's not an easy path, but with their strong belief system, I am quite confident that they will achieve all their dreams.



Surekha Marandi
(Independent Director)

I am happy to observe that SATYA MicroCapital has proved its mettle showing remarkable resilience and adaptability in the year 2021-22, on its 5th year of operation. The company has ably overcome the challenges posed by prevailing economic disruption by rapidly digitalizing both processes and products. The Company has also shown remarkable drive under the able leadership of Mr. Vivek, thereby reaching several milestones as the fastest growing MFI. It has been able to garner additional equity funding of more than 22 Mn and has been able to reach an asset size of Rs 2900 crore with a client base of more than 8.7 lakh. I wish Mr. Vivek rightly acknowledged as a promising entrepreneur by Economic Times in 2021 and team SATYA many more milestones in the year ahead.



Taejun Shin
(Nominee Director)

SATYA team always has amazed me with what they deliver. We started the year with the fatal wave of Delta Variant of COVID-19. Under the turmoil, the team worked hard to distribute medical equipment to the community and even rebuild one hospital. Soon after the end of the wave, they restarted the breaking-neck growth to deliver the services to the customers, achieving almost 9 Lakh customers by the end of the fiscal year. SATYA managed to grow at a record speed in the global microfinance history under the extremely challenging business environment. I cannot but fully appreciate what the company has achieved and am proud of being part of the company!

Key Highlights

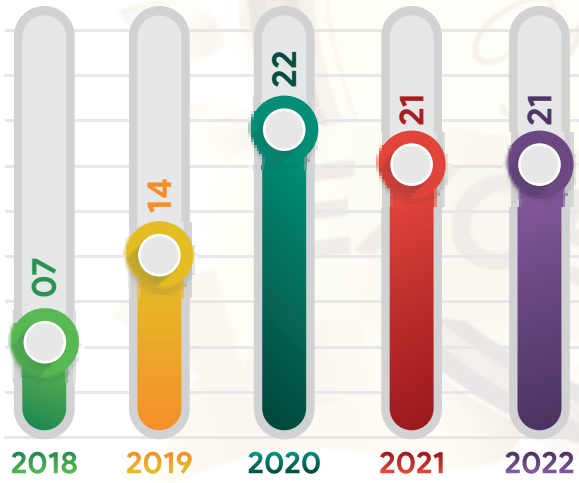
FY 2021-2022 certainly took a toll on human life with the life-threatening outbreak of pandemic. But this couldn't deter SATYA's determination to holistically support the marginalized section of the society. In a year like no other, SATYA made rapid strides by expanding the total count of its operationally active Branches to a significant **338** in **228 Districts**. Prominent efforts have been made by a dedicated taskforce of more than **3674 employees** to comprehensively develop the lives of over **8,73,657 active clients** in **21 states** of the country.

28,839.89
Loan Portfolio Outstanding -Gross AUM (INR Millions)

56,156.77
Cumulative Disbursements Since Inception (INR Millions)

8,79,967
Active Loans

8,73,657
Active Clients

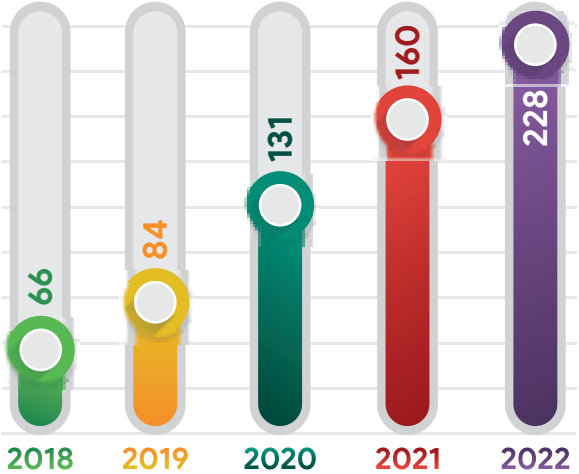


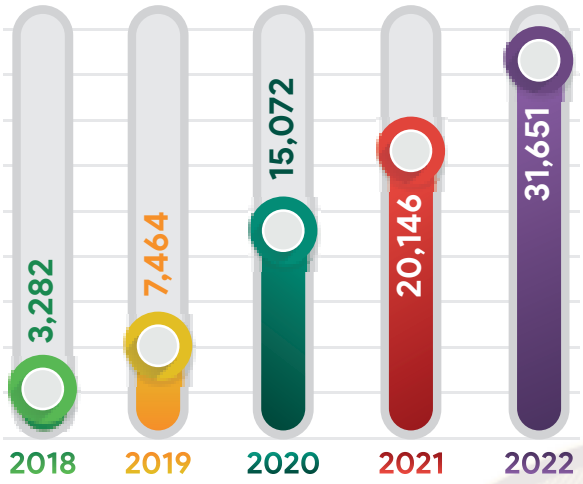
States

The year has certainly empowered SATYA to reimage and reinvent its operational processes to overcome the challenges. This has been possible because of definite business model in **21** states backed by effective functioning aligned to the changing times and requirements.

District

SATYA renewed its vigor and valor by amplifying its presence in more than **228** districts along with documenting **43%** year-on-year growth. Additionally, this also ensured that SATYA continue to support its clients by all effective means.



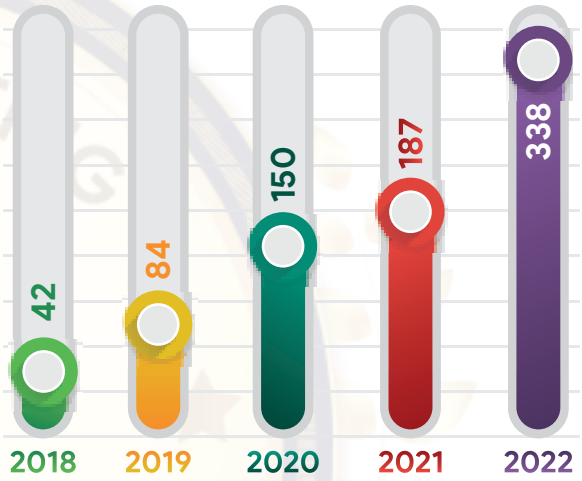


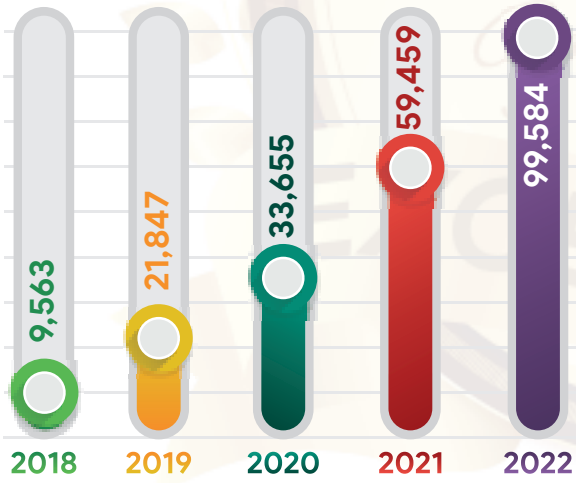
Villages

In contempt of FY 2021-2022 being a defining year, SATYA has demonstrated relentless determination to uplift the community comprehensively. It has effectively managed to foray its terrestrial footprints in over **31,651** villages with year-on-year upsurge of **57%.**

Branches

SATYA managed to address the huge under penetration of credit in rural geographies despite of the pandemic which posed a great threat to livelihood. This was essentially required to back the underserved communities, and to help them revive the sabotage caused from onslaught of COVID-19. In view of the same, SATYA has set up more than **338** active branches owing to **81%** year-on-year growth rate.



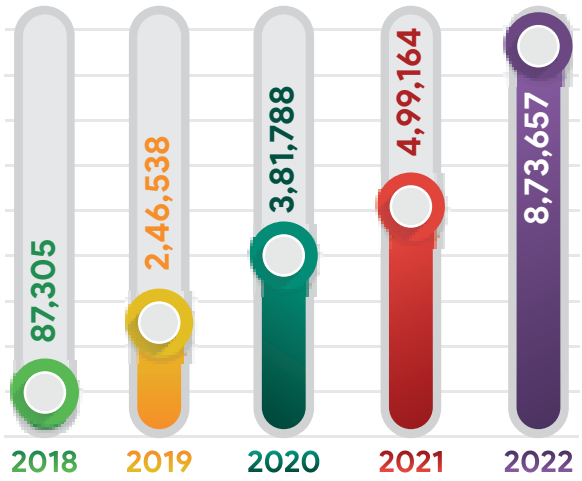


Centers

Considering how imperative it became to salvage the livelihoods of people nestling at the bottom of the pyramid during the enforced lockdowns, SATYA facilitated its affordable micro credit services in more than **99,584** centers. With much diligence, it succesfully registered a year-on-year hike of **67%** in establishment of its centers.

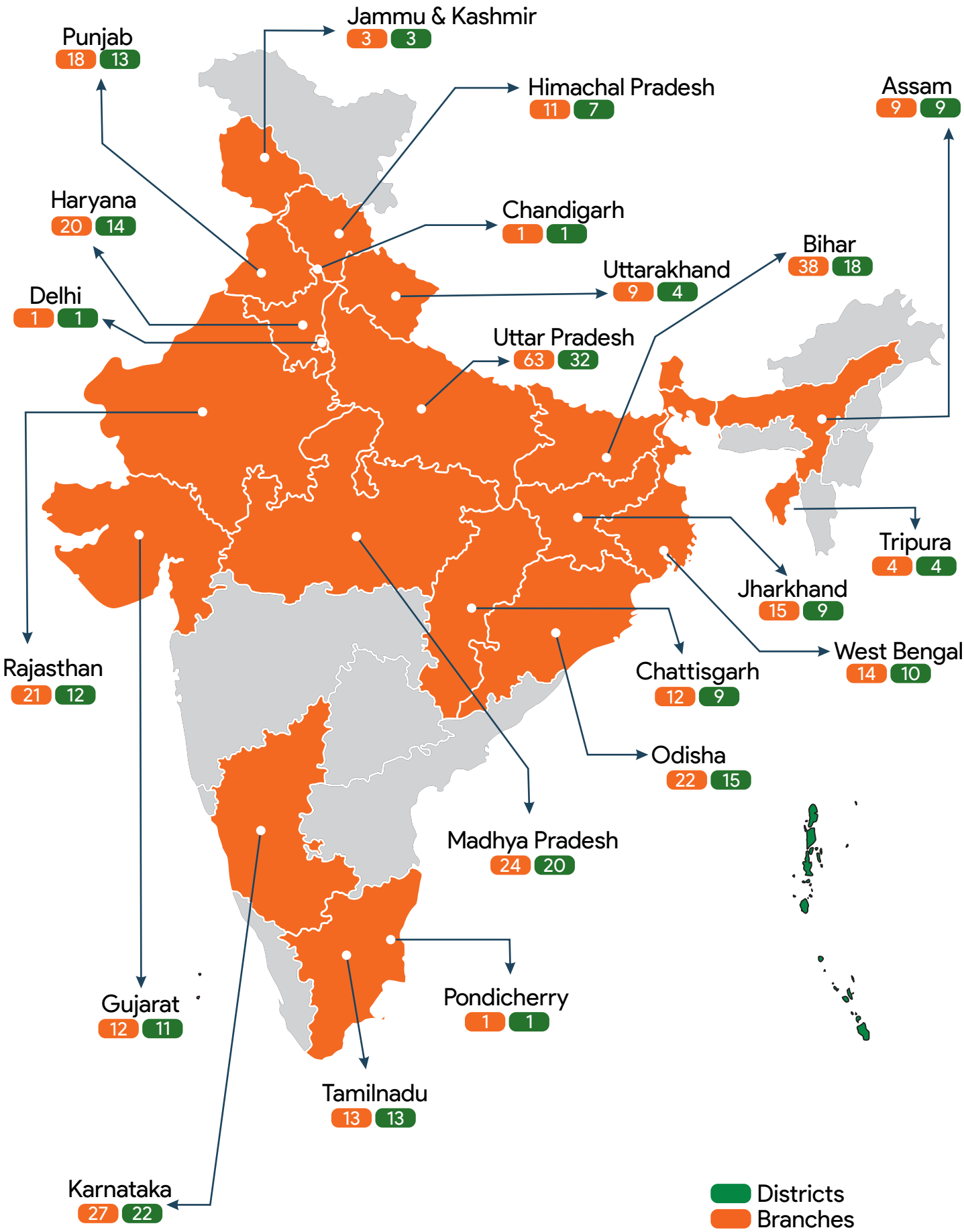
Active Clients

Catering to more than **8,73,657** micro women entrepreneurs as on 31st March 2022, SATYA applauds these ambitious and hardworking women who are inducing a positive impact in their families, villages, and hence in a significant portion of the economy. Year-on-year growth of SATYA's active clients in FY 2021-2022 has been recorded with a hike of **75%**.

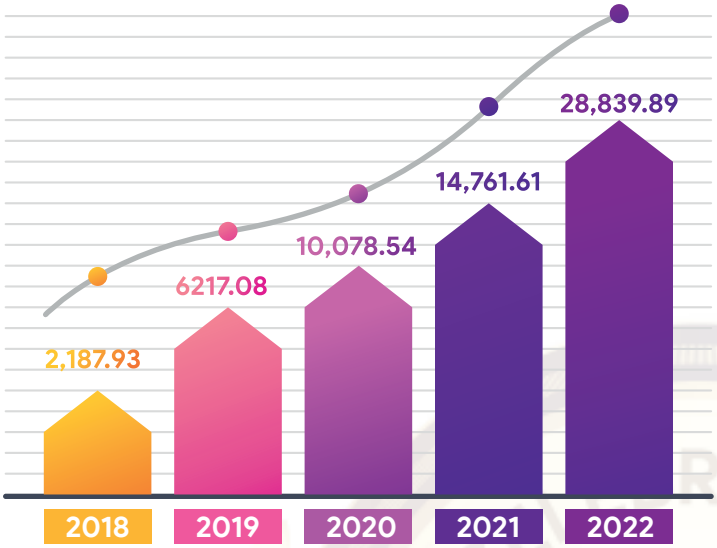


Our Presence

(As On March 31, 2022)



Financial Highlights

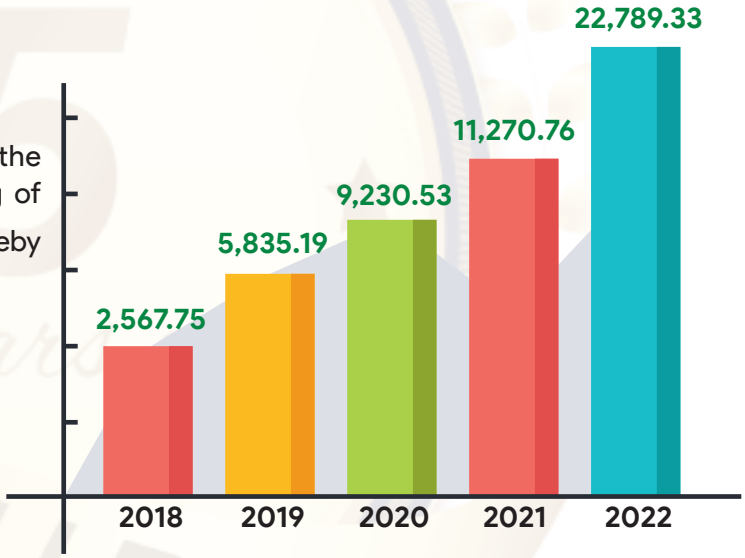


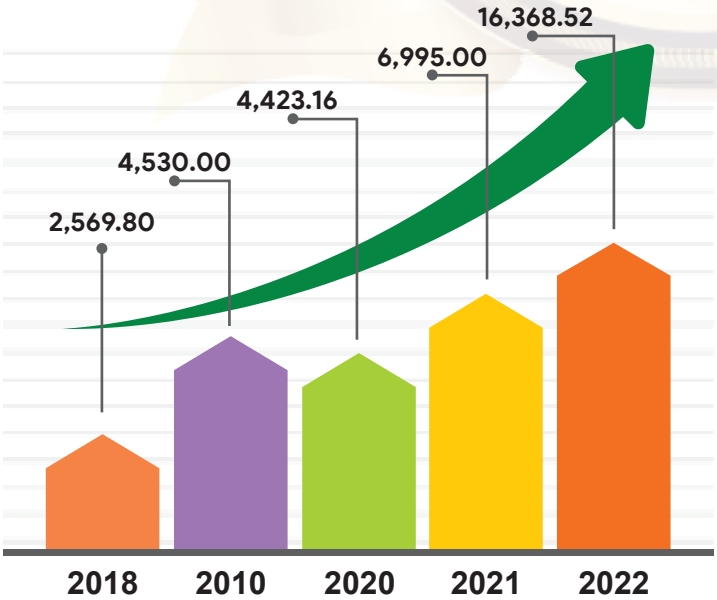
Assets Under Management
(Rupees in Millions)

Guided by our belief in shared prosperity, SATYA leveraged balance sheet strength with an unwavering focus thereby achieving Assets Under Management of worth more than **INR 28,839.89 million** and demonstrating year-on-year growth of **95%**.

Borrowing
(Rupees in Millions)

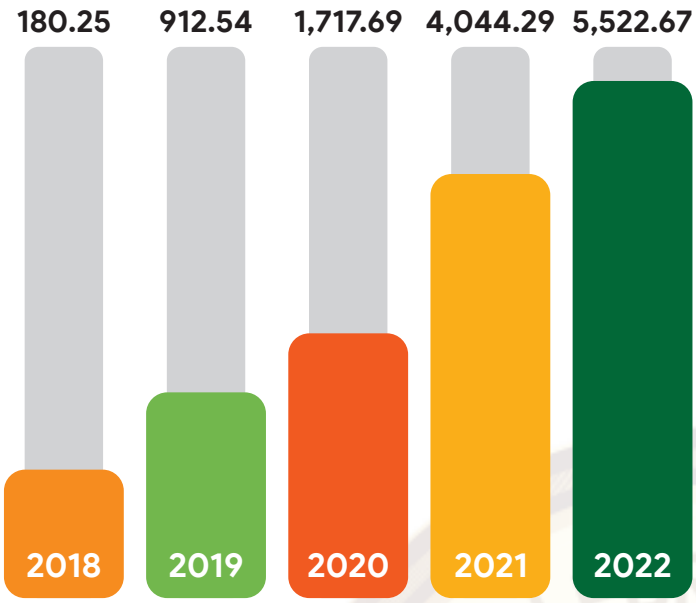
Despite of FY 2021-2022 being sabotaged by the widespread pandemic, the outstanding borrowing of SATYA stood at **INR 22,789.33 million**, thereby witnessing an upsurge of **102%**.





Funds Raised (Rupees in Millions)
(Excluding Equity, Direct Assignment, Securitisation, Business Correspondents)

The trust and confidence exhibited by our investors is commendable which enabled SATYA to successfully raise funds of more than **INR 16,368.52 million** with whooping year-on-year hike of **134%**.

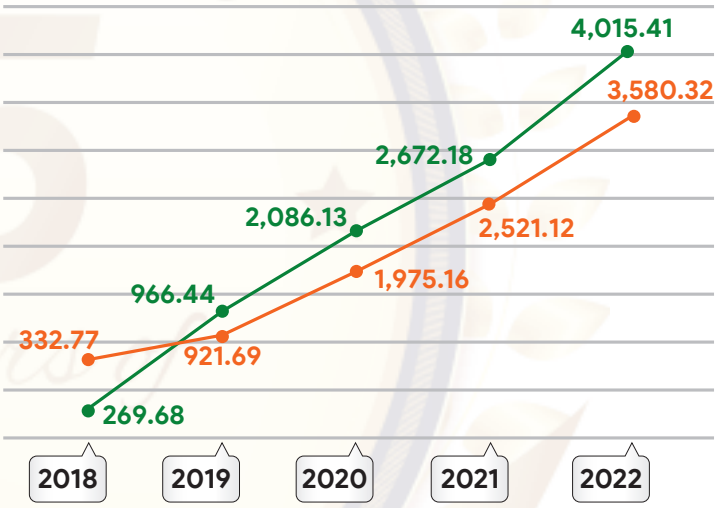


Net Worth
(Rupees in Millions)

SATYA is considered as one the most trusted microfinance institutions across the nation. This became evident by SATYA's net worth of over **INR 5,522.67 million** which is marked with year-on-year growth of **37%**.

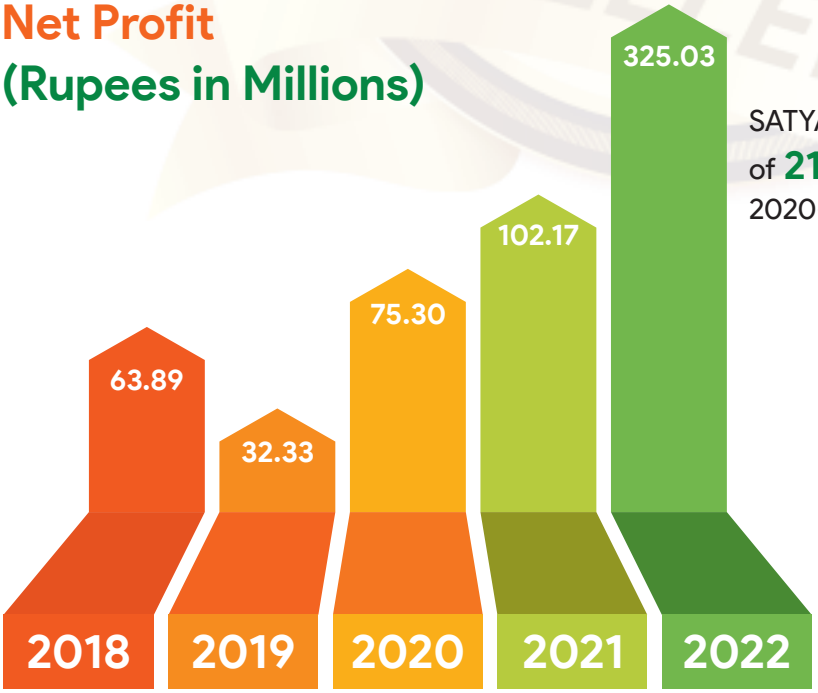
Revenue vs Expense
(Rupees in Millions)

The revenue of SATYA during FY 2021-2022 stood at **INR 4,015.41 million** and expense was recorded with **INR 3,580.32 million**. On the other hand, year-on-year growth of revenue was clocked at **50%** and that of expense was registered at **42%**.



Net Profit
(Rupees in Millions)

SATYA has reported Net Profit year-on-year growth of **218%** which is higher in comparison to last FY 2020-2021 due to significant expansion of business



Our Products

LLG

Loan Amount : Upto Rs. 75,000
Loan Term : 2 Years
Interest Rate (p.a.) : 21.47% - 23.99%
Processing Fee : 1.18% (Including GST)
Repayment Frequency : Bi-weekly/Monthly

LIMITED LIABILITY GROUP LOAN

Limited Liability Group Loan (LLG)The objective of these products is to enable people to create and develop enterprises, build assets, and become entrepreneur as these loans fall under the category of Income Generating Loans.

IML

Loan Amount : Upto Rs. 1,25,000
Loan Term : 2 Years
Interest Rate (p.a.) : 21.47% - 23.99%
Processing Fee : 1.18% (Including GST)
Repayment Frequency : Monthly

INDIVIDUAL MICRO LOAN

SATYA offers Individual Micro Loans to meet the diverse range of client's financial needs, whether you are looking to renovate your house or expand your business. These are purpose-based loans, that are made to individuals without any group guarantee.

EL

Loan Amount : Upto Rs. 10,000
Loan Term : 1 Year
Interest Rate (p.a.) : 21.75%
Processing Fee: 1.18% (Including GST)
Repayment Frequency: Bi-weekly/Monthly

EMERGENCY LOAN

The EL product is designed to monetarily mitigate an exigent situation that occurs in the lives of our clients. This covers the accidental fires, natural calamities like floods, cyclones, earthquakes etc.

MBL

Loan Amount : Upto Rs.2,00,000
Loan Term : 2 Years
Interest Rate (p.a.) : 28%
Processing Fee : 2.36% (Including GST)
Repayment Frequency : Monthly

MICRO BUSINESS LOAN

Micro Business loan by SATYA is an offering for small businesses with big dreams. SATYA provides credit support to entrepreneurs to help them to upgrade or scale up their businesses. This loan is available to any new or existing small business that has an urgent need for cash flow.

WSL

Loan Amount : Upto Rs. 50,000
Loan Term : 2 Years
Processing Fee : 1.18% (Including GST)
Repayment Frequency : Bi-weekly/Monthly

WATER & SANITATION LOAN

Water & Sanitation loans are introduced by SATYA to provide sustainable solutions for the people at the bottom of the pyramid (BoP) to access affordable financing to access safe drinking and sanitation facilities.

CL

Loan Amount : Upto Rs. 1,00,000
Loan Term : 2 Years
Interest Rate (p.a.) : 21.47% - 23.99%
Processing Fee : 1.18% (Including GST)
Repayment Frequency : Bi-weekly/Monthly
Cattle Insurance Fee : 3.5% for 1 Year

CATTLE LOAN

The CSL product is created with the objective to enable the people to become an entrepreneur by owning a small dairy unit by purchasing cows/buffalos, to generate an income.

HOSPICASH

With a vision of supporting and helping the client, SATYA MicroCapital has launched the HospiCash policy in March 2019. HospiCash is an allowance cover that provides cash benefit in case the insured gets hospitalized. It provides daily cash benefits of Rs.1000 per day for a maximum of 30 days per year in case of hospitalization of Borrower or Co-borrower as well as provide benefits of Rs 1,00,000 in case of accidental death of Borrower or Co-borrower as per loan tenure. The benefits are double in case the insured is admitted in the ICU. The policy is highly beneficial to the clients at the bottom of the pyramid as several of them lose their daily income while hospitalized.

The claim settlement process is also highly simplified with the entire process being online. Implemented two years ago, this policy has received positive feedback from clients. Women entrepreneurs are eager to purchase this policy. A total of around **11,78,000 HospiCash policies** have been sold in FY' 2021-22 by SATYA MicroCapital to their clients across 21 states. So far, the total amount is around **Rs. 20 crore hospitalizations** and **Rs. 2.5 crore accidental claims** have been paid.

SATYA HospiCash insurance is offered in two forms: Group Hospital Cash and Group Personal Accident, the coverage details are given below:

Group Hospital Cash & Group Personal Accident

Particulars	Benefits
Sum Insured	INR 1000 per day
Benefit Days	30 Days per year
ICU Hospitalization	INR 2000 per day, 30 days per year
Pre-existing Disease Coverage	All covered, Maternity is also covered
30 Days waiting period removal	No waiting period
1 Year waiting period removal	No waiting period
Accidental Death	INR 1 Lac per insured
Tenure	As per Loan Tenure

Supporting Our People In Times of Health Crisis



Mrs. Lakshmi Devi

Bantalab, Jammu

Mrs. Lakshmi Devi resides at Bantalab, Jammu. She was joyfully living her life in a joint family with her husband, 2 children, and other family members. Her spouse worked as a tailor in the village and had small land for agriculture purposes. He was the only tailor in the village having the latest designing skills, but he had no money to open his shop. They dreamed that they would open a boutique to meet their family's financial needs.

Mrs. Lakshmi Devi was aware of SATYA MicroCapital limited; she took a loan of Rs. 60,000 and opened a boutique to support her husband. This new business helped them to improve their financial condition. Every day profit was increasing in their work, and they were moving ahead in life and wishing for a bright future. Everything was goings well; they were happy in their own little world.

After a few months, suddenly Lakshmi Devi had a stomachache; she had experienced stomach discomfort earlier, but the pain was severe that day. Her husband immediately admitted her to the hospital where it was

found that she had gallstones. The whole life of Lakshmi Devi was shattered, she was facing the worst situation in her life. She was worried about her children because she needs to fulfill their needs related to their health, education, and other necessities.

She was nervous & upset and could not understand anything. At the same time a ray of hope knocked on her door, SATYA's EDO visited her house and informed her about HospiCash Insurance. As she is a member of the group loan, so she will receive cash benefits of Rs. 1000 per day for a maximum of 30 days in case of Hospitalization of Borrower or Co-borrower as well as give benefits on Rs.100,000 in case of accidental death of Borrower or Co-borrower for two years of period. She was hospitalized for 14 days and received Rs.14,000 from SATYA as a hospitalized claim.

Knowing about HospiCash insurance, Lakshmi Devi started crying and said, "SATYA changed our life and always helped us in our crucial times. HospiCash insurance was very beneficial for my family. I want every sister and brother like me to get HospiCash insured so that they can benefit from it in their bad times."



Ms. Lakhbir Kaur

Dhanbad, Jharkhand

60 years of Ms. Lakhbir Kaur lives in Dhanbad, Jharkhand with their seven children, six daughter's and a Son. They live in a modest house due to low income and cannot afford to send their children to a private school. Her husband passed away in 2007 due to heart attack, he was working in TATA company. After the death of her husband, lakhbir had full responsibility of their children's education. She worked hard to ensure her children's education did not suffer. As expenses grew, she started looking for avenues to increase her income.

Ms. Lakhbir Kaur heard from SATYA's EDO that she could get a loan to start their own business and improve their financial condition. After knowing about the loan products, lakhbir enrolled in the group and took a loan of Rs. 60,000. She utilized this loan for sewing work and her daughter's wedding. She experiences a significant change in their lives and everything going well with them.

One day suddenly she had a pain in her lower portion of the spine. She got hospitalized, the doctor told her that she had lumbar disc pain, which would have to be cured soon or else her condition might get worse. This instance broke the family into pieces; it had a massive impact on the children's, they had no option left instead of crying. We can't understand someone's pain until it's not passed on to us.

Fortunately, she was informed by SATYA's EDO about HospiCash Insurance, HospiCash is an allowance cover that provides cash benefit in case the insured gets hospitalized. It is calculated based on the number of days the insured is hospitalized and the premium amount paid. The benefits are double in case the insured is admitted in the ICU. Since she is a member of group loans and was insured at the time of taking the loan for their business so she will get the benefit of HospiCash Insurance.

After listening to this, a ray of hope entered her life. She was hospitalized for 15 days and received Rs.15,000 from SATYA as a hospitalized claim. She appreciated SATYA MicroCapital limited for helping her out in the crucial time and reaching out to her doorstep and gave her confidence to survive.



COVID CARE

SATYA MicroCapital Limited in Collaboration with Aditya Birla Health Insurance has been selling the "COVID CARE" Insurance policy to their employees, clients & co-borrowers since 2020. "COVID CARE" ensures that the Insurance company shall pay 100% of the Sum Insured as a lump sum as specified in the Policy Schedule/Certificate of Insurance, on the occurrence of the Insured Event if the Insured Person is Covid Positive Deducted with hospitalized on an Inpatient Care basis directly and solely due to the Insured Event.

This insurance benefited clients who were either infected or hospitalized with Covid19, and approximately **Rs. 4 crore Covid claims** have been settled so far. Being covered under "COVID CARE" Insurance Policy our clients & employees felt more financially secured, the insurance policy has set them free from burden of additional expenditures borne from COVID treatment.

Contents	ABHI-GHC
Sum Insured for Clients (Covid detection with hospitalization)	10,000/-
Sum Insured for Employees (Covid detection with hospitalization)	25,000
Age Limit (Min-Maximum in years)	18-65



Mrs. Kunja Deka

Mangaldoi, Assam

Mrs. Kunja Deka is 45-year-old lady, who lives in a small town named Mangaldoi in Assam with her small family. She has three children, two daughters and a son. Their children study in a nearby Government School, and Her eldest daughter has completed her graduation and she is looking for a job.

Her husband, Mr. Mahesh Deka, worked as a woodworker in the village. He is the only skilled carpenter of their village. He could not earn enough to meet the needs of his family. He wanted to open his carpentry shop so that he could earn more and send his children to study in private school. He approached several local lenders for funding, but the collateral security they demanded remained an impediment.

One day Mrs. Kunja Deka meets with SATYA's EDO, and they informed her about the group loan. After knowing the details, she happily joined the group, took a loan of Rs. 30,000, and opened carpenter shop in the nearby village. They were very happy and living their life well.

But life is not as easy as it seems to be. It is full of an emotional roller coaster, sometimes sweet and sometimes sour. In May 2021, when the second wave of Corona was at its peak and people around the world were being affected by it. Kunja's husband also did not remain untouched by this virus, he too got infected.

The local people immediately took him to the nearby dispensary, where the doctor provided him basic medicine of Covid-19, but the doctor referred him to the nearby city hospital. He was having difficulty in breathing due to which the doctors could not save him and declared him brought dead. The world of Mrs. Kunja Deka shattered in front of her eyes.

The family did not have any income and the situation of Kunja's family was getting very deplorable. It was getting extremely difficult for her to manage her household expenses. Not having a steady income worried her constantly especially for her children.



Mrs. Savita Bai

Champa, Chhattisgarh

Mrs. Savita Bai, a resident of a small village Champa in Chhattisgarh lives with her husband Sanjay Kumar and two children. Savita's husband worked as a guard in a nearby factory and his meagre income was insufficient to support the rising needs of the family of four. Savita worked as a labor for an additional source of income to support her family.

Savita heard from her neighbors about women forming a group to receive loans to begin their entrepreneur journey. She approached the group and engaged with the EDO of SATYA who explained her about the loan and its benefits. She joined the group and received her first loan to open a retail shop. Gradually the shop started to grow, and the additional income brought excitement and hope in their lives.

Life as you know it will never be the same. It can be reinvented, reshaped into something different — but it is never the same. The same situation occurred with Mrs. Savita Bai when she got to know that she got infected from COVID-19. She was going through the worst phase of her life as she could not open her shop due to corona. Imagine a situ ation where she needs to feed their two children, look after their education, and meet daily household expenses.

During that time SATYA's EDO visited her house and informed her about COVID CARE insurance, as she is a member of the group loan, and she will receive Rs. 10,000 as COVID CARE insurance because both Mrs. Savita and her husband are insured while taking the loan for their shop.

Knowing about COVID CARE Mrs. Savita Bai said, " I never thought that my family would see sad days like this, but at this critical time, SATYA Microcapital Limited supported us.". The claim amount provided her power to face the world and survive in the problematic condition.



2016-17

MILESTONES

5 ★CELEBRATING★ Years of Excellence

PROMISING BEGINNINGS

The foundation of SATYA was laid on **16th October 2016** which was followed by the unprecedented arrival of demonetization. It was quite difficult for others to believe that a new entrant in the Indian MFI space will sustain in the sector. SATYA triumphed these challenging times with its only aim to set its footprints into the industrial ecosystem. With undying dynamism & compassion, Team SATYA maintained their calm & dedicatedly affixed the name of the organization in BFSI terrain. SATYA then conceptualized its SATYA GEET which has now become an indispensable custom of its center meetings. SATYA GEET is originally scripted to inflict company values amongst its clients. Up till now, no other organization apart from SATYA has established a practice alike SATYA GEET which has effectively generated recall and recognition for the MFI. It has also enabled SATYA's clients to create a unique position for the organization in their minds.

On **28th October 2016**, with much vigour and valour, with objective of providing affordable credit services enhancing in the country at the grass roots level, SATYA laid its foundation. From this day onward, SATYA never looked back and made sure it empowered the marginalized sector of the population in best way possible.

SATYA disbursed its first microfinance loan to low-income groups in **Sikandrabad branch in Bulandshar** district of Uttar Pradesh on **1st November 2016**.

Guided by its Soul Principles, and formal constitution of its Mission & Vision statements, the name of the organization was changed from TFC Finvest Limited to SATYA MicroCapital Limited on **30th November 2016**. This decision to change the name was taken as the core of the organization had undergone a transformation in all aspects, equipping it to play a catalytic role in fulfilling the national priority of financial inclusion.

Comprehending the significance of advent of digitalization, SATYA launched digitized operations on **30th December 2016** and took its first step towards harnessing technology comprehensively in its business model, strategy, & principal methods. SATYA made its first cashless disbursement on **31th December 2016**, with the aim of facilitating the rise of the cashless economy. This was linked to the advantages of risk mitigation and higher operational efficiency, which included better cash management techniques, improved safety, and increased employee productivity.

Determined to augment the company's credibility and establish a remarkable presence in the league, SATYA launched its website on **1st January 2017**. This helped SATYA build a strong presence and communicate quality information to its customers, employees, investors, lenders, industry peers and other stakeholders.

SATYA clocked its industry presence by acquiring membership of Sa-Dhan on **10th January 2017**. This served as a crucial step to demonstrate SATYA's commitment to the guiding ethical principles, standards of best practice, and adherence to legal and regulatory requirements. Joining Sa-Dhan' as an industry member enabled SATYA to create a standardization for quality across MFI sector.

On **5th February 2017**, SATYA completed its 100 days of active operations with first 100 team members. This was the first ascension in the growth trajectory of SATYA.

2017-18

MILESTONES

EXPANDING FOOTPRINTS

On 23rd June 2017, SATYA crossed the 50 Crore Mark in Loan Disbursement. This was the time when SATYA was all geared up to expand its operational network across India for empowering the underserved. Bootstrapped by its founders, SATYA became one of the fastest growing Delhi-based microfinance startups in a short span of less than 1 years of operations. It resonated well with individuals who were looking to generate income or grow their income via means of entrepreneurship.

With focus on profitable operations, SATYA started receiving fresh loan applications every month and gradually established a strong borrower base using their credit line actively.

SATYA in entirety has always been an upholder of women empowerment and this is not only limited to its clients. With an aim to exclusively create a positive environment for female staff, Varanasi Branch in UP-East region was launched as All-Female Employees Region by SATYA on 7th August 2017.

SATYA raised its first round of funding from impact investor Dia Vikas Capital Pvt. Ltd on 6th October 2017. This was the first Institution investment of SATYA. Being integrally concentrated towards providing affordable financial services to people generally excluded from traditional banking channels because of their low, irregular and unpredictable income SATYA completed loan disbursement of first 100 Crore on the same date.

On 2nd February 2018, SATYA achieved the feat of acquiring the MFI License from RBI which further helped SATYA to expand and facilitate micro credit services to its clients with much efficacy and ease. With this license, SATYA formally stamped itself as an "RBI registered NBFC-MFI" and continued to operate with its "not-for-profit & human touch based" ideology.

SATYA received Bank Loan Rating BB+ from credit rating agency - CARE on 9th February 2018. This further augmented SATYA's creditworthiness in pertaining to financial obligation towards its esteemed investors. The rating acquired by SATYA was also a clear illustrative of the minimal risk involved in lending money to the MFI and gauge the repayment ability based on its past credit behavior. Furthermore, on 23rd March 2018, SATYA also received MFI Grading M2 by ICRA.

2018-19

MILESTONES

CATALYZING DIGITALIZATION

With focus on leveraging automation and accelerating the application of digitization, the third year of SATYA's growth curve was dominated with multifarious milestones. SATYA completed 300 Crore of Loan disbursement on **21st May 2018**. By this point in time, SATYA also successfully uplifted the livelihood of more than 1,00,000 clients along with extending myriad of income-generating activities to them.

On **24th May 2018**, SATYA received MFIN Microfinance Award. This was indeed a crowning glory and gave SATYA a badge to display.

SATYA MicroCapital raised 43 Crore fund through it second institutional investment lead Japan based Gojo & Company Inc. on **31st July 2018**.

On **24th October 2018**, SATYA was then awarded with MICRO LENDING (NBFC) - SMEs Excellence Award 2018 organized by ASSOCHAM INDIA which was presented by Shri Congad K Sangma, Honourable Chief Minister of State Meghalaya.

Recognizing its monumental and poignant efforts in the field of microfinance, it was then presented as one of the Top-Ranking Banking & Finance Projects in INDIA during 55th SKOCH Summit on **22nd December 2018** with the underlying theme of 'The Economic Manifesto'.

By **31st January 2019,** SATYA added one more golden feather in its cap and successfully completed its 2,00,000 clients. This achievement further boosted the confidence of the MFI in its own business model and strengthened its belief to be a preferred choice for the people at bottom of pyramid in creation of their enterprise and livelihood through holistic approach.

Accentuating its commitment to serve the underserved, SATYA made a mark on **22nd February 2019** and received Excellence Award in MINE (Microfinance & NBFCs Exhibition). SATYA was here felicitated for being a stalwart and achiever for its pathbreaking vision in the field of microfinance.

This was just the starting for SATYA. The organization made sure it broke all stereotypes and slam all the apprehensions created regarding its functioning. Highlighting its phenomenal growth, SATYA was now considered as one of the fastest growing MFIs in India as it crossed several milestones with exponential speed since it was inception three years ago. With a loan disbursement portfolio of 750 Crore, SATYA reached yet another milestone, having enabled more than 2.25 Lakh unbanked and underserved entrepreneurs with 500 Crore worth of Assets under Management on **25th February 2019**.

Absorbed from its resolute focus on empowering aspiring women entrepreneurs, "SATYA Emergency Loan" was launched on **8th March 2019**, International Women's Day. This loan product enabled customers to avail smooth and hassle-free loan for all sorts of emergencies which require ready access to financial assistance. This loan was specially formulated for crisis situations which are non-negligible and demands immediate money deposits. In addition, this loan helped the borrowers to fulfil their high quantum expenses.

With the fervor inside him "to serve the society at large, especially for women and children, Mr. Vivek Tiwari spearheaded SATYA's strategic efforts and accelerated its expansion. On **15th March 2019**, he was bestowed with the 'BFSI Leadership Award' for his laudable leadership in the BFSI domain at 'Elets 6th NBFC100 Tech Summit. He has fundamentally contributed to the microfinance sector since formative years.

2019-20

MILESTONES

DELIVERING VALUE

SATYA with its proficient experience in managing risk and implementing controls received the Award for Best-In-Class Credit Underwriting Solution on 11th April 2019 at the Treasury, Risk and Compliance Summit 2019.

SATYA further elevated its presence to a total of 100 branches. SATYA inaugurated its Deogarh Branch and made its maiden foray in the state of Rajasthan on 30th June 2019.

On 30th July 2019, the RBI registered NBFC-MFI, became the first MFI to cross a whopping 100 Crore worth of cashless collections in less than two and half years since its inception. It crossed a portfolio of 650 Crore with over 2.85 lakh active clients – making its entry into the top 20 micro finance institutions in India.

SATYA inaugurated its circle office in Chennai and opened its 110th Branch in Kanchipuram, Tamil Nadu on 15th August 2019.

Soliciting empowerment of micro entrepreneurs, SATYA completed more than 3,00,000 clients on 5th September 2019.

Through its client connect practices as well as actions, SATYA touch based with its clients on a deeper level and completed 1000 Days of its Operational Journey on 28th September 2019.

In a league of its own, on 13th November 2019, SATYA inaugurated its 125th Branch at Bhopal and clocked its active operations into its 20th State: "Heart of India"- Madhya Pradesh.

SATYA turned to tech innovation and activated fast-track transition to a more efficient digital model for delivering value with agility. On 18th December 2019, SATYA was presented with the New Age Fast Moving MFI Award at the 5th Eastern India Microfinance Summit hosted by AMFI-WB.

Just the next day, SATYA bagged another award - Microfinance Institution of the Year 2019 at the Iconic Business Summit on 19th December 2019. The MFI was here conferred for being a frontline microfinance institution who prioritized the credit needs of its customers without any delinquency.

SATYA received the award for Best Micro Lending (NBFC) at ASSOCHAM's at 7th MSMEs National Excellence Summit on 30th January 2020. This was an implicit indication of SATYA's unflinching commitment to its over four years mandate of empowering members of low-income households, impacting communities and environment in a sustainable way.

SATYA opened its doors of business operations to its 21st state – Gujarat on 30th January 2020 by establishing its 135th Branch at Chandkheda, Ahmedabad. With its presence across the states of Assam, Bihar, Chandigarh, Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Meghalaya, Odisha, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand & West Bengal, SATYA was now actively operating in the westernmost state of Gujarat.

Establishing record breaking benchmarks and giving center stage to its phenomenal growth trajectory, SATYA on 7th March 2020 celebrated the landmark achievement of recording 1000 Crore Loan Outstanding Portfolio.

2020-21

MILESTONES

5 ★CELEBRATING★ Years of Excellence

FOSTERING RESILIENCE

On 4th May 2020, SATYA received an upgrade in its MFI Grading to M2+ by ICRA Ltd. Key grading drivers included experienced management team with a track record in microfinance; geographically diversified portfolio with growth in scale of operations; adequate systems to support acceleration of operations; proficient capitalization profile and investor support; and diversified funding profile.

Receiving a progression to BBB+ Bank Loan Rating by ACUITE Ratings & Research Ltd on 26th May 2020, SATYA acquired another upgrade with a month. Receiving a double retreat to its elevation, SATYA was backed with equity funding of 105 Crore by Gojo & Company, Inc. on the same day. During the increasingly aggravating epidemic which significantly disrupted the national economy, this was one of the first investments in the Microfinance sector after COVID-19 led nationwide lockdown.

SATYA launched Vijayalakshmi Das Entrepreneurship Awards 2020 – an Awards & Recognition platform to felicitate Women Entrepreneurs at the grassroots level to honor the 'Mother of Indian Microfinance' – Late Mrs. Vijaylakshmi Das on her 69th Birth Anniversary: 17th July 2020.

On 15th December 2020, hogging the limelight in a well-attended awards ceremony, Mr. Vivek Tiwari, the young & dynamic MD, CEO and CIO of SATYA MicroCapital Limited was honored with The Most Promising Business Leaders of Asia Award at The Economic Times Asian Business Leaders Conclave 2020 hosted by ET Edge.

With its proficiency on the innovative deployment of technological framework for incubating responsible lending, financial inclusion, social entrepreneurship, and affordable credit access within national boundaries, on 29th December 2020, SATYA was endured with the Most Trusted Microfinance Institutions in India at the Atal Achievement Awards 2020.

On 3rd February 2021, SATYA raised 153 Crore in equity from Gojo & Company Inc. This was considered as one of the biggest fundraisings by a microfinance firm amid pandemic. This also marked investors' confidence in the lending model built around providing unsecured loans to the bottom of the pyramid customers across the country. The equity funding raised by SATYA was utilized to contribute the government's vision of Aatmanirbhar Bharat with the establishment of an increased number of startups. This certainly played a significant role in reviving the economy, which suffered the utmost recorded slump due to pandemic.

On the occasion of International Women's Day, SATYA MicroCapital Ltd. organized first edition of Vijayalakshmi Das Entrepreneurship Awards which felicitated women entrepreneurs nestled at grassroots level Organized on 8th March 2021, and recognized women who have significantly contributed towards fulfilling the Government's vision of Atmanirbhar Bharat.

SATYA has always worked ardently in the interest of wider social issues, rather than just those which impact profit margins. On 18th March 2021, under its flagship SATYA inaugurated office of its CSR arm – SATYA Shakti Foundation. With constitution of SATYA Shakti Foundation, MFI made sure that it socially contributed towards the sustainable development of a progressive & harmonious society by extending assistance in thematic areas of Sanitation, Health, Education & Employment.

2021-22

MILESTONES

BUILDING A LEGACY

SATYA accomplished the landmark of 5 lakh clients on the back of its customer centric and human touch-based approach on **3rd April 2021**. Crossing the benchmark figure in such a short span of time was a clear testament of SATYA's commitment to cater low-income households for stabilize their income flows. It was certainly a record in Indian MFI space wherein an institution attained such a grand breakthrough within stipulated time period.

SATYA demystified digital lending and received the award for Best MFI in Digital Lending Category at ASSOCHAM National E-Summit & Awards on Banking & Financial Lending Companies on **29th April 2021**. This recognition was solely based on SATYA's capacity of leveraging digital transformation for reaching new customers, drive engagement, and promote financial inclusion.

On **12th July 2021**, SATYA MicroCapital Ltd. got accredited as Great Place to Work-Certified™. The annual certification acknowledged SATYA's efforts to improve employee well-being and safety, as well as to create an organization with a high-performance culture, trust, and exceptional comfort. The accolade came on the heels of SATYA's remarkable work culture, which fosters a trust-based, high-performance culture and instils aspects of credibility, respect, fairness, pride, and camaraderie among its employees. This certification affirmed SATYA's one of the core values – "TEAM" which forms an indispensable function of its soul. Following the approach of prioritizing its employees, on 20th August 2021 SATYA was awarded as Best Talent, Diversity & Culture Initiative at Distinguished NBFC Awards 2021 organized by Banking Frontiers.

Being an MFI Institution with less than 5 years of active presence in the microfinance industry, SATYA on **30th August 2021** was felicitated as the Fastest Growing Brand 2020-21 & its MD, CEO & CIO – Mr. Vivek Tiwari was accoladed with Fastest Growing Leaders 2020-2021 by AsiaOne Magazine.

On **28th September 2021**, SATYA's MD, CEO & CIO - Mr. Vivek Tiwari was awarded as The Economic Times Promising Entrepreneurs of India 2021 organized by Economic Times. This was the second year in a row that the veteran leader of microfinance space was recognized by Economic Times.

Despite of confronting various challenges posed by pandemic, SATYA on **31st December 2021** once again proved that nothing can deter the organization from achieving remarkable growth by recording Loan Outstanding Portfolio of worth 2000 Crore.

SATYA welcomed the new calendar year 2022 by expanding its terrestrial network of active operations to 300 branches with inauguration its branch in Ankleshwar, Gujarat on **25th January 2022**.

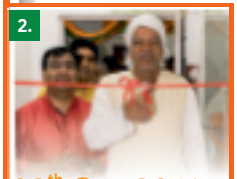
On **9th March 2022**, SATYA MicroCapital Ltd won the award as "Winner" in the 8th MSMEs Excellence Awards for its Excellent Services of the Year organized by ASSOCHAM.

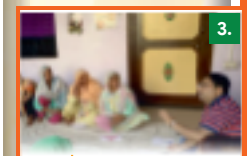
Achieving industry standards in a proactive manner ensures SATYA's legacy of acquiring milestones. We at SATYA, fervently believe that these milestones track our progress as we propel, implement our business strategies, and serve as the roadmap for our microfinance operations. They are identified as marked progress points which seldom appears along the timeline of set targets. It's these milestones which inflict a lasting impact on the future of our staff, leadership, and customers while reflecting and learning from the culture that laid the framework for SATYA's success.Acquiring these coveted milestones has always been a meaningful moment for everyone in SATYA. They are aways celebrated from a heart of service, genuine reflection, and authentic gratitude.The infographic representation illustrates the sequential milestones SATYA has acquired from Day 1 of its foundation.

MILESTONES

2016 - 2017

1. **16th Oct 2016**
Envisioning the concep of SATYA Geet

2. 
28th Oct 2016
Inauguration

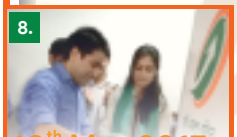
3. 
30th Oct 2016
First Center Appraisal

4. 
1st Nov 2016
1st Disbursement of Center

5. **30th-31th Dec 2016**
Launch of Digitised Process & First Cashless Disbursement

6. 
16th Jan 2017
First Cashless Transaction

7. 
5th Feb 2017
100 Days of SATYA

8. 
10th May 2017
Inaugration of SATYA's New Office

9. **6st Oct 2017**
100 Cr. Disbursement & Infusion Of First Instituition Equity From Dia Vikas Capital

10. **17th Oct 2017**
100 Cr. Outstanding Celebration

2018 - 2019

1. **2nd Feb 2018**
MFI License from RBI

2. **21st May 2018**
SATYA completed its 1,00,000 clients & achieved INR **300** Crores of Loan disbursement.

3. 

31st Jul 2018
Inauguration

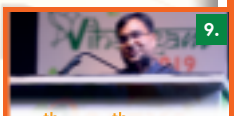
4. **25th Feb 2019**
SATYA Completes Rs. **500** Cr. Portfolio

5. 
1st Jul 2019
SATYA'S **100th** Branch Opening

6. 
30th Jul 2019
SATYA 1st MFI to collect INR **100 Cr.** Through Cashless Transactions.

7. 
5th Sep 2019
Empowerment Of **3,00,000** Micro

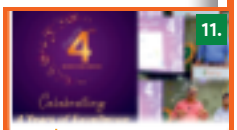
8. 
28th Sep 2019
1000 Days Of SATYA'S Operational Journey

9. 
12th- 13th Oct 2019
Vihangam (Annual Day Celebration)

10. 
31th Oct 2019
Cumulative Disbursement Of INR 500 Cr.



2020

11. 

28th Oct 2020
Celebrating "4 Years of Excellence".

9. 

10th Jul 2020
MD Sir Was Elected As MFIN Board Member

7. 

17th May 2020
Launch Of SATYA Rasoi

5.

25th Apr 2020
Launch Of Free Of Cost Digital Opd For Satya's Clients, Employees & Their Family Members

3. 

10th Apr 2020
SATYA Donated INR 21,00,000 To PM Covid-19 Relief Fund

1. 

15th Feb 2020
SATYA Launched 6 month Internship Programme For Students

10. 

17th Jul 2020
Launch Of Vijayalakshmi Das Entrepreneurship Awards

8. 

25th May 2020
First MFI To Secure INR 105 Cr. Equity Funding During Covid-19

6.

12th May 2020
SATYA Received An Upgrade In MFI Grading From M2 To M2+ By ICRA

4. 

25th Apr 2020
SATYA Donated PPE Kits, Surgical Gloves & Mask In Assam

2.

7th Mar 2020
Milestone Achievement Of INR 1000 Cr. Assets Under Management

2021 - 2022

11.

31st Mar 2022
Milestone Achievement of INR 2900 Cr. Assets

9. 

30th Jan 2022
Vihangam Annual Day Celebration

7. 

31st Dec 2021
SATYA celebrates the Landmark Achievement of INR 2000 Cr. AUM

5. 

3rd Apr 2021
SATYA celebrates the landmark achievement of 5 lakh clients

3. 

8th Mar 2021
Vijayalakshmi Das Entrepreneurship Awards

1. 

14th Jan 2021
Inaugurate of **200th** Branch at Una, Himachal Pradesh

10. 

8th Mar 2022
Celebrates Vijayalakshmi Das Entrepreneurship Awards

8. 

25th Jan 2022
Inauguration of **300th** branch in Ankleshwar, Gujarat

6. 

6th Jul 2021
SATYA is Great Place to Work Certified

4. 

18th Mar 2021
SATYA Inaugurates Its New office of SATYA Shakti Foundation

2. 

3rd Feb 2021
SATYA raised INR **153.25** Cr. in Equity Funding

SATYA

Great Place To Work. Certified

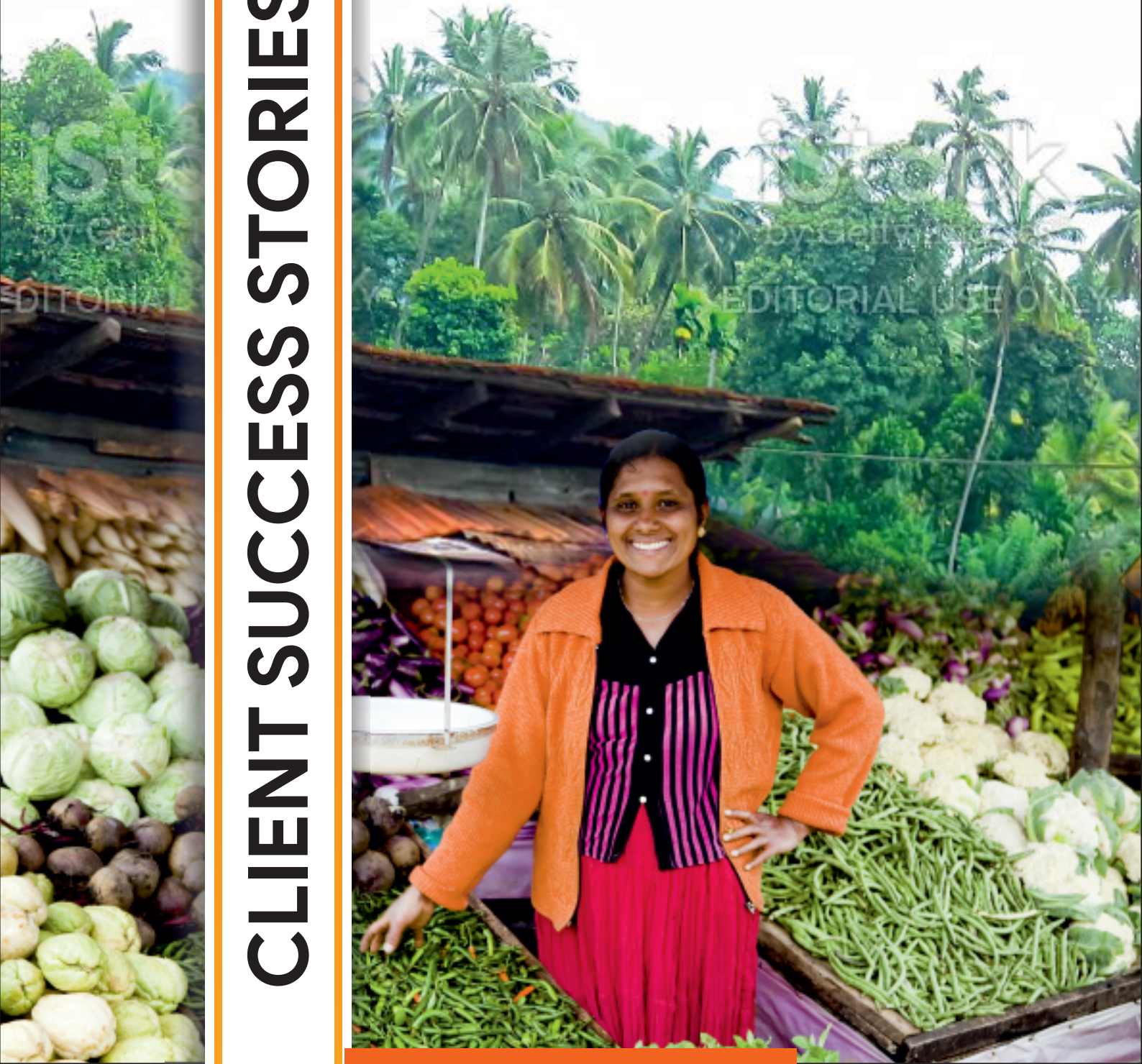
5 ★CELEBRATING★ Years of Excellence

CELEBRATING 5 Years of EXCELLENCE

ANNUAL REPORT 2021-22

DRIVING ASPIRATIONS & ENTREPRENEURSHIP

CLIENT SUCCESS STORIES





Ms. Vimlesh Devi

Dhamsinga, Uttar Pradesh

A resident of Dhamsinga, Uttar Pradesh, Ms. Vimlesh Devi had a dream of becoming a self-made entrepreneur. She also wanted to help other women in their entrepreneurial journey. Her family consists of her husband, two sons and two daughters-in-law. In her opinion, the support she has garnered from her family is the backbone of the confidence she has acquired. Her husband is a tempo truck driver, and his earnings form the main source of family income. She realized that this income was not enough to meet the living needs of a growing family like hers. Hence, moving forward, she decided to assist her family by establishing her own sewing business. Sooner, she connected with SATYA's EDO and got to know more about SATYA. She approached other women in her neighborhood and spread the word about SATYA's accessible loan products. Without any further delay, EDO created a center & did the first center meeting. Ms. Vimlesh took her first loan of Rs 41,000 and finally purchased a Sewing Machine.

Subsequently, she availed loans of Rs 21,000, Rs 40,000 and expanded her business. Additional to her husband's income, she now also contributes her earning of Rs 10,000 – 15,000 per month to her family income. Side by side, she also helps other women in her community neighborhood in buying sewing machines & trains them to sew clothes, poshak, dresses etc.

We salute entrepreneurs like Vimlesh Devi who is playing an evident role in the economic growth of the nation by boosting the confidence of so many ladies for doing their own businesses.



Ms. Hemlata

Haridwar, Uttrakhand

Ms. Hemlata is a native of Haridwar, Uttarakhand who lives with her husband and two Daughters. She aspires to give her children a bright future. Her entire family was financially dependent on her husband's tea stall, which was the only source of family income. Hemlata decided to start working for supporting her family and fulfilling the dream she saw for her children. One day, SATYA's EDO approached her and explained the diverse range of loan products offered by SATYA. He also narrated how SATYA is making strategic efforts in rural areas to empower women. This led to the creation of a center with 15-20 members at her home. She got her first loan of Rs 30,000 and expanded her husband's tea stall. A vast range of food items, and beverages were added along with some more eatables. Pertaining to past experience of working as an assistant nurse in a clinic, Hemlata joined a nearby clinic as a helper in which she arranged medicines, did dressings of patients and often handled the reception too. With sheer hard work, dedication and perseverance, Hemlata bought a computer for her daughter so that she can become digitally literate along with learning the ropes.

Ms. Hemlata said that she can never forget the help she received from SATYA MicroCapital Ltd. SATYA has played a vital role in boosting her confidence. This company is very good, and I will recommend SATYA to every woman who looks forward to establishing her own business and becoming a successful entrepreneur.



Ms. Bhagwanti

Pharaur, Punjab

Ms. Bhagwanti lives in a small village of Pharaur in Punjab with her son and Husband. Just like every woman, she also wanted to support her family by all possible means. Despite her husband working as an accountant in a small firm in the nearby area, with each passing day it was getting difficult for them to make both the ends meet. This motivated her to do something for helping her husband. Because of her prior work experience in cattle management and dairy farming, she decided to buy a cow, but due to inadequate capital she couldn't buy the same. After trying to get her hands on affordable credit access, Bhagwanti got to know about SATYA MicroCapital Ltd from a group of ladies in her neighborhood. At this point in time, she learned that SATYA provides collateral free loans to underserved people living in rural areas for the purpose of income generation and growth.

She approached the nearest branch of SATYA and applied for a loan of Rs 30,000 in 2017, post which she bought a cow and started her own business of selling cow milk. After two years, she again took a loan of Rs 39,000 in 2019 and bought a second cow. With ample financial support and mindful planning their business expanded. Eventually, her husband decided to quit his job and open a fish farm. Consecutively, Bhagwanti took three loans from SATYA of Rs 50,000, Rs 40,000 & Rs 75,000. Today, both Bhagwanti and her husband are doing great in their lives. Now they are able to provide quality education to their child along with improved lifestyle.

Ms. Bhagwanti would like to extend a big thanks to EDO who assisted her in smooth loan sanctioning & also to SATYA MicroCapital Ltd for providing affordable financial services in those areas where taking a loan is still a dream for many women.



Ms. Rekha

Aklimpur, Rajasthan

Our client Ms. Rekha who hails from Aklimpur, Rajasthan is a true exemplification of the saying, “It's never too late to focus on your dreams”. Her family includes two daughters, two sons and a husband. She always wanted to give her children the best education but because of economical constraints, she was not able to send all her children to school for basic education. This was mainly because of not having a fixed source of family income as her husband is a daily wage worker. The entire family was dependent on the daily income of her husband for survival without any safety nets. He seldom worked as a labour or drove a tractor on farm. On an average, he only used to collectively earn Rs 10,000 – 12,000 in a month which was not enough for the survival of the family. Furthermore, Rekha decided to support her family as she knew how to operate a sewing machine. She has learned this skill from her mother. They wanted to buy a sewing machine but couldn't with their current income.

One day, they met SATYA's EDO and got to know about SATYA's loan facilities on their doorstep. They got a ray of hope & decided to take their first loan of Rs 30,000 in 2017. Rekha bought the machine and started approaching people for stitching work. Eventually, she started getting work which paved way for a daily

earning of Rs 300-500. This certainly helped them both to plan their children's futures and fulfil the basic needs of the family.
Ms. Rekha pays her sincere gratitude to SATYA MicroCapital Ltd for trusting her in the past 5 years and for helping her in increasing her credibility in the market. Now, she is confident enough to build her family's future and raise her children with a better standard of living.



Ms. Poonam
Kurukshetra, Haryana

Ms. Poonam, living in Kurukshetra, Haryana, wanted to start her own business since the very beginning but due to lack of knowledge and financial backing, she couldn't fulfil her aspiration of becoming an entrepreneur. She worked as a domestic helper and tried to support her husband in meeting needs of their family. One day Poonam expressed her intentions of working as an entrepreneur to support the family. To her amaze, she received her husband's moral support in retaliation. They decided to buy cattle (Buffalo & Cow) so that she can earn money by selling milk & dairy products in nearby areas.
They approached multiple banks, but unfortunately due to their poor credit score, they didn't get any loan. After some time, Poonam met her friend who told her that SATYA MicroCapital Ltd gives hassle-free loans to women with the facility of easy & small EMIs. She reached out to SATYA's EDO who equipped her with all the necessary information in relevance to loan products. Poonam got her first loan of Rs 30,000 in 2017, bought a cow with that money and started her own business.
Gradually, she availed more loans from SATYA and purchased more cows. With this, she also added multiple range of cosmetic products in her husband's shop. Today, she earns Rs 16,000 – 17,000 monthly and is so proud of herself that she is doing so well in her life.
Poonam gives her best wishes to SATYA and its entire team who is making efforts in alleviating poverty by offering its affordable credit service in rural boundaries of the country. She praises SATYA for the work it is doing to help women who want to start their own business and become a successful entrepreneur.





In Pursuit of Excellence

In the last five years, SATYA has achieved notable success in establishing as a new generation MFI with focus on financial inclusion of unbanked and underbanked sections of society, as well as a high-tech and high-touch MFI offering modern, innovative banking services to more affluent customers and, along the journey, has won several awards and accolades.

Year after year, SATYA has garnered multifarious recognitions which absolutely intertwines its commitment and dedication towards socio economic upliftment of the society it operates in. Since its establishment, SATYA's aspired to become client centric MFI. We at SATYA feel honored to be recognized for the work we do on behalf of our clients, employees, and communities. We have worked through thick and thin with sheer fervor to attain this spot amongst Indian Microfinance Space. Contemplating the ascending growth curve of SATYA, these accolades hold a very special place as they reflect our earnest endeavors since we forayed into microfinance space.

Let us look at the Awards & Recognitions won by SATYA which sets it apart in its own emblematic way:

AWARDS & RECOGNITIONS

2022

- Winner 8th MSMEs Excellence Awards "Excellent Services of The Year"
- Best Innovative NBFC-MFI at MSME Banking Excellence Awards
- Best Branding NBFC-MFI at MSME Banking Excellence Awards
- Best MSME NBFC-MFI at MSME Banking Excellence Awards
- Best NBFC-MFI for promoting Social Schemes at MSME Banking Excellence Awards
- Best MSME Friendly NBFC-MFI at MSME Banking Excellence Awards

2021

- The Promising Entrepreneurs of India 2021 By Economics Times - Mr. Vivek Tiwari
- Winner - Best MFI in Digital Lending National E-Summit
- Fastest Growing Brand (SATYA) & Fastest Growing Leader - Mr. Vivek Tiwari
- Winner - Best Talent, Diversity & Culture Initiative ,Human Capital Dept.– SATYA's Got Talent
- Winner - Micro Finance Cricket Tournament 2021 Organized By - UPMA

2020

- Best Micro Lending (NBFC) - ASSOCHAM's 7th MSMEs National Excellence Summit & Awards
- The Most Promising Business Leaders of Asia (Mr. Vivek Tiwari)- Economic Times Asian Business Leaders Conclave
- Winner - Most Trusted Micro finance Institutions In India - Atal Achievement Awards

2019

- Excellence Award - MINE (Microfinance & NBFCs Exhibition)
- Winner - BFSI Leadership Award, Elets 6th NBFC100 Tech Summit
- Best In Class Credit Underwriting Solution - Treasury, Risk & Compliance Summit
- New Age Fast Moving MFI - 5th Eastern India Micro finance Summit
- Winner - Micro finance Institution of the Year, Iconic Business Summit & Awards



2018

- Positive External Image Building - MFIN Microfinance Award 2018
- Emerging Techsavvy Micro finance Company - MSME NBFC Excellence Awards
- Micro Lending (NBFC) - 6th SMEs Excellence Award organized by ASSOCHAM INDIA
- Top-Ranking Banking & Finance Projects In INDIA - 55th SKOCH Summit

Technology Infrastructure - Enhancing Digital Capabilities

SATYA has comprehensively leveraged the advent of digitization in its operations for harnessing enhanced customer experience, innovation, and accuracy. Over a period of five years, SATYA has developed an inhouse team of dedicated professionals for driving its digital strategies. It has effectively used technology to improve customer experience across all engagement points, maximise technology investment returns, and reduce operating expenses.

Our digitization initiatives are based on our aspiration to emerge as a "New Age Digital MFI", while also driving operational efficiencies, process optimisation, and productivity enhancements. Our process of technology transformation is in sync with our digital strategy to make our processes and delivery outcomes more agile. At present, SATYA is integrally focused towards digitising the present microcredit products and services and build for the future. Its approach involves ensuring prudently that the core technology is always 'ACTIVE'. SATYA's channels and partnership sites are intuitive using data analytics and a digital stack that is future ready.

Technology is one of the core pillars of Soul of SATYA which directs the MFI towards paperless and cashless operations. To maintain uniformity across all loan products, SATYA has implemented complete end-to-end technology-driven business processes. Technological advancements have also aided in cost reduction and resource optimization. SATYA has applied best-in-class technology practises (Android Tablet based Application with bio-metric authentication device available with complete field force) in all aspects of operations.From Village Selection, Client Identification & Assessment through Multi-tiered Credit Appraisal Structure, Loan Disbursements (100% cashless), to Loan Repayment by Clients through digital cashless transactions, technology is best applied in every process. The advent of technology has also automated the Attendance & Payroll processes through integration of ZingHR Application which has in return expedited the efficacy of Human Capital.

Following technical applications are used in SATYA's processes:

SATYA is among those first MFIs who started implementing National Automated Clearing House (NACH) – a mandate management process for monthly instalment's collection from IML/MBL clients. It is a more faster and accurate collection system where each step is designed to provide improved user interface for clients.



Quick Response (QR) Code based UPI Payment

UPI QR Code is a unique and simplified solution for digital collections. It is the quickest and simplest method of cashless repayments. As each QR Code is unique and client-specific, it also aids in accurate payment identification and tracking. This innovation is fully automated and integrated with SATYA's LMS (Loan Management Solution). SATYA has started giving loan cards to its clients with printed Client-Specific QR Codes. The loan card also gets consistently updated with client details like current loan status, overdue amount, paid instalments etc. The loan card also contains clients' identification and personal details. In case of any cashless repayments, the client can scan the QR code printed on the loan card through their phone scanner and can make desired payment through their bank account linked with UPI. Similarly, the client can pay instalments during Collection Meetings, where SATYA's EDO (Entrepreneurship Development Officer) can scan the client's loan card with his/her code scanner machine.

Key Features

- Safe and Secure Transactions
- 99% Up-Time
- Fully Automated and Integrated System
- Easy Reconciliation
- After successful payment, details are automatically updated in client's loan account and EDOs can view it on Trucell
- No separate collection update needs to be made on Trucell by EDO
- Actual settlement in company's bank account and report can be viewed across Easy Pay Portal on real-time basis



Video KYC



Video KYC (VKYC) is an AI-driven Customer Identification cum Verification Process which is more accurate and accelerated. Through VKYC, facial matching with Client's Aadhar Card, automated data extraction and machine learning techniques are done in real-time. It has accelerated SATYA's Client Onboarding Process, reduced onboarding costs and minimized TAT effectively.

In line with RBI guidelines on Video-based Customer Identification process, SATYA has built a robust Video KYC solution for consent-based method of establishing the customer's identity, for onboarding. The customers can now complete KYC process with convenience and safety from the comfort of their home, a video KYC call with SATYA EDO involves the process of verification of Customer's Geographic location coordinates, Liveliness, Face Match and Document Verification.

SATYA Pay Mobile App

SATYA Pay Mobile App is a one stop solution for all multifarious Banking & Payment-related services which includes Money Transfer, Cash Withdrawal - Mini ATM (Aadhaar Based), Cash Withdrawal - Micro ATM (Debit Card), Cash Deposit, Bill Payments, Mobile Recharges, DTH, PAN Cards & Digital Payments. It is a multi-transaction interface for the clients which enables them to make their routine transactions (including the cashless repayments of their loans) with ease & comfort.

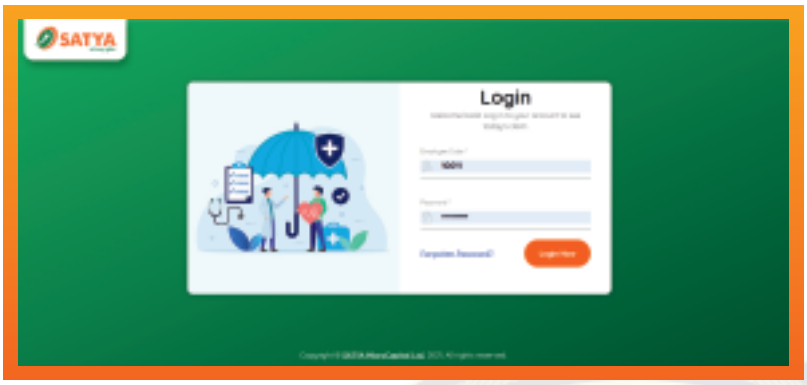
HospiCash Insurance Claim Process Module (Application/Web)

SATYA has always worked earnestly to facilitate its clients with quick, hassle-free, and best-in-class healthcare facilities. SATYA aspires to work towards achieving this goal through HospiCash Insurance Claim Process Module. HospiCash is a Health Insurance policy that provides the members a lump-sum amount in case of hospitalization due to any disease or accidental injury and the entire policy amount in case of the unfortunate death of the member or her co-applicant within the stipulated period of the insurance.

Key Features

- Integrated with BR.Net
- Auto-Populate Customer Information in Employee/User Window
- Auto Calculation of Claim Amount
- Auto Mailing to Insurance Companies
- Provision of Extensive Details on the Claims and Settlement Status.
- Resolve Query
- Facility of Updating Claim Documents through App
- Duplicate Check
- Paperless Process
- Maintenance of Documents
- User can also conduct queries and settlements in bulk





(WEB Application)



(Mobile Application)

SATYA Client Connect Application

SATYA Client Connect Application is developed to connect with the client so that they can get all critical information & updates about their loans on single platform. This App can be accessed anywhere & anytime. It has made dissemination of vital information much easier with rural customer base, especially the women segment. It makes the client independent & have real-time access on their loan features as well as have a hands-on experience regarding their daily transactional issues, reflecting any kind of operational queries they might have, which they can extract through the App.

Mobile Device Management (MDM)

SATYA has deployed a combination of on-device applications, configurations, and backend infrastructure, for the purpose of simplifying and enhancing the IT management of end user devices. The overall role of MDM is to increase device supportability, security, and corporate functionality while maintaining user flexibility. SATYA has implemented the MDM from Scale fusion (formerly Mobilock Pro) which has benefited the MFI with following control-mechanisms:

- Simplified Kiosk Management
- Remote Control Software for Android Devices with Voice Calling
- Unified Communication & Call Management for Enterprise
- Quick and Deep Insights into the Complete Device Inventory
- Mobile Content Management (MCM)
- Location Tracking
- Lockdown the Devices in Kiosk Mode in case of Device Being Lost
- Lock Android/iOS Devices to Business Apps, Prevent Unauthorized Access & Limit Excess Data Costs
- Geo-fencing allows an administrator to set up triggers so when a device enters (or exits) the boundaries defined by the administrator, an alert is issued.

workplace from Meta

Workplace by Facebook

SATYA started using Workplace by Facebook as an intra-office communication platform, The use of Workplace as intra office billboard was started on SATYA's third annual day celebration. The main concept behind this initiative is to keep the entire workforce of more than 3674 employees of SATYA on one single platform for official communication. This has eased out the flow of communication within various team working from across the country.

SATYA's Workplace Application and the Workplace Chat aids the users to:

- Improvising the Work Culture
- Two-Way Communication within entire Organisation
- Employee Engagement to Drive Culture
- Group Chat & Facebook Office
- Increased adoption of existing work tools

Latest Innovations During FY 2021-2022:

E-Sign Integration

SATYA has integrated E-sign across its process of paperless loan sanctioning for easier and quicker processing of the loans. The innovative approach to digital fulfilment with E-Sign thus in turn present an opportunity to eliminate the need for in-branch verification and signing. With loan disbursements been done successfully to more than 6,00,000 clients through E-Sign, it has now become an indispensable function of digitization strategy of SATYA.

API Integration for Fintech Engagement

The Application Programming Interface (API) facilitates the secure and easy interchange of data between our internal and external systems. SATYA uses different APIs to connect various systems to external applications. We have developed over 10 APIs ready for consumption by these fintechs, built over a robust API Gateway Platform. This has helped SATYA achieve a larger distribution network for its microcredit services. SATYA has associated with the Indian fintech and start-up ecosystem to promote strong relationships and facilitate the right API infrastructure and a single-window clearance.

Formulating a Regulated Digital Collections Framework for Loan Repayments

The most pressing challenge of our time – COVID-19 impacted the microfinance operations across the whole country. With the tumultuous outbreak of the pandemic, it became quite imperative to prioritize our collections efficiency, and the safety of our customers and teams. Conversely, SATYA established a new digital collections infrastructure which also enabled our technologically challenged customers to pay their loam EMIs with guidance.

SATYA has set up multiple CSPs and BC Network which are operational in all villages, regions in the vicinity of active branches. They are being used to facilitate SATYA's operations to become more robust and technologically advanced as well as giving an in-house access to all internal as well as external customers. – Making access easier for clients to make the repayments. SATYA has partnered with Finpay, Airtel Payments Bank and PayNearby to empower the customers for engaging in digital repayments.

Embracing Digitization for IT Audit & Information System Security

Rapid changes in technology are a reality of the current business environment. With a considerable microfinance institution auditing their IT functions manually till date, examination, and evaluation of SATYA's information technology infrastructure, policies and operations is now being done digitally. This digitally determines to what extent IT controls protect corporate assets, ensure data integrity, and are aligned with the overall goals of SATYA. This in turn has expedited the audit process, minimized the potential risks, safeguarded assets, and increased the integrity of information currently in place.

Way Forward

Investing in New Age Technologies - WhatsApp Services

Leveraging WhatsApp business integration capabilities, we are exploring the possibility of interactive information exchange. Through WhatsApp, we ntend to provide customers access to loan outstanding information, mapping of bank account details, checking top-up eligibility and doing a top-up transaction.

In time to come, we yearn to invigorate our end-to-end process digitalisation efforts and use the power of technology as a new customer acquisition and service channel. We'll also use analytics to generate actionable insights for data-driven decision-making. SATYA will also continue to use full-stack API platforms for collaborating with fintech industry to provide our customers with faster time to market and affordable credit solutions.



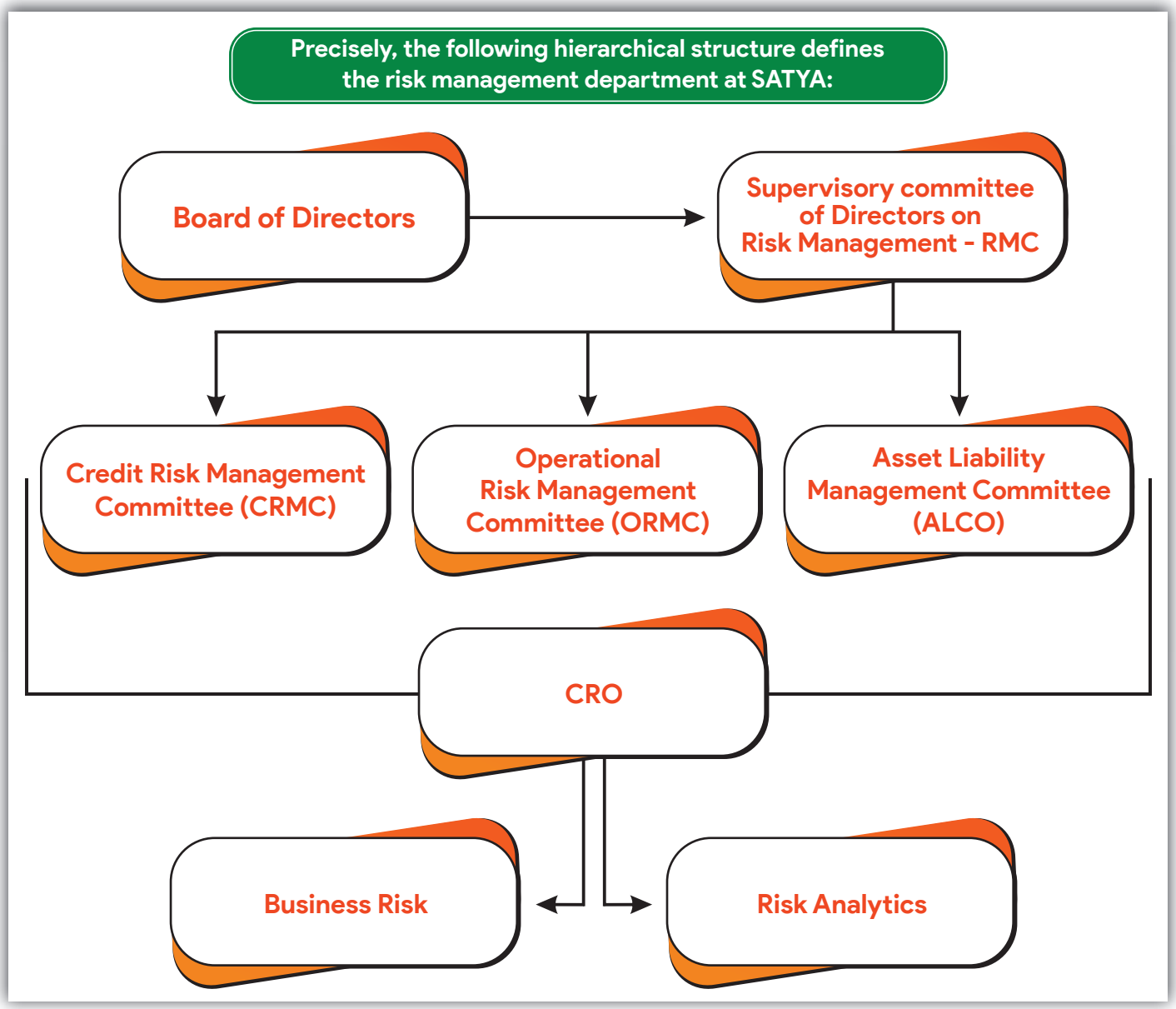
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Risk Management

Risk management is fundamental to our operations and is critical to ensure sustained profitability and stability. At SATYA, we have an independent risk management department which works under the supervision of Chief Credit & Risk Officer. The vertical identifies, measures, monitors, and manages credit, market and operational risks including information security risk. To ensure integration of best risk management practices into SATYA's corporate governance framework, the vertical works with and across all departments of the company. It utilizes all significant information to improve the overall enterprise risk management and hence develops strong risk culture in the organizational workflow.

The risk management process is continuously reviewed and adapted in the context of changing risk scenarios that SATYA is facing and the agility of same is reviewed for its appropriateness in the dynamic risk landscape. The fitness of risk management process is assessed on an event-driven basis.

SATYA's risk management process is constituted majorly of three distinct components: the assessment of business risks, operational controls assessment and compliance processes. Risk observations are presented and discussed with the management during Monthly Management Risk Committee Meetings. Any unseen event is reported immediately to the management. Board Risk Management Committee also reviews the implementation of risk management activities periodically.



As a microfinance institution, we are exposed to different kinds of risks which are as given below:

1. Credit Risk
2. Operations Risk
3. IT Risk
4. Market Risk
5. Liquidity Risk
6. Political Risk
7. Catastrophic Risk

CREDIT RISK: Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. To assess and manage the risk of default, our assets (loan book) are classified as :

A) Low Credit Risk **B) Moderate Credit Risk** **C) High Credit Risk**

This classification of above categories is based on assumptions, inputs and data captured during customer enrolment. We have implemented a system driven risk - based KYC categorization for our all customers which is done at initial stage of collecting customer information by our Entrepreneurship Development Officers (EDOs).

To further mitigate the default risk and concentration risk, we follow stringent measures right from new geography selection to the customer on-boarding. A three-layered customer onboarding process which includes Compulsory Group Training, Qualifying Test and Credit Appraisal results in weeding out unfit customers to enter the system. As risk management practice, we have altogether separate operations and credit department to serve as maker and checker. Monitoring of operational processes and portfolio takes place on regular basis which helps in maintaining healthy asset quality. Updating the Board Risk Committee on the various risk observations, compliance with statutes, progress of risk management practices and the effectiveness of our control systems is done with utmost stringency. SATYA's effective credit risk management is reflected in its portfolio quality indicators such as robust repayment rates and stable portfolio quality which are best in class across the industry.

OPERATIONAL RISK: Operational discipline is the key determinant in making a sustainable business model. SATYA follows a calibrated approach in business expansion thereby striking a balance between growth and the risks arising from the concentration levels. Operational process is structured with an appropriate mix of people and technology to create a channel of activities that lead to standardization along with the flexibility of getting customized as per the customer needs. As a risk management practice, regular monitoring of operational activities is done by the risk management team. We have a comprehensive risk control matrix in place which defines the risk associated with all the activities of each functional department and the existing control measures which have been put in place to mitigate the inherent risks. Assessment of residual risk is done by the risk management department and heat maps are generated basis the likelihood of the residual risk and the impact of the same. This matrix is reviewed quarterly in the light of changing landscape. Comprehensive risk assessment is conducted for each department at different intervals to check compliance with internal and external regulations and identify areas of process improvement which is in line with the industry best practices. We have defined set of risk indicators through which we track operational risk across all functional departments on a regular basis and evaluates it against the tolerance limits of the organization. The findings of the evaluation exercise are reported to and discussed with the management monthly during the Management Risk Committee Meetings. Various analytical reports related to portfolio quality, branch monitoring, client monitoring and cash management are generated by the department basis which proactive actionable alerts are sent to the operations team. As a risk control mechanism, SATYA has leveraged technology for unwavering centralised control and vigil mechanism to minimise the possibility of frauds. Our strong operational risk management is reflected in our compliance with the operational process and relatively fewer frauds as compared to our peers.

INFORMATION TECHNOLOGY RISK: IT and cyber risk is tracked through continuous monitoring of IT systems. To enlist a few, protection against malware attacks, data loss prevention measures, disaster recovery, data encryption, secured e – mail system, monitoring of system use by the users dispersed across the locations, applications security testing are existing control mechanisms which are used as a protective guard against cyber

risk. Risk Management department conducts the risk assessment exercise to check the effectiveness of control measures and compliance with all the regulatory requirements.

MARKET RISK: As the nation's one of the leading NBFCs-MFIs, SATYA is subject to various kinds of adverse market changes like interest rate movement, credit spreads, market volatilities due to exchange rate movement. However, we are not having any significant exposure to the foreign borrowings therefore exchange rate movement and global capital market movement does not affect us at present. We are exposed majorly to interest rate risk and liquidity risk. Any downward movement in interest rates may affect our margins as our asset side interest rates are regulated by maximum capping beyond which we cannot charge from our customers. On the other hand, the interest rates on the liabilities side are variable and if not matched with the similar reduction on the assets side, then increase in cost of funds may deteriorate our margins.
To protect against this movement of interest rates, Risk Management department has a set of risk indicators through which it tracks the extent of exposure to interest rate risk. We have set limits on exposure to single lender, minimum exposure to banks & other FIs and track other critical factors like Margin gap and Net Interest Margin to monitor the market and financial risk. All these indicators are reported to the management as well as Board Risk Management Committee.

LIQUIDITY RISK: This type of risk could arise due to non – availability of funds at appropriate cost or time. As a prudent liquidity risk management practice, we have a diversified set of funders including banks and other financial institutions which enables sourcing of funds from multiple sources without compromising on cost and reliability terms. In addition to this we also maintain additional liquidity which is planned as per the requirement of business and reviewed on a periodic basis. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents based on expected cash flows. Balance sheet liquidity ratios (CRAR, Liquid Ratio, Debt – Equity Ratio, Percentage of Qualifying Assets) are also monitored against the internal and external regulatory requirements by risk management department to deduce any trends and breach in the tolerance levels set by the organization.

POLITICAL RISK: Interference by the local political parties in the microfinance activities is another major risk that is faced by microfinance institutions. During the past few years, we have faced crisis like political agitations in Assam in view of protests conducted against NRC and CAA Bill which led to severe repayment challenges; Involvement of local political parties in Punjab raising the demand for loan waiver which seriously jolted the repayments etc. Focussed customer-connect, compliance with regulatory guidelines and geographical diversification of portfolio helped SATYA to cope with such kind of risk with favourable results on the front of repayment from customers.

CATASTROPHIC RISK: While planning a new expansion, SATYA has a policy to conduct a primary and secondary area survey, without completion of which, SATYA does not foray its operational expansion in such areas. This is done specifically to gauge the vulnerability of any geographic terrain towards natural disasters. However catastrophic incidents are unavoidable and can at best be managed by taking precautions in the initial stages of the business itself. SATYA has a district level portfolio capping which helps to avoid certain areas within a state or keep the impact of an unfavourable event limited. In the past, Cyclone in Odisha & West Bengal, floods in Chhattisgarh, Bihar and Assam have led to temporary suspension of operational activities in the affected areas. In such cases, SATYA always facilitates insurance of the client's, employee's and assets to limit the monetary impact due to such incidences. This also aids affected clients in resuming their activities back to normal life with enhanced resilience and moral boost.

RISK DUE TO COVID 19: First and second wave of Covid 19 had long lasting impact on microfinance operations in terms of dip in collections to near 20% levels, liquidity crunch, clients' and employee health safety etc. From year 2020 onwards, credit risk in MFI sector has grown continously. On one hand, concerns about the survival of the sector were raised and on the other hand, it has also led to the announcement of some unprecedented support measures by the regulator in terms of moratorium on repayment, liquidity support measures and resolution frameworks. As the economy has started reviving after the second wave of COVID 19 the collection efficiency

picked up the pace. Gross NPA level for microfinance industry also came down in September 2021 as compared to June 2021. Mild impact in terms of collection efficiency was observed during third wave of Covid 19 in the form of its Omicron variant. While infection numbers were high, the hospitalization rate was low. Most of the staff and borrowers got vaccinated therefore the impact on health was also reported to be low. Collection efficiency was not impacted much as there was no disruption to the livelihood of the borrowers and more clients started paying digitally therefore partial/intermittent lockdowns did not prove challenging. Liquidity enhancement schemes including credit guarantee schemes announced by the Government provided the much-needed liquidity cushion to the players in the market. Harmonised regulations announced by RBI will provide a big boost to the sector widening the outreach and scope of services offered and providing a level playing field to different players.

RISING INFLATION & INTEREST RATES: Elevated inflation has been driven by supply chain disruptions and increased consumer demand for goods following the reopening of the economy after the pandemic induced lockdown. Increase in food prices coupled with rise in crude oil prices fuelled by global events has posed an upside risk to inflation. In near term, this is expected to impact energy, metal and commodity prices as well. Rising inflation may lead to hike in interest rates, in line with the steps taken by some developed countries to control the headline inflation will be an area of concern. India is expected to follow the suite and will announce interest rate hikes which may put some pressure on our margins.

RISK MONITORING: Company has established robust risk monitoring framework in place under the guidance of risk management department. All risk elements in our day-to-day operations are getting identified on timely basis and corrective and preventive measures are being undertaken to minimise their impact at company level. Risk identification, measurement and control mechanism is central theme of risk vertical at SATYA with adherence to established reporting and corrective/preventive framework for risk impact minimisation.



Social Performance Management

1. INTRODUCTION

At SATYA MicroCapital Limited (hereafter SATYA), community welfare and sustainable social performance is an integral part of what we do. Being in a business with social character, brings with it enormous responsibility and thus, SATYA has made fulfilment of responsibility towards its stakeholders, especially the community it operates in, an integral part of the company's business culture. The social performance management (SPM) function, at the company, zealously works to effectively translate SATYA's social mission into practice. It is also concentrated towards creating balanced performance on the financial and social fronts to promote the wellbeing of client and staff along with achieving financial sustainability.

SPM DIMENSIONS

- Define Social Mission & Social Goals
- Balancing SATYA's Financial & Social Performance
- Governance & Organization Wide Commitment
- SATYA's Appropriate Products, Delivery Channels
- SATYA'S Responsibility Towards Environment
- SATYA'S Responsibility Towards Clients
- SATYA'S Responsibility Towards Employees

Outreach

SATYA has presence across **21 states** with **338 branches, 3,674 employees and 8.73 lakhs clients** as on **31st March 2022.** It offers a wide array of financial products and non-financial services to the clients ranging from Limited Liability Group Loan; Micro Business Loan; Individual Micro Loan; Cattle Loan; Hospicash and Covid Insurance; Loan for Consumer Durable Products, Household Water and Sanitation, Clean Energy; Financial and Digital Literacy Workshops; Livelihood Trainings etc.

By facilitating a myriad of affordable financial products and services, SATYA aspires to expand its reach to a large number of financially underserved households at the bottom of the pyramid for effective enhancement of their lives' quality and living standard. As evident from the adjoining visual representation, almost all the clients of SATYA in FY 2021-2022 are women, with majority residing in rural areas, most of whom are young adults who have acquired primary level education.

SATYA'S SOCIAL GOALS (SG)

SG1 - To reach at the people at the bottom of the Pyramid.
SG2 - To be preferred choice of the people at the bottom of the Pyramid by providing holistic products & services.
SG3 - Enhancing the living standards of the family members.
SG4 - To be a responsible organisation for the employees.

BOTTOM OF THE PYRAMID & FINANCIALLY UNDERSERVED



99.7% Women Clients

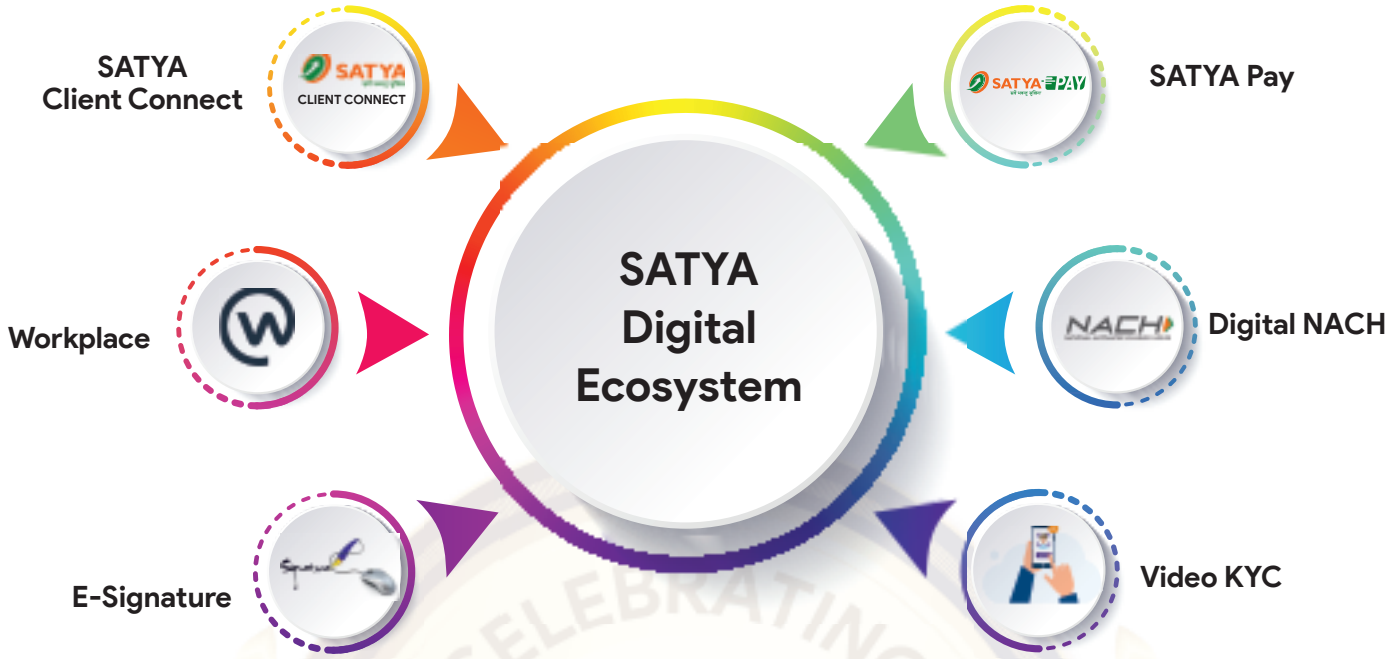
98.5% Studied only till Primary School

87.2% Rural Clients

42.1% Young Adults (Below 35 years of age)

SATYA's Digital Journey- Being Cashless & Paperless

SATYA has been steadily moving towards 100% Paperless and Cashless Ecosystem for facilitating access to responsible credit for people at the bottom of the pyramid while achieving environmental sustainability in its operations. As a part of reducing its carbon footprint, SATYA has set a goal to move towards becoming paper less organization by end to end digitization of entire loan journey of a client in a gradual manner. SATYA started with complete digital onboarding of clients which has now reached its culmination stage by adopting the process of e-signing the loan documents. **E- signatures** of more than **5 Lakhs SATYA clients** were created and taken on the loan documents by **31st March 2022.**



SATYA's disbursement is **100% cashless** since inception and to promote cashless repayments, company is offering a range of digital options to its clients such as Aadhaar Enabled Payment Services (AEPS), Payment gateways, SATYA Quick Response (QR)/ Code based UPI Payment (Loan Card), SATYA client connect, SATYA Airtel Payment Bank and SATYA pay. SATYA has been actively encouraging its clients to choose cashless transanctions by educating and training them on financial literacy, digital payments, importance of Unique Identity (Aadhaar Card, PAN), and encouraging them to make loan repayments from their accounts through cashless transactions.

Cashless mode of operation has also created a huge positive impact for SATYA through increased operational efficiency, minimal human intervention, decreased snatching incidences, negligible cases of financial manipulation and maintaining **100% transparency** with clients.

Client Protection

SATYA implements its SPM programme through well formulated strategies, which is in accordance with the principles and industry standards such as Universal Standards for Social Performance Management (USSPM), RBI's Directions, Sa-Dhan and MFIN Code of Conduct and Client Protection Principles (CPP).

- **Client Protection Principles (CPP):** SATYA has endorsed CPP Pathway and adopted the seven Client Protection Principles. CPPs are being adopted, implemented, and monitored through SATYA's social dashboard. CPPs are also comprehensively included in our training process for successful implementation of fair and respectful practices in the organisation.
- **Employees Training on Good Practices and Responsible Lending:** SATYA has adopted MFIN-Sadhan Code of Conduct, RBI's Fair Practice Code (FPC) and Code for Responsible Leading (CRL) which are being implemented and monitored periodically. SATYA has incorporated all the fair practices in its training modules for improved product diversification, client satisfaction, efficient process, and reasonable growth of SATYA.

2. SATYA AND THE UN SUSTAINABLE DEVELOPMENT GOALS

SATYA is committed to contributing to the United Nations' Social Development Goals (UN-SDGs), in particular, by improving the living standards of low-income population (BoP) across India. The company offers a diversified suite of products and services to the bottom of pyramid and under-privileged segments of the society, contributing to the following UN-SDGs in the process.

- Almost 100 % of SATYA's clients are women, as we believe that women are the most effective medium for upliftment of a household, both socially and financially (SDG 1, 5 and 10)
- SATYA's focus is driving financial inclusion, underlined by its strong commitment to achieving socio-economic progress of Bottom of Pyramid population, which is also the low-income and financially under-served segment of the society (SDG 1, 8 and 10)
- SATYA regularly organizes free health check-up camps in partnership with industry associations (MFIN and

Sa-Dhan), SATYA Shakti Foundation and local hospitals (SDG 3).



- SATYA is facilitating access to safe water and sanitation for its clients, through provision of credit for the same (SDG 6).
- SATYA has recently partnered with leading solar providers and is facilitating access to solar power driven home lighting systems for its clients (SDG 7).
- SATYA is committed to endorse or partner with externally developed economic, environmental and social charters/ principles for betterment of the communities, it works with, through provision of microfinance. It has endorsed Client Protection Principles and is member of Microfinance industry Associations of India (MFIN and Sa-Dhan), state microfinance associations etc (SDG 17).

3. RATINGS AND ASSESSMENTS

SATYA believes in scalability, sustainability and reliability of internal processes, controls, and governance structure. For this purpose, SATYA conducts both external and internal assessments to validate our processes and policies. During the FY2021-2022, SATYA received the following external ratings and gradings:-

- C1 (highest grade)- COCA Grading by SMERA Gradings & Ratings Private Limited, May 2021
- M2 Grading scale from CARE Advisory Research & Training Limited
- M1 Grading scale from SMERA Gradings & Ratings Private Limited
- Grade A – SDG Rating by Agent for Impact, June 2021
- Score- 97%,- SPI4 External Audit by Gojo Auditor, FY22
- Great Place to Work Certification by Great Place to Work Institute, July 2021
- Third Party Impact Assessment Study by M2i (ongoing)

Impact Assessment Study

A third party impact assessment cum baseline study through M2i, has been undertaken by SATYA in FY22, to track changes in the lives of the clients, along the following dimensions A. Livelihoods and economic well-being B. Financial inclusion and empowerment C. Water, sanitation and hygiene D. Health and E. Education. This study has involved interviews with 1,649 clients of SATYA from 48 branches across all the major states in which the organization operates. Results of this study are awaited and will serve as the baseline for future studies.

Client Satisfaction and Feedback

SATYA internally conducts Client Satisfsction survey to ensure collection of relevant and reliable quality social data to assess achievement of social goals, client needs and preferences, quality of service delivery and to drive decision making so as to achieve better outcomes for our clients and their families. Client Satisfaction study conducted during FY22 revealed that 95% of SATYA clients rated staff behaviour satisfactory and 85% of clients were satisfied with loan products pricing mechanism. 96% of the clients rated their engagement with SATYA as satisfactory based on the Unique Selling Propositions offered by SATYA. This was also evident by client loyalty as in 98% of the clients reported that they would like to get additional loans from SATYA in coming future.

4. GRIEVANCE REDRESSAL MECHANISM

Client Grievance Redressal Mechanism (CGRM)

SATYA is committed to dealing with customers grievances with complete transparency and ethical values. A structured Client Grievance Redressal Mechanism (CGRM) is in place at SATYA to ensure that clients get proper resolution through timely escalation and follow-ups. During FY 2021-22, CGRM team received a total of 11,646 unique calls, which were further categorised into queries (10,616), Service Requests (844) and complaints (186). 99.98% of the grievances registered during the financial year were resolved within specified Turn Around Time with complete satisfaction of the clients.

Employee Grievance Redressal (EGRM)

SATYA has set-up an Employee Grievance Redressal Mechanism wherein all the employees can lodge their

grievances and concerns by calling at the Toll-free number or sending an email to the designated EGRM mail id. SATYA makes a conscious effort to ensure that there is no discrepancy and each employee (irrespective of their gender/grade or location) working at the organization are treated fairly & justly in a timely manner. During the FY22, a total of 389 employees registered their grievance at the EGRM platform.

5. SOCIAL INITIATIVES

SATYA regularly organsies social initiatives for the community it operates in, to fulfill its social manadate of supporting the poor and less privileged. Social initiatives organsied during FY22 are as detailed below-

- **Health Awareness and Free Medical Camp:** Health awareness and a free medical camp was organized at Siwan District, Bihar by SATYA in association with MFIN, on October 10, 2021 where lifestyle diseases and pandemic COVID awareness was covered along with distribution of general medicines. The health camp was attended by more than 100 people.
- **Supporting Homeless Senior Citizens:** A food distribution programme was organized by SATYA on 6th February 2022 at Tau Devi Lal Duda Old Age Home. SATYA provided groceries, ration and other essential items such as Water Bottle, Carvaan, Shawl and Bags for homeless and mentally challenged senior citizens living in the Old Age Home.
- **Health Awareness Camp and Sewing Machine Training, Punjab:** A Health awareness and check-up camp was organized at Mansa District, Punjab by SATYA in association with MFIN and local MFIs, from **October 6, 2021 to October 10, 2021.** More than **150 people** availed consultation through this health camp. Furthermore, the beneficiaries also got the training on utility, usefulness, and how to use sewing machine by Beable Foundation.
- **Spreading warmth- Blanket Distribution Drive:** A blanket distribution drive was organised by SATYA on **24th and 25th Dec 2021,** with an objective to support homeless and most vulnerable people during the extreme winter season in the Northern and Eastern India. More than **3000** blankets were distributed in Delhi and operational areas of Assam, Tripura, Punjab, Jammu & Kashmir, Himachal Pradesh, Jharkhand, Haryana, Bihar, Rajasthan, Uttar Pradesh (East), Uttar Pradesh (West) and Uttarakhand.
- **Digital OPD for SATYA's clients employees and family members:** Taking into account the fallout of the COVID-19 pandemic, SATYA launched a digital platform to provide free-of-cost telephonic medical consultation (via HealthAssure) to its **7 Lacs+ clients, 3000+ employees** and their **family members.** This move helps our clients, employees, and their respective family members to consult a doctor without any hassle over call about any symptoms (of any disease) they might be having and also gain general information of the currently prevalent Coronavirus and the precautions they can take.







VIJAYALAKSHMI DAS ENTREPRENEURSHIP AWARDS 2022



8th March 2022

RADISSON BLU PLAZA, NEW DELHI

On the occasion of Women's Day, SATYA MicroCapital Ltd. organized the second edition of Vijayalakshmi Das Entrepreneurship Awards at Radisson Blu Plaza, NH-8, Mahipalpur, where it felicitated women entrepreneurs from different industries across the country for their remarkable contribution in the national economic growth. These awards acknowledge and appreciate women leaders who are paving the path not only for themselves, but for others as well. The magnificent ceremony was graced with the virtual presence of more than 3000 attendees and over 200 guests. The Awards also witnessed the benevolent presence of Ms. Meenakshi Lekhi, the current Minister of State for External Affairs and Culture of India as a Chief Guest.

Underlining the essence of Vijayalakshmi Das Entrepreneurship Awards 2022, Vivek Tiwari, MD, CIO & CEO, SATYA MicroCapital Ltd. Said, "It is great honor for us to recognize women who are making headway in the microfinance industry. Acknowledging and celebrating their achievements on account of International Women's Day will encourage women entrepreneurs to reach greater heights with flying colors. It will also encourage ambitious female entrepreneurs to improve their business practices to ensure a high grade of entrepreneurship. Without any reluctance, no other occasion than Madam Vijayalakshmi Das's birth anniversary could be regarded appropriate for this laudable cause. SATYA extends its deepest congratulations to all the awardees. We whole heartedly praise their passion and dedication to their respective businesses."

The evening also witnessed panel discussion on overview of Microfinance from the eyes of Late Madam Viji which eminent personalities from Indian BFSI space such as Dr. Alok Mishra(CEO & Director-MFIN), Mukul Jaiswal (MD-Cashpor Micro Credit), P Satish (Executive Director – Sa Dhan), S S Bhatt (COO – Friends of Women World Banking India), Rakesh Dubey (President – SVCL), Gaurav Gupta (MD – Ananya Finance), Abhisheka Kumar (Co-Founder & MD - Sindhuja Microcredit Pvt. Ltd.) amongst others.

The ceremony also hosted a session on Women Empowerment in India which was attended by special guests like Abha Maryada Bhatt (Founder – SUCCES INDIA), Kanchan Rai (Founder -Let Us Talk), Rashi Anand (Founder & CEO – Lakshyam NGO), Ankita Singh (Poetess & Writer), Kanika Tekriwal (CEO – JetSetGo).

The ceremony also highlighted inspiring stories and valuable life lessons of participants. Ten honorees bagged the Vijayalakshmi Das Entrepreneurship Awards 2022. These recognitions are significant not only for boosting the moral of women entrepreneurs but also for inspiring other women around them to take a step forward towards entrepreneurship.



Winners of Vijayalakshmi Das Entrepreneurship Awards



LEADER OF THE YEAR - WINNER

Ms. Bhavini Nishith Parikh, Maharashtra
Winning Prize Rs 1,51,000/-
Owner - Bunko Junko
Textile Recycling & Designing with total employment of 5 people with 800 women.

ENTREPRENEUR OF THE YEAR - MEDIUM

Winner



Ms. Phamila Khamrang, Manipur
Winning Prize Rs 1,00,000/-
Khameipha Handloom & Handicraft Pha Han
Handicraft production unit with total employment of 24 people

1st Runner Up



Ms. Anjali Singh, Uttar Pradesh
Winning Prize Rs 50,000/-
Jute for Life
MSE (Registered under Societies Act) with total employment of 20 people with 1000+ artisans

2nd Runner Up



Ms. Pawani Khandelwal
Uttar Pradesh
Winning Prize Rs 25,000/-
Atma Nirbhar
A Social Enterprise with total employment of 150 people

ENTREPRENEUR OF THE YEAR - SMALL

Winner



Ms. Chandra Devi, Himachal Pradesh
Winning Prize Rs 1,00,000/-
Dev Chandra Shawl Industry
Handicraft Enterprise with total employment of 15 people

1st Runner Up



Ms. Rajkumari Indira Devi, Manipur
Winning Prize Rs 50,000/-
R K Emporium
Handloom with total employment of 20 people

2nd Runner Up



Ms. Padmini Santosh Waghmode, Maharashtra
Winning Prize Rs 25,000/-
Rudra Sports Wear
Sports-wear Manufacturing with total employment of 9 people

ENTREPRENEUR OF THE YEAR - MICRO

Winner



Ms. Sheela Soni, Rajasthan
Winning Prize Rs 1,00,000/-
Sheela Silai Center
Clothes & Sanitary Napkin Manufacturing Unit with total employment of 5 people

1st Runner Up



Ms. Sunita Bai, Madhya Pradesh
Winning Prize Rs 50,000/-
Parmar Boutique
Boutique with 4 people

2nd Runner Up



Ms. Sarika Seth, Uttar Pradesh
Winning Prize Rs 25,000/-
Fashion Boutique
Fashion Boutique and Training Center with total employment of 6 people

Contribution To The Community

As a Responsible MFI, SATYA extends its impeccable support to not only its clients, but also to those beyond its affordable credit access. The organization is committed to instigate an everlasting impact towards community welfare by promoting social and economic inclusion; and adhering to its mission and vision of serving the marginalized section of the population nestling across the rural belt of the country. SATYA MicroCapital Ltd in association with SATYA Shakti Foundation (NPO under the flagship of SATYA MicroCapital Ltd. with central theme of philanthropy and human welfare), has been working in thematic areas like Sanitation, Health, Education & Employment assistance to instill social consciousness in the community it operates in.

Mega Health Camp Drive In Punjab

SATYA MicroCapital Ltd. in collaboration with SATYA Shakti Foundation has undertaken a major initiative of organizing Free Mega Health Check-Up Drive with the noble purpose of creating public awareness for preventive healthcare and enabling a healthy society for people of Punjab. Starting from 28th December 2021, the health camp drive lasted for 30 days and concluded on 27th January 2022.

Objective:

- To attend to the healthcare needs of the vulnerable sections of the society including children, women, and elderly people across Punjab.
- To provide improved, specialized and need based health consultation, free of cost.
- To provide free basic medicines at the doorstep in Rural areas.

This initiative was conceptualized contemplating the post-pandemic complications experienced by women, children, and aged people. As a post-pandemic initiative, these health camps were set up in identified affected regions. After adopting a need-based approach, 25 villages of Bhatinda, Barnala, Mansa, Sangrur and Muktsar were identified, and medical assistance along with consultation was then provided.



These camps were designed with an intent to improve the health status, well-being of people living across the rural boundaries of Punjab and to consistently promote healthy behavior among them. Each camp was organized in supervision of staff of SATYA MicroCapital Ltd. They were also graced by the benign presence of respective Sarpanch, Head of Gurudwara Prabandhak Committee, Head Granthi, Head Paathee, SHO, and Administrative Personnel of the Village where the camp was organized. The medical camp embraced free of cost health consultation and counselling in collaboration with renowned doctors of M-Insure.

The daylong Health Check-Up Camps were organized in the premises of nearby Temples or Gurudwaras from 10AM to 4PM under the guidance and leadership of doctors. People availed free health facilities entailing consultation from MBBS doctors for issues ranging from mother and childcare to diet & nutrition, availing generic medicines, vitals check like hypertension test, blood sugar test, blood pressure test etc. as well as ayurvedic assistance, during the health camp.

A visibly very happy participant remarked, “Such free health camps should be organized frequently, so that, rural

people can avail the benefits of preventive healthcare. I appreciate the choice of organizers for selecting the place of worship as the site for this health camp. Attending a health camp at a place of worship has bestowed enormous faith among us for assessing best medical facilities at our doorstep free of cost. These camps have certainly motivated people to stay proactive about their health and make preventive health check-ups a part of their lifestyle".

This initiative has served more than 7500 people in Punjab and has facilitated people with medical supervision from Certified Doctors. It has also encouraged the beneficiaries to take care of their health and implement necessary lifestyle changes in accordance to prevailing pandemic conditions to live healthier lives.





1500+ Families

7500+ Patients

5 Districts

25 Villages

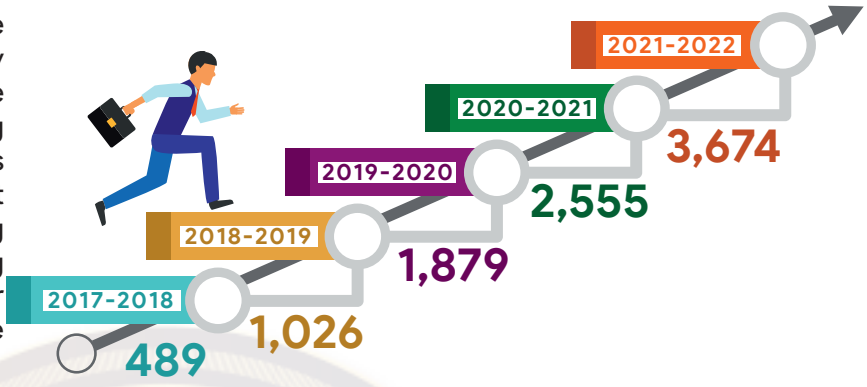
Mega Health Camp Drive

Free of Cost Medical Consultation

Human Capital

Human Capital (HC) is the imperative division of SATYA which is primarily responsible for productive workforce planning and strategically managing people as business resources, as well as administering employee-benefit programs. HC plays a key role in facilitating as SATYA deals with a fast-changing business environment and a greater demand for quality employees in the progressive world.

"At SATYA, happy employees are equivalent to productive employees."



Year-on-Year Employee Strength for last 5 years (as on 31st March of every FY)

Employee Welfare

Keeping employee welfare at top priority, HC Department channelised multiple strategic initiatives in FY 2021-2022 for comprehensive employee development.

1. **Wellness Centre** - In today's day and age, a healthy workforce is vital and corporate wellness centre help maintain that. Keeping in view this aspect of employee welfare and pertaining to post COVID-19 complications, we have designed our workspace in a way where employees can rest and take intermittent breaks to enhance their productivity.



2. **Gym Facility** - Given the fitness conscious world we are living in, having a gym facility at workplace has loads of advantages. SATYA provides an absolute **free of cost gym facility** to its employees at Head Office where they can maintain a healthy lifestyle and achieve their fitness goals.



3. **Onsite Medical Room** - Under the supervision of a **licenced doctor,** we have specially designed onsite medical room for our employees equipped with glucometer, blood pressure monitor, physiotherapy chair and general medicines. This facility offers preventive health care and treatments to the entire task force of SATYA, thereby facilitating instant attention to employees related to their health concerns of daily routine.



4. **Yoga Session** – Contemplating the need of the hour, SATYA keeps on redefining **wellness programs** for its employees. During the trying times of pandemic, we took extra care of our employees' mental health by taking all measure for comprehensive health and safety. **Yoga sessions** were conducted to boost productivity, reduce sick days, increase mental clarity, combat fatigue, improve memory, strengthen the muscles, combat stress, and increase workplace satisfaction.



5. **Subsidised Lunch** - In FY 2021-2022, SATYA initiated subsidized corporate food service to all its employees at Head Office. Additionally, we also have a team of **trained in-house chefs** who cook healthy meals for our employees at dormitories. Offering delicious, high-quality, nutritious food at reduced prices — or even free of charge — is a successful, cost-effective way to motivate, retain and recruit employees.
6. **EPFO E-Nomination Campaign** - SATYA always support its employees in the best possible way it can. We always want our employees to stay updated in all walks of life. We organised E-nomination campaign of EPFO through which employees can benefit quick and paperless claim settlement via digital mode. This further enables the employees to avail various EPFO benefits and extends social security to their families.
7. **Family Support via Pension Plans and Job offer** - Pandemic has robbed us of people we love, our livelihoods and has left an indelible mark in every mortal's psyche. While human loss is irreplaceable and we cannot fathom the trauma of losing a loved one, we stay committed to overall wellbeing of our employees. This is assured at SATYA by providing **family support policy** which includes **pension plans** to the family of the deceased employees and offering **job to the family members**. The plan isn't covid-specific but applies to all causes of death. At present we are providing pension to nine families and have provided jobs to two family members.

#EmployeeSpeaks

To build an effective work culture, we provide opportunity to our employee to share their workplace experience, achievements, and stories with the company through our employee speak 's initiative. It allows a sense of genuine acknowledgement and recognition to the employees as well as increase the trust level among audience having to see the insightful culture.



Cricket Tournament

Sports, in all forms blend values that reflects on our day-to-day life. It is only the talent that counts and there is no room for geographic, ethnic, cultural, gender and other division. Keeping the same view, we organized SATYA Premier League during FY 2021-2022. Creation of this sports league made employees feel encouraged to participate and boost team engagement, find new leaders, and fight stress.



Silver Coin Distribution

Incentives give employers the chance to reward employees for their hard work while also stimulating motivation and productivity in the workplace. We got the chance to reward our employees with a silver coin for their dedicated effort of achieving **2000 Cr** AUM.



SATYA's Got Talent

SATYA believes that Talent is the blood of every organisation. SATYA wanted to acknowledge the presence of unity in diversity in its ecosystem, and with the same mindset, SATYA's GOT TALENT was conceptualized. It is a unique platform where our employees showcase their culture, talent, and passion. We are proud to share that SATYA's Got Talent was also awarded for Best Talent Diversity and Culture Initiative by Distinguished NBFC Awards 2021 organized by Banking & Frontiers Magazine.

More than **100 employees** took part in the **Season 2** of SATYA's Got Talent out of which **27 top performances** in different categories were awarded with exciting gifts and prizes.



Bike Dhamaka Mega Incentive



Contemplating the emerging importance of conveyance for travelling for work, SATYA launched a thoughtful Mega Incentive Model – Bike Dhamaka for its Field Staff. The incentive plan not only proved fruitful in solving the commuting challenges faced by our employees but also impacted their performance positively. We feel beyond elated to share that a total of **133 employees** have got their hands on Bikes through this mega incentive program.

Safal Sutra



SATYA introduced Safal Sutra to build an Inhouse Employee Capacity Building and Leadership Development Program which aims at identifying the best human capital within the organization. Safal Sutra offers a clear career path to employees and gives them a chance to grow within the professional ecosystem. The fundamental goal of this leadership development program is also to provide the qualifying employees the much-needed skill sets to excel in their current roles. Currently the focus is on the capacity building of Sr. EDO's (Entrepreneurship Development Officers) for their skilful promotion onto next designation as Branch Head. The Sr. EDO's certified under Safal Sutra Program are then assigned the responsibility of mentoring EDO's.

We have trained **139 Sr. EDOs** so far out of which **114** got successfully **promoted** as **Branch leaders.**

GPTW Certification



We are proud to share that SATYA is now a Great Place To Work (GPTW) certified organization. Being credited with GPTW Certification is the first step towards understanding how your employee experience stacks up and getting recognized for the great workplace one has built. Considered as the Gold Standard in identifying and recognizing Great Workplace Cultures, this is undoubtedly the most definitive Employer of Choice recognition that organizations aspire to achieve.

The annual certification acknowledges SATYA's efforts to improve employee well-being and safety, as well as to create an organisation with a high-performance culture, trust, and exceptional comfort. The prestigious certification is based entirely on what employees say about their experience working at SATYA. The accolade comes on the heels of SATYA's remarkable work culture, which fosters a trust-based, high-performance culture and instils aspects of credibility, respect, fairness, pride, and camaraderie among its employees. This certification affirms SATYA's one of the core values – "TEAM" which forms an indispensable function of its soul.

Vihangam



SATYA celebrated Vihangam – its **Annual Day Celebration** with grandeur in the presence of its entire taskforce of **more than 3000 employees**. Managing Director, CIO & CEO of SATYA MicroCapital Ltd, Vivek Tiwari said this year, the annual day celebration has been dedicated to employees who have brought laurels to the organization by their years of hard work, dedication, and commitment. On the occasion, employees with exemplary performances in previous years were felicitated with **awards** and **recognition.**

Festivity & Celebrations At SATYA

Celebrations at workplace provide a great change to employees from their monotonous everyday work routine. Employees have a good time and return to work the next day with a fresh mind. While it is crucial to have self-motivated employees, we at SATYA also plan events periodically with the intention of boosting employee morale. Celebrations are a great way to make the office environment even more positive and we make sure that we never miss a chance to connect with our employees through these festivities.



Tambola

Team building activities fosters trust within team and paves way for innovation. SATYA organized Tambola sessions in office premises which created a light atmosphere enhancing engagement within our staff.

Rangoli Competition

Art allows us to articulate our ineffable feelings in the most effective way. Rangoli making competition was organized at SATYA. This led employees learn the value of a healthy competition. The entire office geared themselves up for fun-filled competition of Rangoli.

Secret Santa

Christmas is considered as the biggest annual gift exchange in most parts of the world. And there are multiple ways to do it. An evergreen way is, by playing Secret Santa. This year, Secret Santa marked its presence at SATYA. Receiving a surprise gift on Christmas Eve encouraged all the employees to participate.

Training & Development

Training and development form a vital part of today's progressive corporate world. It helps employees to improve their existing abilities, acquire new skills, enhance performance, and boost productivity.

The impact of training is illustrated by the fact that it is one of the 5Ts which constitute cornerstones of SATYA. Every employee of Head Office, State Offices and Branch Offices receives extensive training, which is ensured by a competent team of proficient trainers.

Training has been more focused on learning through interactive games, group tasks, and presentations since adopting the PIE (Practical, Interactive, and Entertaining) model. When it comes to assessment, SATYA employs a hybrid approach that prioritises group projects, presentations, and a written test at the end of the programme. Every training is followed by an open feedback session, during which necessary amendments are made to enhance its effectiveness.

Induction Training Program

All new employees are required to undertake a compulsory five-day induction training programme, post successful completion of which they are assigned work.
Induction training gives trainees a thorough insight of SATYA as an organisation, its culture and values, operational services model, loan products, and related processes, along with a comprehensive overview of the microfinance sector. Furthermore, our staff is also trained to empower rural communities by educating our clients on essential topics like financial literacy - financial discipline - financial inclusion and maintaining a positive credit history.

Refresher Training Program

Employees are also given refresher training sessions on a regular basis. Refresher training program is basically an aspect of retraining taken by employees already qualified or previously assessed as competent in a field with the intention of updating skills and/or knowledge to a changed standard or providing the opportunity to ensure that no important skills or knowledge have been lost due to lack of use.

This helps them with the following benefits:

1. Increased Employee Efficiency and Confidence
2. Reduced Mistakes
3. Fostering a Culture of Continuous Learning
4. Creating Parity in Employee Knowledge
5. Promoting Excellence
6. Achieving Compliance
7. Helping to Identify Skills Gaps
8. Increased Employee Retention (Less Turnover/Churn)
9. Increased Awareness of New Products, Trends, and Marketplace Information

In order to consistently upgrade and enhance the skills of State Office trainers, Training of Trainers (TOT) is also organized at Head Office from time to time.

Capacity Building Program

SATYA offers the following annual Capacity Building Programs in addition to regular induction and refresher trainings:

1. Leadership Development Programme
2. POSH Training
3. CGRM Training
4. EGRM Training
5. Product Training
6. Code of Conduct Training
7. Risk Management Training
8. Combating Financial Terrorism / Anti Money Laundering Training
9. Timely Product / Policy / Process Update Training
10. Disaster Management Training
11. Excel Training
12. Need Based Training

Soft Skill Training

Soft skills training equips employees with effective and impactful communication techniques. This in return encourages the employees to tackle problems more confidently. It also helps them to hone their listening abilities and develop a feeling of empathy towards others. This serves as a driving force when dealing with clients, especially in a complex situation. At SATYA, we train our staff on:

1. Communication skills
2. Behavioural Training
3. Dress Code
4. Time Management
5. Team Building
6. Anger/Stress Management
7. Conflict Management
8. E- Mail Etiquette
9. Telephone Etiquette

Employees trained under various programmes during FY 2021 – 2022:
At SATYA we ardently believe, "Number Speaks Louder Than Words".



Training Initiatives to be taken during FY 2022 – 2023

1. Learning Management System: SATYA has implemented an advanced learning management system that allows for easy tracking of staff skill development goals, employee dashboards, and training programmes. It also keeps a detailed check on training records.
2. Deputation of Zonal Trainers: Owing to the consistent training needs of the staff and to prepare them as per SATYA's future plans we are hiring a trainer in every zone (i.e., one trainer for every 8-10 branches). This also fulfils vernacular training requirements of employees working across different states and satellite offices.
3. Video Training Content: SATYA's Training Team, in association with its learning partner "Lecture Dekho" is in the process of converting all the training content into visual mode. Small videos of 3-5 minutes are being made to discuss a topic in detail and clarity in vernacular languages.
4. External Trainings: SATYA's has got its employees enrolled under few renowned external training programmes from recognised organizations / institutes for their advanced comprehension, capacity building, skill enhancement and exposure.
5. Alike last FY, this year too, training team is focussed to execute more and more soft skill programs for the comprehensive development of employees.
6. Employee Education Program: Through tuition assistance and reimbursement benefits, SATYA also facilitates its employees with the opportunity to learn new skills by enrolling them in professional courses accredited from distinguished institutions. If an employee wants to study further to enrich their knowledge and skills, SATYA sponsors the program for them.
7. Weekly Employee Awareness Initiative: Training Team has started a new series "SATYA TIMES" in which a small column on a particular topic will be published on communication centric app and will also be flashed via email for the employees every week. It is equivalent to a weekly knowledge dose for employees.
8. Guest Speaker Sessions: Training Team at SATYA is also planning to invite an external guest, industry peers every quarter at Head Office who will share insights on a specific topic pertinent to the employees and their professional needs.

Vihangam 2022



Vihangam 2022

With much anticipation and excitement, SATYA MicroCapital Ltd. celebrated its Annual Day Function – Vihangam on 30th January 2022. Organized every year, Vihangam bestows an enthralling opportunity of unison to all members of SATYA family and revisit the vision and mission of SATYA.

Owing to the outbreak of pandemic all across the country, this year Vihangam was organized in a little different way than its previous traditional versions. Abiding by the COVID-19 protocols, celebrating Vihangam with the entire task force of more than 3000+ employees was not feasible. Hence, Vihangam started with organizing Pragati Path – a unique one day state wise celebration to cement the relationship between field staff and state office staff with higher management. Starting from 22nd January 2022, Pragati Path catered to employees of all 21 states where SATYA is operational. It was organized at 10 different locations in states of (UP, Bihar, West Bengal, Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Gujarat, Karnataka and Assam) and concluded on 28th January 2022. It empowered field staff to own their performance and garnered them with an opportunity to interact with their respective MD, CIO & CEO – Mr. Vivek Tiwari. Pragati Path made them imbibe a feeling of belongingness towards the company.

The recent edition of Vihangam was much more awaited than the previous editions primarily because of two reasons. This edition was organized after waiting of two long years owing to fatal outbreak of COVID. The splendid celebration was organized in Karnal and saw a massive presence of more than three thousand people from all across the nation. The audience also entailed a myriad of notable and acclaimed veterans from the BFSI and Microfinance sector who addressed captivating speeches, extended enchanting remarks which encouraged the workforce of SATYA. The distinguished guests of honor also applauded SATYA on its achievements throughout the year. On account of 2000Cr Portfolio achievement, a kit comprising of bag, sweatshirt, helmet and a silver coin was distributed among all the employees.



The grand celebration started with the traditional ceremony of lamp lighting devoted to Shri Sahib Ji Satguru Madhu Paramhans Ji, post which Guru Ji came live from Jammu and delivered a session on spirituality virtually.

SATYA successfully completed 5 glorious years in Indian Microfinance Sector in 2021 and with the magnanimous celebration of Vihangam 2021, many employees also achieved this feat of completing 5 years with the organization. In order to commemorate their sincere efforts, and dedication towards the organization, their families were also invited at Vihangam. Seeing the hard work of their loved ones getting recognized at company level, happiness of all family members knew no bounds.





Furthermore, the evening was also graced with mimicry and singing performances performance of Sugandha Mishra and Sanket Bhosle.

SATYA has always focused towards providing a work culture and an environment wherein its employees can develop their potential and further expand their personal and professional capacities.

Abiding with the intellectual custom established by SATYA, Vihangam 2022 witnessed a "Rewards and Recognitions (R&R)" session to acknowledge the yearlong note-worthy performances of employees. Recognizing the profound impact which professionals inflicted on to the growth trajectory of SATYA during FY 2021-2022, employees who have always been ahead of the pack and have displayed prolific leadership qualities were felicitated during this Session. These proactive individuals never failed to confront any challenge and seized every opportunity to accomplish company's vision.

Recognizing the efforts for the loyalty they have exhibited towards the company, SATYA rewarded the staff members for the categories: Best Department of the Year; Navratna Award; Best Performance – ZBH, RBH, Crisis Managers, Audit, Branch; Circle Head of The Year; Champions Trophy - Overall Performance (Branch), Branch Head; Achiever's Trophy - Branch which reduced Highest OD; Most Consistent Performers - SATYA Samvaad; SATYA's Future Leader Award; MD's Special Recognition; SATYA's Emerging Leaders Award; SATYA's High Flyer Award.

NAVRATNA AWARDS



Ranjeet Mishra
(Chief Credit & Risk Officer)



G Radha Krishna Sarma
(Business Head - South)



Balwant Kumar
(Business Head - East)



Chandrashekhar Joshi
(Circle Head)

DEPARTMENT OF THE YEAR



Accounts Department
(Mr Tahir Zafar)



Finance Department
(Mr Sanjay Goel)

BEST PERFORMANCE - STATE HEAD



Raghwendra Singh
(UP West & Uttarakhand)



Om Prakash
(Jharkhand)



Manoj Kumar
(Himachal Pradesh)



Swatantra Tiwari
(Gujarat)

BEST PERFORMANCE - ZONAL BUSINESS HEAD



SunitaRani Pradhan
(Dhanbad)



Prasanna Kumar Khare
(Bhopal)



Sandeep Kumar Mishra
(Varanasi)



Nikhil Gupta
(Hapur)



Brijesh Singh
(Ahmedabad)



Chandrashekhar Saragi
(Kalaburagi)





SATYA MicroCapital Ltd also welcomed International Footballer – Sangeeta Soren as its first ever Brand Ambassador who will now be the face of SATYA's brand and marketing campaigns. Sangeeta also delivered an intriguing speech on the imperative role which SATYA is playing towards uplifting the lives of people at the bottom of the pyramid.

The celebration also witnessed 101 EDO's, 21 BH, and 11 ACM being bestowed with Motorbikes as performance incentive for their outstanding commitment and dedication towards their responsibilities.





Mr. Vivek Tiwari, MD, CEO & CIO – SATYA, addressed the audience to encapsulate this emblematic celebration of learning, enjoyment, and engagement. He also highlighted the company's successes over the years, reiterated the holistic principles upheld by SATYA, and boosted team morale and esprit de corps.



Employee Speaks

What Working in SATYA is exactly like? Hear It From Our Employees



Swatantra Agrahari
(Sr. Manager, IT)

I am associated with SATYA MicroCapital Ltd from the last 5 years. Till date I thoroughly enjoy and appreciate the company's priorities, insights and culture. I was appointed here as a Deputy Manager, and I was galvanized by how everyone here works with an enthusiastic approach. SATYA is a company that operates with a positive attitude and has its primacies right. SATYA has always focused on the holistic development of its clients. Alongside, the organization also equivalently prioritizes its employees who perform with efficacies for making SATYA consistently succeed. Respect, care, and excellence are qualities that exude from the top and flow throughout the rest of the company. In all realms, SATYA is truly an extraordinary company.



Kamlesh Kumar Bhardwaj
(BH, Operations)

Working with SATYA is a sheer pleasure and a privilege. Here, I am able to perform my routine duties with enthusiasm which tends to increase with each passing day. I feel fortunate that I am supported and guided by a diverse team, who is cheerful and genuine. This is exactly the working environment in which people grow and make a difference. Whenever there's an opportunity or challenge on our way, we adjust and jump right in to triumph it over. My seniors always encouraged me to improve my skills and evolve as an inspiration to fellow team members. They have always facilitated excellent team involvement. No day is ever the same, and for me, it's the diversity that makes it more enjoyable to work with SATYA MicroCapital Ltd.



Sandeep Kumar Mishra
(ZBH, Operations)

Being a ZBH, I always wanted to help people who want to do something but due to lack of financial assistance they couldn't fulfill their dreams. When I got a chance to work with SATYA, it was nothing less than dream turning to reality for me. Being employed at SATYA bestows me with immense happiness & satisfaction. The organization provides a powerful platform to learn and develop new skills. This has certainly enhanced my career and provided me proficient expertise in field management. Earlier, I was only working for myself, but now I feel I am working for the community we live in; I am working for a mission. I feel proud to be a part of the SATYA family.



Annu Singh
(AVP, Operations)

SATYA MicroCapital Ltd is one of the leading companies in the Microfinance sector and needs no introduction today. Having an experience in the Microfinance industry, I Joined SATYA in November 2016 as Manager - Operations. I perceived this as an absolute opportunity to grow along with the company. Coordinating in daily business operations, building operations strategies & managing the operations process are my major responsibilities that leads in achieving the rapid and sustainable revenue growth for SATYA. It's a great place to work for someone who is hardworking and passionate towards utilizing their skills and knowledge in a positive working environment.Working here gives me enough confidence and today, I am very happy in giving my contribution towards the upliftment of the people at the grass-root level where people grapple to earn for living a good life.



Manoj Kumar
(State Head, Operations)

It still feels like yesterday when I joined SATYA. However, to much amaze it's already been 5 years since I joined SATYA. Since the very beginning, SATYA has fostered a very positive environment exempted from toxic workplace politics and ego centric seniors. Everyone here is so supportive and amicable. One of the most favorable things about SATYA is that it gives paramount significance to both its employees and clients. This has instilled abundant confidence and a sense of belongingness in us. I feel passionate about, my position here in SATYA which challenges me and stretches me into different areas, management that encourages and empowers me to do my best and great work environment and team spirit.



Marketing & Communications

Marketing & Communications department (Hereafter MarComm) ascertains that SATYA is always in line with the industrial developments by developing an integrated image for enhanced brand value. The organization utilizes augmenting branding tactics that further catapults it towards the fulfilment of the vision and mission by establishing a mutually beneficial investor and public relationship.

Since the department has been formed, MarComm team zealously facilitates promotional activities and branding initiatives which benefit SATYA maintain a positive brand image across the microfinance industry, media and social media channels. The onslaught of the pandemic made it imperative to deliberately device a proper channel for communications in all aspects. MarComm also acts as the voice of SATYA on the forefront. The department deals with all the exogenous factors which have the potential to impact the organization's performance, profitability, competitiveness, and functionality. MarComm plays an intrinsic role in promoting SATYA's business values within and beyond the organizational dimensions

Major responsibilities of the department include effective and smooth facilitation of internal and external communications, branding & event management, media & public relations, website management, responsible social media engagement & outreach.

Internal Communications

The department guarantees that critical information on society, sector, and nation reaches the entire taskforce on time to establish and maintain a communication channel within the organization. In addition, the department oversees designing and developing content for a variety of digital and print publications, including company pamphlets, banners, regulatory policies, advisory notices, circulars, newsletters, emailers, important announcements, top management messages, and multimedia content.

External Communications

The department also serves as a communication nexus between the company and a multitude of external prospects, notably clients, investors, and the community at large. The team directly regulates and disseminates communication material like unified letters, reports, corporate & investor presentations, information memorandums, award nominations, questionnaires, surveys, case studies and much more. This enhances better strategic alignment, alignment of SATYA's image from inside out thereby fostering trust in the MFI space.

Social Media Management

MarComm team is also integrally responsible for managing SATYA's online presence on social media platforms like Facebook, LinkedIn, Twitter, and YouTube by creating, publishing, and analysing content relevant for the organization's public. Managing social media of SATYA also includes engaging and interacting with its social media users, followers, and subscribers. This has indeed developed a stronger value proposition by enabling SATYA's presence in the world of social media and demonstrating prospects that SATYA cares.



Jargon Buster

SATYA is committed to be a socially responsible organization, and this is not only limited to its business operations. The MFI is abiding by its approach of holistically uplifting its clients in all means of its active presence. In pursuit of the same, SATYA started a social media campaign - #Jargon_Buster on its Facebook, Twitter, and LinkedIn pages. It is a series with a focus on simplifying the most used words in the Banking & Finance World. This has not only enhanced the knowledge of industry-specific words amongst our followers on social media but has also certainly augmented their vocabulary base.

Client Speaks & Employee Speaks

SATYA also launched two social media campaigns – "Client Speaks and Employee Speaks" which focussed on voicing the feelings towards SATYA of both customers and employees. Begun with static graphics, the campaign later also entailed professional multimedia videos. Featuring clients and employees in success stories through this campaign on social media has helped SATYA develop and extend its professional brand. This has also encouraged them to spread awareness about SATYA among their peers and share their thought leadership.





Branding & Event Management

Branding at SATYA involves projection and maintenance of its cohesive image and designing all the corresponding collaterals to align with the same. By virtue of its finest and enriching branding techniques, the department takes the lead in organizing a vast multitude of events, webcasts, milestone, festive celebrations, and cultural programs at SATYA, like - Annual Day, Vijayalakshmi Das Entrepreneurship Awards, Strategic Meet, Women's Day Celebrations, Business Review Meet, Holi, Diwali, etc.

Leadership Profiling

This year the team also focussed on leadership profiling of the management team. It's this humanized entity that got SATYA's message out into the market through its visionary and adept leaders. This however, cut through the noise and got the attention of our peers. It essentially also underpinned the commercial, rational, and holistic aspects of successful microfinance organization.





Social Media Figures as on 31st March:

Year	Facebook	LinkedIn	Twitter	YouTube
2022	14,257	12,685	1,726	2402
2021	13,342	2,899	410	1202
2020	10,843	897	166	434

Way Forward

The MarComm team keeps on looking to find innovative ways for interaction and communication. In future, the team commits to maintain the brand image consistently by disseminating the proper information, in accordance with the compliance of the organization. The department also aims to reach a wider audience by implementing engaging activities and programs on promotional platforms, which will help to keep brand value. The upcoming plans also include the management of social awareness programs to dignify the brand name and its value, by keeping its objective intact.



International Footballer - Sangeeta Soren becomes the First Brand Ambassador of SATYA MicroCapital

Sangeeta Soren was born in a very poor family of Bhagmari Block of Bansmuri Village in Dhanbad, Jharkhand. It was very difficult for her family of 9 members to make both the ends meet and even live with basic necessities of life. Pertaining to poor financial conditions of her family, Sangeeta formally studied only up to the tenth grade.

She was born in a place where people didn't allow their daughters to play. Aged 21, Sangeeta was an energetic kid since childhood and was always interested in playing football. She wanted to make a mark in football, however, she always knew achieving her dreams will never be a bed of roses. Despite of all the hardships, she started playing football at the age of 16. When she confronted her family and shared her aspirations of playing football with them, she received a backlash. Her family didn't support her because of many reasons. First and foremost was the fear of society and second, but not the least was the financial aspect. The striker learned to play football watching the boys in her village and later constituted an all-girls team.

She used to play football under the pretext of grazing goats, hiding from her family. She continued playing football in fields, grounds, streets, at every other possible place and gradually aced her football game. Later, Sangeeta joined Birsa Muda Club in Dhanbad. She was the only girl in a group of 60 boys when she joined Birsa Muda Club. The transition from playing football on streets to playing football on the field eventually happened. A footballer of her adjoining village, Sanjay Hembrom, served as her first coach providing her tips. Later, football player late Abhijeet Ganguly guided her at a crucial time.

Sangeeta represented India at Under 17 and Under 18 Level in International Competitions like SAFF, AFC. She was also among the two players from Jharkhand to represent the country in international tournaments in Under 19 Category. Soon after, her determination and hard work got its due recognition. The world admired her game when she defeated Bhutan and Thailand and scored one goal after the other for her country.

Step by step, life was improving for Sangeeta, but then the unforeseen happened. The 21-year-old football player also got an opportunity to play on a National Level just before government announced nationwide lockdown. She went on to get a call up to the senior side last year, but the lockdown and subsequent halt in competitive tournaments made the youngster to go back to running errands.

With the tumultuous outbreak of COVID-19, life of Sangeeta and her family took a downturn. The pandemic induced unprecedented disruption to their life and livelihood just like others around the world. Her father Dube Soren was already visually challenged, had hearing impairment and so he couldn't earn anymore. Her elder brother worked at a construction site where laborer didn't get their daily wages regularly.
Sangeeta had to give up playing football because of fear, uncertainty, heightened food insecurity, and drastic reductions in livelihood opportunities.

The entire family was facing hardships during this period, but Sangeeta didn't give up and was determined to support her family in every possible means. Her family struggled to even get two meals a day. In view of the same, Sangeeta was forced to work as a daily-wage laborer at a Brick Kiln in Dhanbad's Basamudi village.


लॉकडाउन का असर: संगीता कुजाती के घर की आर्थिक स्थिति खराब, भाई को नहीं मिल रहा काम

ईंट-भट्ठे पर मजदूरी कर रही अंतरराष्ट्रीय फुटबॉलर

बेबसी

The work at the factory however never affected her practice as she regularly practiced at the village ground along with other girls from 6 am to 8 am. It was then in 2021 that ordeal of Sangeeta caught the attention of media and people came to know about Sangeeta's struggle in vivid detail. Last year, she was also featured in news articles across Jharkhand and National Media when it emerged that she had been collecting leaves from the adjoining forest in Dhanbad and weaving them into plates and bowls in order to sell them in the market and eke out a living.

Considering her plight, SATYA Microcapital connected with her and extended their interest of supporting her. SATYA wanted to back Sangeeta so that she can again resume her game of football. Sangeeta's father was initially apprehensive of this association and doubted how this could ameliorate their family's financial crunch. At first, he straight away denied stating that who will fulfill our basic needs, if we will not have money.

Sangeeta moved from pillar to post but without any respite. SATYA realized that Sangeeta has put her best foot forward, but without adequate funds she won't be able to support her family. She can only continue playing if she got ample fiscal backing and her family's livelihood is well taken care of. SATYA took up responsibility of eradicating the penury of her family which in turn propelled Sangeeta to recapitulate her journey of Football.

SATYA roped in Sangeeta Soren as its first brand ambassador on 28th October 2021. As SATYA is quintessentially working across the length and breadth of the country for women empowerment through myriad of its various non-banking financial initiatives, this is clear exemplification of SATYA's ethos of holistically uplifting the lives of numerous customers by choosing the right representation to inspire for fulfilling their dreams.



The talented footballer who has already donned the national team colours in different age groups, has played at Don Bosco Football Academy at Kerala and is equipped with all the necessary support from SATYA MicroCapital Ltd. SATYA is making sure that now Sangeeta stamps her place in public discourse. At present, she is playing at Kolkata Football League and is gearing up for her other tournaments as well. Recently, Sangeeta also received financial assistance from an Investor of SATYA who will sponsor her International Football Training. This will not only encourage her to hone her skills but will also help her to achieve her dreams.

Sangeeta says her destination is far and her dream is to first get an all-India award and then enter the international competition. She further says, “I want to represent India in an international football competition. I am preparing for it and will not leave football before that. I am happy that finally my family recognised my hard work and talent. I also thank SATYA to help me with everything I can think of. It is because of them that I can now concentrate on my game without worrying about the primary needs of my family. I feel very fortunate, and it is a proud moment for me to come onboard with SATYA MicroCapital as its official Brand Ambassador. I come from a rural background, and I am aware of day-to-day hardships which rural people encounter to live a normal life. I totally realize the prominence of that one opportunity which has the potential to transform the course of your life. This is what I appreciate about SATYA and their intent behind empowering the marginalized section of the population; they are giving that kind of opportunity to small business entrepreneurs who are the backbone of our communities and our country. I am thrilled that now I will assist them in carrying their mission further.”

SATYA has committed to support the girl who has courage to take on society, ignore naysayers and make a name for herself through sheer grit so that she makes it to International Football Game.

Sangeeta belongs from the grassroots and understands the value of hardships faced by client base of SATYA. With this partnership, SATYA aims to boost its outreach in microfinancing to those at the bottom of the pyramid nestling across rural hinterlands in the country. During the five-year engagement, Sangeeta will be the face of SATYA MicroCapital's social and marketing campaigns across various platforms. She will work with the brand in promoting its products and services.

SATYA In The News

Business Standard

SATYA MicroCapital Ltd. Organizes Second Edition of Vijayalakshmi Das Entrepreneurship Awards on Women's Day



New Delhi [India], March 9 (ANI/NewsVoir): On the occasion of International Women's Day, SATYA MicroCapital Ltd. organized second edition of Vijayalakshmi Das Entrepreneurship Awards which felicitated women entrepreneurs nestled at grassroots level. The awards recognized women whose significant efforts have worked towards fulfilling the Government's vision of Aatmanirbhar Bharat.

The awards were constituted and executed as a homage to Mother of Indian Microfinance Industry, Late Vijayalakshmi Das at Radisson Blu Plaza, NH 8, Mahipalpur. The celebration was attended by virtual attendees of more than 5000 people along with physical presence of 200+ guests.

Vijayalaxmi Das was a pioneer in Indian microfinance landscape and is acknowledged for her impeccable contribution to the sector. Das, also known as Madam Viji, not only broke considerable stereotypes about women empowerment, but also inspired others to follow their dreams through her humble perception and holistic human approach during her lifetime.

The ceremony was graced with the benevolent presence of the current Minister of State for External Affairs and Culture of India - Meenakshi Lekhi as Chief Guest. She is a Member of Parliament from New Delhi Parliamentary constituency in the 16th and 17th Lok Sabha from the Bharatiya Janta Party. Lekhi commented, "It is indeed heartening to be a part of such a prestigious event, where we have women entrepreneurs from rural boundaries of India being recognized for their accomplishments. I congratulate all the winners as well as SATYA MicroCapital Ltd. for conceptualizing this event which will elevate the woman entrepreneurial spirit. This is indeed a praiseworthy initiative in encouraging our Government's Vision of 'Vocal for Local.'"

The evening also witnessed panel discussion on overview of Microfinance from the eyes of Late Madam Viji which eminent personalities from Indian BFSI space such as Dr Alok Mishra (CEO & Director - MFIN), Mukul Jaiswal (SID - Cashpor Micro Credit), P Satish (Executive Director - Sa Dhan), S S Bhatt (COO - Friends of Women World Banking India), Rakesh Dubey (President - SVCL), Gaurav Gupta (MD - Avanya Finance), Abhishek Kumar (Co-founder & MD - Sindhuja Microcredit Pvt. Ltd.) amongst others.

The ceremony also hosted a session on Women Empowerment in India which was attended by special guests like Alisa Maryada Bhatt (Founder - SUCCESS INDIA, India's 1st International Woman Motivator & Ret Karmaveer Chakra 2016 Awardee), Kanchan Rai (Founder - Let Us Talk & Mental Wellness Coach), Rashi Anand (Founder & CEO - Lakshyan NGO, Ret Karmaveer Chakra Award & World Youth Forum Awardee), Ankita Singh (Poetess & Writer, Hindi Gaurav Samman (New York) 2019, Women of the year 2021) and Kanika Tekriwal (CEO - JetSetGo, Known as the Uber of Indian Skies).

The awards also highlighted MFIs' important role in women's empowerment and bolstered the position of MSMEs across the country, particularly those founded and managed by women entrepreneurs. Many women microfinance leaders and entrepreneurs are recognized through the Vijayalakshmi Das Entrepreneurship Awards, which span a variety of business categories. Each of these distinguished prizes is designed to recognize and honour remarkable achievements by women entrepreneurs in the Indian microfinance industry.

Ten honorees bagged the Vijayalakshmi Das Entrepreneurship Awards. Bhavini Nishith Parikh was recognized as Leader of the Year whereas Phamdin Khamrang, Anjali Singh, Pawani Khandelwal was awarded under Medium Enterprise category. Chandra Devi, Rajkumari Indira Devi and Padmini Santosh Waghmode were recognized under Small Enterprise category. The Micro Enterprise category had Shoela Soni, Sunita Bai and Sarika Seth as awardees.

Underlining the essence of Vijayalakshmi Das Entrepreneurship Awards, Vivek Tiwari, MD, CEO & CEO, SATYA MicroCapital Ltd. said, "It is a great honor for us to recognize women who are making headway in the microfinance industry. Acknowledging and celebrating their achievements on account of International Women's Day will encourage women entrepreneurs to reach greater heights with flying colors. It will also encourage ambitious female entrepreneurs to improve their business practices to ensure a high grade of entrepreneurship. Without any reluctance, no other occasion than Madam Vijayalakshmi Das's birth anniversary could be regarded appropriate for this laudable cause. SATYA extends its deepest congratulations to all of the awardees, praising their passion and dedication to their respective businesses."

SATYA MicroCapital Limited is a Delhi based, RBI-registered "NBFC - MFI" which commenced its microfinance operations in January 2017. Within a short span of 5 years, SATYA has expanded its presence across 225 districts in 22 states, through a network of 30,000+ villages in 329+ branches catering to nearly 8,00,000 households - a milestone of growth for any MFI in India.

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- SATYA MicroCapital ropes in international footballer Sangeeta Soren as its brand ambassador
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FREE PRESS

SATYA MicroCapital to raise $22 mn for future growth, expand presence across national geographies



Micro-finance firm SATYA MicroCapital Limited recently announced raising of fresh round of funding. The company will be securing funds worth up to $22 mn led by an existing investor. The total amount of fiscal backing is contributed by IFB mn being allocated to CCPS and $7 mn being allocated to Equity.

SATYA plans to channelize these funds in an appropriate custom to expand its presence across national geographies and augment its diversified loan book.

Securing successive fundings in such short span of time will propel the RBI registered NBFC-MFI to diversify its portfolio of new investors.

ThePrint

SATYA MicroCapital ropes in international footballer Sangeeta Soren as its brand ambassador



New Delhi [India], February 1 (ANI/NewsVoir): SATYA MicroCapital Ltd. one of the most prominent RBI registered NBFC-MFIs in the country announced International Football player, Sangeeta Soren as the company's brand ambassador. This announcement comes at the time when the RBI has established their $1 crore shareholding.

Founded in 2016, SATYA MicroCapital has disrupted low-scale microfinance India with a blend of high-tech customized-touch approach that combines sophisticated technology and data-driven processes with personalized customer service in the remote rural India. While deep-rooted presence through orchestrated operational network of over 300 Branches across over 27,000 villages across 22 states, SATYA is investing financial inclusion journey in the most remote parts of the country. It offers collateral-free customized-focused credit solutions to female entrepreneurship resulting sustainable livelihood opportunities. SATYA is and will always be regarded as the settlement and responsibility that comes with financial inclusion of those unserved.

MINT CIRCLE

Satya MicroCapital snags Rs 42 cr debt funding from Swiss impact investor ResponsAbility

By: Kaushik Chatterjee | 20 January 2022



Satya Microcapital primarily caters to women who own businesses or are looking for business expansion in claims to lend women and micro entrepreneurs across more than 27,000 villages of the country.

The lender offers collateral-free credit as micro enterprises, based on strong credit assessment and accentuated approval system.

According to the company's statement, with an employee base of over 3,100 people working across 275 branches, Satya Microcapital aims to uplift five million households by 2025. Recently, the lender said it has completed a strategic investment to join up a 26% stake in Rudrit Housing Finance.

In 2021, it secured fresh equity of Rs 153 crore ($21 million) from Japan based Gojo & Company Inc. The Japanese firm, which holds stakes in several microlenders, had led a Rs 43 crore equity funding round in Satya Microcapital in August 2018.

Previously, the lender raised Rs 70 crore from Chiratae Capital in October 2017 and Rs 15.46 crore ($2.3 million) from existing investors through a rights issue in June 2016.

पंजाब केसरी

Thursday January 04, 2022

मुफ्त स्वास्थ्य शिविरों का आयोजन किया



IIFL SECURITIES

NewsVoir On IndiaInfoline.Com

Source Name:SATYA MicroCapital

SATYA MicroCapital Reaches Rs. 2000 Cr. Assets under Management

Dec 31, 2021 17:05 PM



SATYA MicroCapital Ltd.

भाषा प्रेस ट्रस्ट ऑफ़ इंडिया

सत्या माइक्रोकैपिटल लिमिटेड ने ग्रामीण बच्चों की शिक्षा को बढ़ावा देने के लिए शुरू किया डिजिटल लर्निंग अभियान



Business Standard

SATYA Micro-capital reaches 6 lac active loan clients within 5 years of service



New Delhi [India], October 12 (ANI PressWire): SatYa MicroCapital Ltd. reached the active loan clients mark in 5th year anniversary. With AUM of approx. ₹700 Cr and having disbursed 10 Lac loans to borrowers, the MFI has recorded remarkable growth since the 1 st of its inception. SATYA has physical as well as digital presence in 21 states and 257 districts. SATYA has physical integrated its socio-economically uplifting the clients, providing them opportunities for income growth and income generation, thereby bringing the economy back to normal.

The celebratory-cum-award ceremony activities-cum-participation from management, staff, staff well-wishers within. The event was attended by dignitaries who have played an eminent role in SATYA's growth journey. The evening was celebrated with great enthusiasm across SATYA's network both physically and digitally, via virtual conferences. All COVID-19 protocols were stringently followed during the celebrations.

Speaking during the event, the Rh. CEO & CEO of SatYa, Mr. Vivek Tiwari extended the board of directors and entire employee base for their unwavering dedication towards the growth of the organization over these past five years. He extended the challenges that the company faced at the early stages of the business and how they were able to surmount them.

The company also announced its plans of organizing annual edition of 'Jijeevishaa' Bus Entrepreneurship awards for VBAs and Villagers. 'VBA or SATYA Ambassador, the Mother of Indian Microfinance Industry - Late Vijayalakshmi Das. The award magically recognizes the impeccable work done by women microentrepreneurs across the grass roots level. Villagers, together spearheaded their own view, the special annual Day Programme of SATYA MicroCapital. The award is usually spread out over several days. Each days of their time entailing various motivating speeches by the distinguished guests, the Board and the Leadership Team of SATYA, colorful and vibrant cultural presentations by the team members representing all the states, employee recognition programs.

On the memorable occasion of 5th Foundation Day, several CSR activities are also executed with central theme of philanthropy and human welfare. Under the CSR initiative, a team in conjunction with SATYA Shakti Foundation CSPO under the flagship of SATYA MicroCapital visited 3000+ working to the upliftment of orphan children, abandoned elderly people and distributed books, medicines, dry rations and other items of necessity.

In his speech during the celebration, Vivek said, 'We are humbled and honored to celebrate 5 years in business growing alongside the communities we serve. Ever since we started way back in October 2016, we strived every single day to positively use our promise of 'Customer First' to bring about positive transformation of their lives - while earning the love and respect of the customers, employees, investors and partners from the BFSI Sector. The hard work and commitment of the entire SATYA Team for achieving this coveted milestone is laudable. The past is what built us, and the future is what drives us. When I look back on the journey since Day-1 of our foundation, I feel nostalgic. I feel dignified of our legacy in elevating the on-ground life standards of the marginalized sections of the population. This path of prosperity will continue, and nothing could deter our diligence.'

Established in year 2016, the success of RBI registered NBFC-MFI has fostered an ecosystem for the growth of microfinance industry within India. It has also significantly generated economic opportunities for more than 6 lac microentrepreneurs by providing loans of worth approx. ₹8500 thereby creating an impetus for inclusive growth and development at the grass root level. With a long-rooted presence through a networked operational networks of over 257 branches in approx 21 villages across 21 states, SATYA is fostering financial inclusion in even in the most remote parts of this country. It offers collateral-free customer-focused credit solutions to females primarily working towards establishing their own microenterprises. Envisioning a future course of action, SATYA aims to act as a catalyst for the socio-economic upliftment of 25 million households in the year 2025.

BusinessLine

Companies

Satya MicroCapital raises ₹135 crore from BlueOrchard and responsAbility Investments



About ₹55 crore funds managed by Blue Orchard was disbursed in June and July and the remaining ₹80 crore was made available by responsAbility Investments

Satya MicroCapital Ltd, a Delhi-based NBFC-MFI, has raised about ₹135 crore through Non-Convertible Debentures (NCDs) from impact investment fund manager responsAbility Investments and Swiss impact investor, BlueOrchard Finance Limited.

LLiE Model

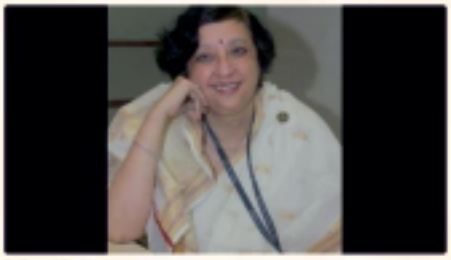
Hindustan Times

Home / Brand Post / SATYA MicroCapital appoints Dr Deepali Pant Joshi as Inde...

BRAND POST

SATYA MicroCapital appoints Dr Deepali Pant Joshi as Independent Director

Mrs. Joshi has more than 26 years of proficient experience and record of successful delivery through a range of challenging and diverse assignments. She has done post-doctoral work in Finance and Economics (on secondment from the RBI) from Harvard University Harvard Asia Centre.



Dr Deepali Pant Joshi

Published on Oct 12, 2021 09:56 PM IST

By HT Brand Studio

SATYA MicroCapital Ltd., one of the rapidly expanding growing NBFC-MFIs in the country announced the appointment of Mrs. Deepali Pant Rajeev Joshi, as a new Independent Director on the Company's Board with effect from September 24, 2021.

Mrs. Joshi's appointment backs SATYA's Commitment towards strong corporate governance and independent board oversight. This progression will capacitate SATYA in strengthening its corporate strategy and customer centric approach. Her presence will certainly augment the top management team to facilitate the necessary leadership direction and support.

Mrs. Joshi has more than 26 years of proficient experience and record of successful delivery through a range of challenging and diverse assignments. She has done post-doctoral work in Finance and Economics (on secondment from the RBI) from Harvard University Harvard Asia Centre. She is member of Executive Council University of Allahabad, Governing Council SA-DHAN, The Outstanding Speaker Bureau and serving as Director in various Indian Companies. She had also served as nominee on behalf of RBI on the board of Andhra Bank, Northeast Institute of Bank Management, Institute of Banking Personnel Selection (IBPS) and she had also served on the Board of MCX and Bhartiya Note Mudran Press (BNP) Currency Paasl. She has been awarded as the Skoch Challenger award for contribution to Financial Inclusion, Chancellors medal at the University of Allahabad for academic proficiency and Amarnath Jha Gold Medal, University of Allahabad.

Sharing her thoughts on recent association, Mrs. Joshi stated, "It is a great pleasure for me to be welcomed on the Board of SATYA as an delighted to extend my support to the frontiers of finance to build financial capability, working towards financial inclusion and economic growth. It will be an honour contributing towards accelerating the growth trajectory of SATYA MicroCapital Limited."

Mr. Vivek Tiwari, MD, CIO & CEO, SATYA MicroCapital Ltd. said, "Mrs. Deepali Pant Rajiv Joshi needs no introduction in BFSI space. We are honoured to welcome her and look forward to working with her to pursue long-term value-creation. Her lauding presence is an exemplary fit for the company's board. With her appointment, we've added yet another honourable industry expert to SATYA's adept Board of Directors. Her substantial expertise in financial inclusion, combined with her background in microfinance will help us refine our dynamic corporate strategy. Her rich experience will be an invaluable asset as we advance towards SATYA's anticipated vision of evolving as a fintech company".

"About SATYA MicroCapital Ltd:"

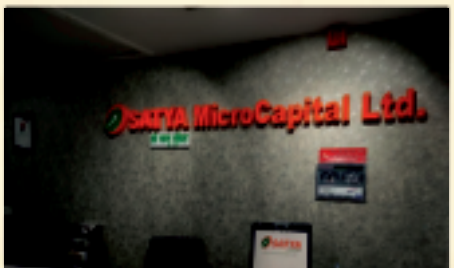
Headquartered in New Delhi, SATYA MicroCapital Ltd is an RBI registered NBFC-MFI, which fundamentally serves low-income and underserved entrepreneurs by extending micro loans in India's rural and semi-urban areas since its inception in October 2016. Currently, with a dedicated team of over 3000 employees, SATYA has expanded its massive terrestrial presence in over 25,000 villages through 257 branches in 183 districts across 21 states. Till August 31st, 2021, SATYA has disbursed loans to more than 6,00,000 households in its operational journey of less than five years - A Milestone for growth of any MFI in India, a first of its own kind.

Business Standard

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SATYA MicroCapital secures fresh funding worth Rs.300cr from GMO-Z.Com payment gateway India Credit Fund



New Delhi [India], September 9 (ANI): SatYa MicroCapital Ltd. has backed SATYA MicroCapital Ltd. through Non-Convertible Debentures (NCDs) worth Rs.300cr. This is for the first time, SATYA has raised debt funding from Japan based investor. The funds will be utilized by the NBFC-MFI for innovative credit offerings to aspiring small micro-enterprises (SMEs) across the nation. The MFI also stated that the funds will be deployed towards development-focused initiatives for women entrepreneurs. This will essentially help the beneficiaries impacted by the pandemic to easily avail microloans for rebuilding and scaling up their businesses.

"This foreign debt fund of Rs. 300cr will help SATYA expand its operational networks, new horizons while continuing to develop innovative credit offerings and running complete end-to-end digitally controlled business processes being deployed. With the third wave of COVID-19 being anticipated, it is crucial to set our sights towards supporting SMEs.'

This debt funding has signified our confidence in our business model. I am extremely grateful to GMO-Z.Com Payment Gateway India Credit Fund for instilling their trust in SATYA. I would also like to express my sincere thanks to Kohei Kondo, CFO, GMO Group Inc. for helping us to reach out GMO-Z.Com Payment Gateway India Credit Fund. This will serve as the impetus we need to keep moving forward amidst such challenging times.

"GMO-Z.Com Payment Gateway India Credit Fund entering the Indian Microfinance Industry via SATYA MicroCapital Ltd. itself is a testament of their confidence and validation in our dynamic operations. Together, we not only anticipate a lasting business association, but also aim to financially empower several households individually in near future," said Vivek Tiwari, MD, CEO & CIO, SATYA MicroCapital Ltd.

SATYA also recently received approx. Rs. 150cr as funding from responsAbility Investments & Blue Orchard in August 2021. Being able to secure funds consecutively in such difficult times is an important achievement on its own. The priority is to reach out to more businesses and propel them towards growth. It is significant to nurture, encourage, and support local entrepreneurship within larger vision of accomplishing the dream of Self Reliant India.

ET BFSI.com
From The Economic Times

SATYA MicroCapital launches 51 new branches across 12 states

51 new branches have been launched across 12 states by SATYA MicroCapital Ltd. It aims at empowering and emboldening women and creating an increased number of opportunities for women in the country.

ETBFSI • August 02, 2021, 14:42 IST

SATYA MicroCapital Ltd., on Wednesday, launched 51 new branches across twelve states, thus taking its territorial presence to a total of around 250 branches across 21 states.

SATYA is also the country's fastest-growing microfinance institution, which is strengthening its network beyond its traditionally strong areas of North India. The company has launched branches in various districts across states such as Himachal Pradesh, Uttarakhand, Haryana, Punjab, Rajasthan, Gujarat, Uttar Pradesh, Madhya Pradesh, Bihar, Odisha, Karnataka, and Tamil Nadu.

The launch of its branches in Karnataka also marks SATYA MicroCapital's maiden foray into the southern state, where it plans to work with entrepreneurs and micro-enterprises to help them access means of livelihood through easier access to credit.

Defining the MFI's future course of action via this expansion, SATYA will play an intense role in empowering and emboldening women by giving them control over assets and increased self-esteem and knowledge.

"Our aim is to give a boost to five million households in both rural and semi-urban markets by the year 2025, and this can only be achieved through the consistent expansion and building a wide presence across the country. The launch of our new branches in various locations will help in establishing SATYA MicroCapital as the preferred credit enabler for underserved entrepreneurs and communities within these geographies. Secondly, we are also working earnestly to drive financial inclusion nationwide via all levels of our operational workflow" said Vivek Tiwari, MD, CIO and CEO, SATYA MicroCapital Limited.

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Home › MICRO FINANCE – MAJOR HAPPINESS



Micro Finance – Major Happiness

Financial Inclusion For Upliftment Of The Poor

BY D N KUMAR

MFIs have major role in post-pandemic bounce-back, says Vivek Tiwari of Satya Microcapital

safeguarding those residing in rural hinterlands. Financial inclusion serves as the key driving force for bridging the gap between underserved population and formal means of credit access. It is not only channelizing the savings of those living at the bottom of the pyramid but is also empowering them to fulfil their entrepreneurial ambitions via provision of hassle-free credit, thereby inducing boost to the economy. In India, MFIs are fundamentally striving financial inclusion as they consistently keep on innovating and offering financial products as per the needs of the marginalized. MFIs are also improving financial literacy and financial awareness in the nation which forms an indispensible function of financial inclusion.

"Life is an echo, what you send out, eventually comes back to you," says Vivek Tiwari, MD, CEO & CEO, SATYA MicroCapital Ltd. His missionary zeal to serve the society at large has always driven him to induce a real time impact in lives of those at the bottom of the pyramid. During his professional career of more than twenty years, Tiwari have always valued people as key capital. The main agenda of Tiwari behind laying the foundation of SATYA was poverty alleviation and this served as the pole star to venture into the world of microfinance as their financial services can be offered to low-income populations, thereby improving socio-economic status of developing countries. He understands the existential crisis downtrodden have to confront in their daily lives and is earnestly working towards improving their life state by facilitation of hassle-free credit access for means of livelihood generation and income growth. Tiwari's team members say.

Tiwari has fundamentally contributed to the microfinance sector since formative years. He is credited for the geographical shift of microfinance from South India to North India and for accelerating the growth & scale of MFIs in Northern parts of India.

Before joining the Board of SATYA as Managing Director, Tiwari has ardently worked in the development sector for almost 18+ years with expertise in microfinance and lending portfolio of more than 10000 Crores. He was with Gujarat-based Varatan Microfinance where he initiated operations based on the Grameen Model and trained and developed workforce at middle level management. He has also worked with CASHPOR Micro Credit. He was also actively associated with certain developmental projects supported by UNICEF and NABARD. Subsequently, he worked with Sahin Credit Care Network Ltd (SCNL) as a Chief Operating Officer (COO) for more than 8 years. Pioneering Banking Correspondent Lending for banks, he has successfully implemented the WSHG (Women Self Help Group) & National Rural Livelihood Mission (NRLM).

Run by Delhi-based Satya Microcapital, it all started with the realization and of the fact that poverty is the main subject of concern in improving the economic status of developing countries. With time, this realization transformed into irrevocable aspiration of bringing a real time positive impact in lives of those living at the bottom of the pyramid. The MFI's mission is to be catalyst for socioeconomic upliftment of five million households by the year 2025, says Tiwari. Satya started its journey in October 2016 and has registered impressive growth having reached Rs 1000 crore Assets Under Management (AUM) of Rs 150 crore in just 1 year. The company has emerged as one of the fastest growing MFIs in the country.

Satya is not only a promoter of financial inclusion in territories of its active operations but is also an integral part of Indian microfinance sector. As per the Bharat Microfinance report 2020, around 33 MFIs are active in Uttar Pradesh and are playing an important role in promoting financial inclusion and SATYA is one of them.

Satya is committed to establishing responsive governance and risk management frameworks for building a sustainable organization, explains Tiwari. "We have made client sensitivity as the hallmark of our day-to-day operations. We are striving to make Satya one of the greatest places to work for the employees. Satya has been promoted by professionals having significant experience of scaling up Microfinance programmes in one of the poorest regions of India. We are also being supported by investors having history of promoting sustainable and scalable organizations," he says.

"We have profound belief that use of technology can increase efficiency, reduce risks and enhance overall customer experience," says Soumyajit Sen, Deputy CEO. "With this belief we have adopted cutting edge technology to power our operations which includes paperless transactions, cashless disbursements, geo-tagging of client and staff locations, E-KYC of clients and E-Learning platform for training staff members," Sen says.

"The credit of conceptualizing, planning, executing, operalising the first registered NBFC-MFI goes to Tiwari himself," says CFO – Sudhindra Sharma. The main agenda behind laying the foundation of this SATYA MicroCapital Ltd. Since day 1 was to offer financial services to low-income populations so that their financial burden can be minimalised. SATYA is a part of the industrial ecosystem with primary focus being laid on understanding the needs of the poor and on devising better ways of delivering services in line with their requirements, developing the most efficient and effective mechanisms to deliver finance to the poor, creation of opportunities for self-employment for the underprivileged thereby delivering a ray of financial independency.

BACKGROUND: Tiwari holds a Post Graduate Degree in Rural Development & Management from the Institute of Engineering & Rural Technology, Allahabad. Apart from acquiring prolific experience of nearly two decades in the Microfinance and Development Sector, Tiwari is also a certified professional of Cornerstone in Management Programme from Boulder Microfinance Training, Edu. His proficiency outlines extreme focus on the innovative deployment of technological framework for inculcating responsible lending, financial inclusion, social entrepreneurship, and impact investing within national boundaries.

Tiwari has always been of the firm belief that the way to move forward is together. He prefers to have a holistic and all-encompassing approach rather than an individualistic one. He gives crucial importance to technology, which has proven to be a game-changer, especially in an industry as niche as ours.

"As more and more processes at SATYA are beginning to get nested under the digitisation canopy, our services are becoming more efficient with our accuracy levels reaching newer heights to satisfy the clients' needs and demands every day," says Alisha Anand, AVP – Marketing. Moreover, with the advent of such technological novelties, SATYA needs to be constantly innovative and dynamic in all its processes and business operations. This is further supplemented by the focussed approach towards societal upliftment, especially women empowerment and therefore complemented with respect to the company vision and mission to holistically develop the people nestled at the bottom of the pyramid, Alisha points out.

Coming from a humble background, Tiwari understands the ground realities and possesses a heart for the social causes pertaining to the underprivileged people of the country. He has always focused on the themes of employment generation and entrepreneurship promotion. With this idea in mind, he founded SATYA, to give back to the society and enable the empowerment and sustainable development of the people at the grassroots.

SERVICE – IT'S ALL IN GENES

Born into a simple middle-class family in Sultanpur, Uttar Pradesh, Vivek Tiwari is the first child of his parents – father an advocate and mother, a housewife. He has developed a sense of responsibility within him since early childhood. Being the elder one, he was a mentor to his four younger siblings. Vivek was very studious and had all the qualities of a prodigious leader since childhood. His father recalls, The roots of this leadership were also within family genes which he received as a gift from his grandfather. His grandfather, Radheshyam, was a primary school teacher. He was extremely popular for the work he did for education. He is very popular in the district and surrounding areas. After his grandfather, Vivek was also very dedicated towards education, due to which he is the favourite grandchild of his grandfather. He imbibed the learnings and values of self-sufficiency, independence post senior secondary during those days. It was this early time in his life, when Vivek inculcated a distance between his emotional and practical approach. The roots of analytical leadership were also within family genes which he received as a gift from his grandfather.

SATYA MicroCapital launches Free Digital OPD Tele-Doctor Sewa and Covid-19 Preventive Medicine Kit Distribution program for 25 000 Villages in India

PTI | Updated: May 19, 2021 17:06 IST

(Edit Disclaimer: The following content is a press release. PTI takes no editorial responsibility for the same.)

Sewa initiative, the doctors respond to queries between 9am – 6pm on phone call and video call for general queries and are available for 24*7 consultation in case of emergencies, free of cost.

COVID-19 has devasted all of India, setting global records for the number of people affected and killed by the deadly virus due to a collapsed medical infrastructure. As healthcare systems, in urban boundaries across India grapple with the second wave of COVID-19 and are facing devastating consequences, the pandemic has amply demonstrated how a lack of adequate medical care facility, resources like oxygen and medicines, limited awareness on the extent and seriousness of spread of the pandemic, vaccine hesitancy can render rural India vulnerable. This lack of resources is causing major problems for the people in the rural areas who are experiencing symptoms of Covid -19 as in comparison to major cities they are not properly equipped to deal with the pandemic and are badly in need of a better medical support.

"We are earnestly working towards the safety and welfare of the mankind and want to extend all the possible help to those needing in rural and semi-urban hinterlands. These initiatives will also facilitate the government by reducing the burden on local medical centres, hospitals and will provide people a platform to address their medical concern along with ease of access to experienced medical professionals. We want to stand by and ensure that prime importance is given to the health of not only our clients but their family members, friends, relatives and all other people across 25000 villages, in this way these initiatives will help us to serve more than 1Cr. of population effectively. It is our foremost responsibility to come together and win over this unprecedented crisis which has posed an inevitable threat to human life," stated Vivek Tiwari, MD & CEO, SATYA MicroCapital Limited.

Hindustan Times

SATYA MicroCapital Ltd. reaches 5 lakh active loan clients

SATYA MicroCapital Ltd.

By HT Brand Studio

Undoubtedly, the incredible growth rate with which MFI is leading the sectoral space in the present tough market is absolute illustrative of its zeal and commitment. SATYA's admirable capacity to grow is proportional to the 5,00,000 micro entrepreneurs it has empowered till date along with attainment of Assets Under Management worth around Rs. 1500 crore since its establishment.

Sharing his thoughts on the achieving this celebrated goal, Mr. Vivek Tiwari – MD, CEO & CEO, SATYA MicroCapital Limited, said, "Working to earnestly uplift the socio-economic status of people at the bottom of the pyramid. In today's tough market which is dominantly impacted by COVID-19, SATYA felt the need of strengthening its framework of digital transactions. Since its establishment, SATYA has been successfully providing financial services to 5,00,000 marginalised families for the elevation of their livelihood and enterprise. It is certainly a record in Indian MFI space wherein an institution has attained such a grand breakthrough within 4 years of its origin. I earnestly extend my heartfelt thanks to all our esteemed investors, hardworking employees, and clients whose unmatched trust and support has made SATYA reach this benchmark amidst challenging times of COVID-19. The growth trajectory of microfinance industry has always been progressive despite of encountering troubling times like Jandhra Crisis, Demonetization, GST Act, COVID-19. Owing to the biggest underlying power of the MFI industry – adaptability to change and resilience in the face of challenges, SATYA will continue to prevail. It will continue to work towards the consistent and imperative conduit for providing financial services to a vast segment of the unbanked population whose survival power is exceptionally praiseworthy."

Headquartered in New Delhi, SATYA initiated the course of its operational journey in January 2017. Since then, the MFI recorded a commendable growth rate complemented with inducing real time social impact in the lives of micro entrepreneurs across the nation. The MFI's portfolio comprises women-entrepreneurs from rural and semi-urban areas who seek credit & financial access for setting up and developing their businesses because of their low, irregular, and unpredictable income. To date, SATYA has activated its operational and terrestrial presence in more than 180 branches across 21 states nationwide.

Board's Report

Dear Shareholders,

Your Board of Directors (the "Board") take pleasure in presenting the 27th Annual Report of SATYA MicroCapital Limited (the "Company") together with the Audited Financial Statements of your Company for the financial year ended March 31, 2022.

Financial Highlights

Amount (Rs. in millions)

Particulars	Standalone		Consolidated	
	March 31, 2022 (Audited)	March 31, 2021 (Audited)	March 31, 2022 (Audited)	March 31, 2021 (Audited)
Total Revenue	4,015.41	2,672.18	4,017.18	-
Total expenditure	3,580.32	2,521.12	3,582.71	-
Profit Before Tax	435.09	151.06	434.87	-
Tax Expense	110.06	48.89	110.06	-
Prior Period Adjustment	-	-	-	-
Profit after Tax	325.03	102.17	324.81	-
Transfer to Statutory Reserve Fund	65.01	20.43	65.01	-
Earnings Per Share (EPS)	7.05	2.57	7.05	-
Diluted EPS	6.94	2.53	6.94	-

Operational Highlights

During the year under review, the Company's Gross Loan Portfolio as on March 31, 2022 stood at Rs. 28,839.89 million as against 14,761.69 million as on March 31, 2021 showing an increase of 95.37%. During the year under review, your Company had disbursed 6,16,712 loans amounting to Rs. 2,5861.78 millions. The total revenue has shown a growth of 50.27% from Rs. 2,672.18 million in FY 2020-21 to Rs. 4,015.41 million in FY 2021- 22. Profit before tax (PBT) increased by 188.02% from Rs. 151.06 million in FY 2020-21 to Rs.435.09 million in FY 2021- 22, accordingly the Profit after tax (PAT) registered an increase of 218.13% from Rs. 102.17 million in FY 2020-21 to Rs. 325.03 million in FY 2021- 22. The Company had a very good year aided by strong volume growth. During FY 2021-22, the Company had taken various measures to strengthen its business model and continue its growth momentum such as launching of various new products and variants. The Company has also undertaken initiatives with an objective to enhance customer reach and improve operating efficiencies by implementing cashless system in all Branches. Your Company had 338 operational Branches as on March 31, 2022.

Covid-19 Pandemic

The "Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2)", generally known as COVID-19, which was declared as a pandemic by the WHO on March 11, 2020, continued to spread across India and still there is substantial level of disruption on socioeconomic front across the country. Under the second wave of COVID-19 pandemic in April' 2021, which was considered to be more severe than the first one, several parts of the Country have imposed lockdown/ curfew in order to arrest the spread of the COVID-19 pandemic. There was a high level of uncertainty about the duration of the lockdown and the time required for things to get normal.

Under third wave, the recovery in economic activity has emerged. Both manufacturing and services remain in expansion with optimism on demand parameters and uptake in consumer and business confidence.

Further, in accordance with the Circulars issued by Reserve Bank of India (RBI) dated March 27, 2020, April 17, 2020, May 23, 2020 and May 05, 2021 with regard to providing relief to borrowers on account of COVID-19 pandemic, the Company had offered moratorium to eligible borrowers in accordance with a Board approved policy. Given the uncertainty over the potential macro- economic impact, the Company will continue to closely monitor any material changes to future economic conditions.

Dividend

The Directors of the Company feel that it is prudent to plough back the profits for future growth of the Company, hence, do not recommend any dividend for the Current Financial year to the equity shareholders. Since the Company issued Compulsorily Convertible Preference Shares in March 2022, the dividend is not due for the Financial Year 2021-22.

Subsidiary And Associate Companies

The Company had incorporated a Wholly Owned Subsidiary on October 25, 2021 pursuant to the approval of the Board of Directors in its meeting held on September 20, 2021 namely Credentia Finclusion Private Limited (Credentia). The other shareholder of the Wholly Owned Subsidiary was Mr. Vivek Tiwari, holding 1 (one) share as nominee shareholder of the Company. During the year under review, the Company has transferred the shares to other individuals by passing a Board Resolution in its meeting held on February 12, 2022 and the Credentia ceased to be a Subsidiary of the Company as on March 31, 2022.

During the year under review, in order to expand the business in Housing Finance Sector, the Company proposed to acquire the Baid Housing Finance Private Limited (Baid), a Company registered under Section 29A of the National Housing Bank Act, 1987 ("NHB Act") bearing registration no. 04.0166.18, subject to the RBI and other Statutory approvals. Accordingly, the Company had entered into Memorandum of Understanding (MOU), Shareholder's Agreement & Share Purchase Agreement with Baid and its Promoters for acquisition of 24% of Equity Share Capital of Baid. RBI vide letter No. DOR.HOL No. S463/27.01.001/2022-23 dated April 22, 2022, had approved the acquisition of remaining 76% stake of Baid and change in control therein. A Report on the performance and financial position of the associate/subsidiary company is included in the Consolidated Financial Statements and its contribution to the overall performance of the Company, is provided in Form AOC-1 as 'Annexure 8' and forms part of this Annual Report. Pursuant to aforesaid transaction, Baid shall be Subsidiary/wholly owned subsidiary of your Company.

The Company has promoted SATYA Shakti Foundation (the Foundation), a section 8 company, limited by guarantee under the Companies Act 2013 ("the Act") in order to undertake & support the Corporate Social Activities of the Company. During the year under review, the Foundation has undertaken various activities of social importance & details of the same forming part of this Board Report as Annexure-6.

Raising of Funds

A. Change in Capital Structure

As on the date of this Report, the Authorized Share Capital of the Company is Rs. 1,000 million comprising of 8,00,00,000 Equity Shares having face value of Rs. 10 each aggregating to Rs. 800 million and 2,00,00,000 Preference Shares having face value of Rs. 10/- each aggregating to Rs. 200 million.

During the year under review, the Board made a call of Rs. 1.5/-per share on Mr. Vivek Tiwari, holding 25,00,000 partly paid equity shares of Rs. 75/- each (having face value of Rs. 10/- each) of the Company amounting to Rs. 3.75 million.

Pursuant to the approval of the Members of the Company in their meeting held on March 15, 2022, the Company had:

I. Issued and allotted 26,50,000 (Twenty-Six Lakh Fifty Thousand) Equity Shares having face value of Rs. 10/- each at a premium of Rs.191/- per Equity Shares aggregating up to Rs. 532.65 million on Preferential and Private Placement basis to "Gojo & Company, Inc., Japan" (Gojo). Pursuant to the provisions of Section 2(87) of the Company, consequent to the allotment of Equity Shares to Gojo, the Company became the Subsidiary Company of Gojo.

II. Issued 57,00,000 (Fifty-Seven Lakh), 0.001% non-cumulative, compulsorily convertible Preference Shares (CCPS) having face value of Rs. 10/- each issued at a premium of Rs. 191/- per CCPS, aggregating to Rs. 1,145.70 million on a Preferential and Private Placement basis to Gojo in one or more tranche(s). Based on which the Company had allotted 29,85,100 (Twenty-Nine Lakhs Eighty-Five Thousand One Hundred) 0.001% non-cumulative, CCPS having face value of Rs. 10/- each issued at a premium of Rs. 191/- per CCPS, aggregating to Rs. 600.01 million in First tranche and to issue such number of Equity Shares of the Company having face value of Rs. 10 each as may be required to be issued upon conversion of such CCPS or as may be necessary in accordance with the terms of the offering to Gojo and on such terms and conditions contained in private placement offer cum application letter and such other details and in such manner as may be approved, finalized or decided by the Board from time to time.

Consequent upon the aforesaid call made, allotment of Equity Shares and CCPS, the Paid-up Share Capital of the Company are as follows:

1.) Equity Share Capital – Rs. 498.75 million*
2.) Preference Share Capital- Rs. 29.85 million

** (including amount recoverable from SATYA Employee Welfare Trust)*

B. Non-Convertible Debentures, Bank Loans & Commercial Papers

During the year under purview, the borrowing powers of the Company has been increased from 35,000 million to 50,000 million on the recommendation of the Board of Directors & duly approved by the members of the

Company in its Annual General Meeting held on June 28, 2021.

Apart from long-term loans, for diversification of the sources of funds and smooth operations, the Company raised a sum of Rs. 21,896.41 million by way of issuance of Non-Convertible Debentures, Securitization & Direct Assignments.

Capital Adequacy Ratio

The Company continues to fulfill all the norms and standards laid down by the RBI pertaining to non–performing assets, capital adequacy, etc. The Company has been able to maintain a Capital-to-risk weighted assets ratio (CRAR) of 22.95% as on March 31, 2022, which is well above the RBI mandated norm of 15%.

Ratings

During the year under review, ACUITE Ratings & Research Limited (ACUITE), ICRA Limited (ICRA) and CRISIL Limited (CRISIL), rated the securities of the Company as follows:-

Amount(Rs. in Millions)

S. No.	Name of Instrument	Rating Agency	Date as per final letter	Rating Assigned	Valid up to	Amount Rated
1.	Long term Bank Facilities	Acuite Rating & Research Ltd	03-Feb-22	ACUITE A- Stable	Refer Note 1	1500.00
2.	Long term Bank Facilities	ICRA Limited	24-Jan-22	[ICRA]BBB (Stable)	Refer Note 1	6000.0
3.	Long term Bank Facilities	CRISIL Ratings Limited	13-Jan-22	CRISIL BBB/Stable	Refer Note 1	3000.00
4.	Non-convertible debentures	CRISIL Ratings Limited	13-Jan-22	CRISIL BBB/Stable	Refer Note 1	1520.00
5.	Non-convertible debentures	ICRA Limited	14-Oct-21	[ICRA]BBB (Stable)	Refer Note 1	2708.00
6.	Non-convertible debentures	ICRA Limited	07-Dec-21	[ICRA]BBB (Stable)	Refer Note 1	420.00
7.	Non-convertible debentures	ICRA Limited	17-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	452.00
8.	Non-convertible debentures	ICRA Limited	24-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	260.00
9.	Market Linked debentures	ICRA Limited	14-Oct-21	PP-MLD [ICRA]BBB (Stable)	Refer Note 1	350.00
10.	Tier-II Bonds Programme	ICRA Limited	14-Oct-21	[ICRA]BBB (Stable)	Refer Note 1	250.00
11.	Subordinated Debt	ICRA Limited	14-Oct-21	[ICRA]BBB (Stable)	Refer Note 1	200.00
12.	Subordinated Debt	ICRA Limited	25-Feb-22	[ICRA]BBB (Stable)	Refer Note 1	300.00
13.	Subordinated Debt	ICRA Limited	14-Oct-21	[ICRA]BBB (Stable)	Refer Note 1	300.00

Note : 1 - The rating is subject to annual surveillance till final repayment/redemption of the rated facilities.

Ratings of Securitization transaction are as follows:-

S. No.	Name of Instrument	Rating Agency	Date as per final letter	Rating Assigned		Valid up to	Amount Rated
				Series 1	Series 2		(in million)
1.	Northern Arc 2021 MFI Wiener	ICRA Limited	15-Sep-21	[ICRA]A(SO)	[ICRA]A-(SO)	27-Apr-23	200.27
2.	Northern Arc 2021 MFI Benoni	ICRA Limited	15-Sep-21	[ICRA]A-(SO)	[ICRA]BBB +(SO)	27-Apr-23	303.32
3.	Howard Trust June 2021	ICRA Limited	21-Oct-21	[ICRA]A(SO)		20-Apr-23	765.37
4.	CredAvenue Claymore 03 2021	ICRA Limited	02-Jul-21	[ICRA]A-(SO)	[ICRA]BBB +(SO)	17-Nov-22	309.52
5.	Dirichlet Mosec June 2021	ICRA Limited	06-Oct-21	[ICRA]A-(SO)	[ICRA]BBB +(SO)	12-Apr-23	271.24
6.	Uchiha Trust 03 2022	ICRA Limited	04-Apr-22	[ICRA]A(SO)		10-Dec-23	202.51

Particulars Of Loans, Guarantees Or Investments

Pursuant to Section 186(11) (a) of the Act, 2013 read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loans made, guarantee given, or security provided or any investment made in the ordinary course of its business by a Non-Banking Financial Company (NBFC) registered with RBI is exempted from the applicability of provisions of Section 186 of the Act. Accordingly, the disclosures of the loans made, guarantee given, or security provided as required under the aforesaid section have not been given in this report.

Reserve Bank Of India (RBI) Directions

The Company is registered with RBI as a NBFC-MFI via Registration No. 14.01513. The Company continues to comply with the requirements prescribed by the RBI as applicable to it.

RBI via notification RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on Framework for Scale Based Regulation for Non-Banking Financial Companies, bifurcated the Regulatory structure of NBFCs in four layers i.e. NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL) based on their size, activity, and perceived riskiness. Your Company being a NBFC - Middle Layer (NBFC-ML), endeavors to ensure the compliance with this notification.

RBI via notification RBI/DOR/2021-22/89 DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022, on Framework for Microfinance Loans) Directions, 2022, provides the framework for providing the collateral free loan irrespective of end use and mode of application processing/ disbursal either through physical or digital channels), provided to low income households having household income upto INR 3,00,000/-. SATYA being NBFC-MFI is under process to comply with the aforesaid directions.

Listing

During the year, the Company has issued Non-Convertible Debentures, and the said Debentures are listed on the Bombay Stock Exchange (BSE).

S. No.	Debenture Holders	Amount (Rs. In million)
1.	JAPAN ASEAN Women Empowerment Fund	161
2.	BlueOrchard (Covid 2021)	221
3.	Microfinance Initiative for Asia Debt Fund SA.	161
4.	ResponsAbility India Business Advisors Pvt. Ltd.	800
5.	ResponsAbility India Business Advisors Pvt. Ltd.	420
6.	Northern Arc Income Builder Trust (Series II)	200
7.	BlueOrchard (JAWEF & BOMF)	450
	TOTAL	**2413**

Depository System

The Company's Equity Shares are not listed on any stock exchange and are being traded on off-market platform. As on March 31, 2022, 4,82,22,410 Equity Shares (93.86%) of the total issued shares was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, the Members holding shares in physical mode are advised to avail the facility of dematerialization. During the year under review, the Company had issued & allotted 26,50,000 Equity Shares and 29,85,100 Compulsorily Convertible Preference Shares and the same were also admitted in the dematerialized mode with the depository.

Transfer To General And Statutory Reserve

Pursuant to Section 45IC of the Reserve Bank of India Act, 1934, an amount of Rs. 65.01 million being 20% of the Profit After Tax (PAT) was transferred to Statutory Reserves of the Company.

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) thereof, the Annual Return of the Company for the year ended March 31, 2022, in the prescribed Form MGT-7 is available on the website of the Company on
https://satyamicrocapital.com/reports/Other%20disclosure/Annual%20Returns/Annual%20Return%202022.pdf

Corporate governance

The Report on Corporate Governance is annexed as Annexure- 1 and forms part of this Report. The Company is committed to maintain the high standards of corporate governance and is continuously striving to implement several best corporate governance practices.

Internal Financial Controls And Internal Control Systems

The Board of Directors confirms that the Company has laid down a set of standards, processes and structure which enables it to implement Internal Financial Controls across the organisation with reference to Financial Statements and that such controls are adequate and are operating effectively. During the financial year under review, no material or serious observation has been made regarding inefficacy or inadequacy of such controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, continuous monitoring by functional experts as well as testing of the Internal Financial Control systems by the internal auditors during the course of their audits. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls. The Company maintains an adequate and effective internal control system, commensurate with its size and complexity. The Company believes that these internal control systems provide a reasonable assurance that the Company's transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of the Company are adequately safeguarded against significant misuse or loss.

Internal Audit

The Company has put in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The framework is commensurate with the nature of the business and the size of its operations. Internal auditing at the Company involves the utilisation of a systematic methodology for analysing business processes or organisational problems and recommending solutions to add value and improve the organisation's operations. The audit approach verifies compliance with the regulatory, operational and system related procedures and controls. During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls.

Directors And Key Management Personnel (KMP)

All the Directors have varied experience and specialized knowledge in various areas of relevance to the Company. The Board consists of directors appointed as per the provisions of the Companies Act, 2013.

i Change in the composition of Board of Directors:

- Mr. Mukul Jaiswal (DIN: 02696656), due to his other professional engagements had resigned from the Directorship of the Company w.e.f. September 21, 2021. The Board placed on record its appreciation for the valuable contributions and services provided by Mr. Mukul Jaiswal during his tenure as Independent Director and Chairman of Audit Committee of the Company.
- Dr. Deepali Pant Joshi (DIN: 07139051), was appointed as an Additional Director in the category of Independent Director of the Company effective from September 24, 2021 and was regularized by the members in their meeting held on November 09, 2021. Further, the Board is of the opinion that Dr. Deepali Pant Joshi is a person of integrity and has more than 36 years of experience in Banking and Finance Sector and served as an Executive Director in the RBI.

ii Key Managerial Personnel ("KMP") of the Company:

- Mr. Sudhindra Kumar Sharma has resigned from the position of Chief Financial Officer of the Company w.e.f. October 31, 2021 due to his other professional engagements and Ms. Vandita Kaul was appointed as Chief Financial Officer w.e.f. November 01, 2021.
- Mr. Amit Jain was re-designated as Head-Legal with continuation in service w.e.f. April 18, 2022 and Choudhary Runveer Krishanan was appointed as the Company Secretary and Chief Compliance Officer of the Company w.e.f. April 18, 2022.
- The Board placed on record its appreciation for the valuable contributions and services provided by Mr. Sudhindra Kumar Sharma and Mr. Amit Jain during their tenure as Chief Financial Officer and the Company Secretary & Compliance Officer of the Company respectively.
- As on the date of this report, the details of the KMP of the Company were as follows:-

Sl. No.	Name	Designation
1.	Mr. Vivek Tiwari	Managing Director, CEO & CIO
2.	Ms. Vandita Kaul	Chief Financial Officer
3.	Choudhary Runveer Krishanan	Company Secretary & Chief Compliance Officer

iii Director liable to retire by rotation

- Mr. Saneesh Singh (DIN:- 02254868) will retire by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment.

Board Meetings

During the financial year 2021-22, your Board of Directors met 8 (Eight) times. The details of the Board Meetings and attendance thereof are provided in the Corporate Governance report.

Particulars Of Employees

The Company gives paramount importance to its employees. Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to achieve new milestones on a continual basis.

As of March 31, 2022, your Company had 3,530 employees on its roll. The Company has fair and transparent recruitment process and other policies which safeguard the interest of its employees. Your Company has been awarded with "GREAT PLACE TO WORK" certification which is recognized world over by employees and employers alike and is considered the Gold Standard in identifying and recognizing Great Workplace Cultures.

The statement of Disclosure of under Section 197(12) of the Companies Act, 2013, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of directors, key managerial personnel and employees of the Company is given in Annexure- 2 and Annexure- 3 respectively, and forms part of this Report.

ESOP

During the year under review, there was no change in SATYA Employee Stock Option Plan, 2018 (SATYA ESOP 2018). The eligible employees of the Company were allotted equity shares pursuant to vesting of ESOP options as per SATYA ESOP 2018 via Satya Employee Welfare Trust. ESOP disclosure pursuant to Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the provisions of Section 62 of the Companies Act, 2012 read with rules framed thereunder is annexed at Annexure- 4 to this Report.

Declaration By Independent Director(s)

The Company has received necessary declarations of independence from each of its Independent Directors under section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independent Directors envisaged in section 149(6) of the Companies Act, 2013.

Policy On Directors' Appointment And Remuneration

The Company has a Board approved remuneration policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of directors. The said Policy is directed to provide the framework that guides the remuneration strategy of the Company for its Directors, Key Managerial Personnel and other employees.

The said Policy is hosted on the Company's website at
https://satyamicrocapital.com/reports/Nomination%20Remuneration%20Policy.pdf.

Evaluation Of Performance

In terms of the provisions of section 178 of the Companies Act, 2013 read with rules made thereunder, the Nomination and Remuneration Committee has recommended the manner for an effective annual evaluation of performance of Board, its committees and individual directors to the Board of Directors for its approval as well as reviewed the implementation and compliance of various regulatory provisions. The Board of Directors in pursuance to the statutory provisions and the recommendation of the Committee has accordingly carried out an annual performance evaluation of individual directors. The Board of Directors expressed their satisfaction with the evaluation process. The Board of Directors also evaluated the functioning/performance of Board and its Committees and expressed satisfaction with their functioning/performance.

Director's Responsibility Statement

Pursuant to section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. That the directors have prepared the annual accounts for the FY March 31, 2022 on a going concern basis;

5. That the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

6. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Information On Material Orders Passed By The Regulators Or Courts Or Tribunal

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

Material Changes After The Balance Sheet Date

During the year, there is no material change in the nature of business of the Company which have occurred subsequent to the closure of the financial year of the Company.

Related Party Transactions

All the related party transactions pursuant to Section 188(1) of the Companies Act, 2013 ("the Act") that were entered into by your Company during the year under review were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by your Company with its promoters, directors, key managerial personnel or other designated persons, which might have any conflict with the interest of the Company. Accordingly, there are no transactions that are required to be reported in AOC-2 and as such does not form part of this report. Details of related party transactions may be referred to in Note 33 of the Financial Statements.

The Company's policy on dealing with related party transactions, as approved by the Board, is available on the website of the Company and can be accessed at
https://satyamicrocapital.com/reports/Related%20Party%20Transactions%20Policy.pdf.

Auditors & Their Reports

Statutory Auditors

During the year under review, M/s S.R. Batliboi & Associates LLP (LLP Identity No. AAB-4295), Chartered Accountants (Firm No. FRN 101049W / E300004), in compliance with RBI notification no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, ceased to be the Statutory Auditors of the Company effective from September 23, 2021.

The Board placed on record its sincere appreciation for the services rendered by M/s S.R. Batliboi & Associates LLP, Chartered Accountants during their tenure.

M/s S.N. Dhawan & Co., LLP (Firm No. FRN 000050N/N500045) was appointed as the Statutory Auditors of the Company to fill the casual vacancy and conducted the Statutory Audit for the financial year ended on March 31, 2022 who shall hold the office until the conclusion of ensuing Annual General Meeting. M/s. S.N. Dhawan & Co. LLP have confirmed their eligibility for FY 2022-23 under section 141 of the Companies Act 2013 (includes amendments thereto) and the RBI Guidelines, and the said appointment is in accordance with the applicable provisions of the Act and rules framed thereunder and the RBI Guidelines.

Your Directors do not observe any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor in its report. The Statutory Auditors have also confirmed their independence, which has been duly took on record by the Audit Committee.

Secretarial Auditors

In terms of section 204 of the Companies Act, 2013 and rules framed thereunder and on the recommendation of the Audit Committee, the Board of Directors of the Company had appointed M/s Vinod Kothari & Company, Company Secretaries (Unique Identification Code: P1996WB042300) as the Secretarial Auditors of the Company for the financial year 2021-22. Secretarial audit report as provided by M/s Vinod Kothari & Company is also annexed to this Report, in the prescribed Form MR-3, as Annexure-5.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Internal Auditors

In terms of section 138 of the Companies Act, 2013 and rules framed thereunder and on the recommendation of the Audit Committee, the Board of Directors of the Company had appointed KPMG as the Internal Auditors of the Company for the financial year 2021-22.

The Internal Audit Report does not contain any material qualification or adverse remarks.

Secretarial Standards

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

Disclosure Under Prevention Of Sexual Harassment Policy

Your Company has complied with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Prevention of Sexual Harassment (POSH) Policy is in place and Internal Complaints Committee (ICC) has been re-constituted and is fully operational & functional. The constitution of ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external member with relevant experience. The Committee meets at regular intervals in order to ensure and enhance security of female employees.

The disclosure as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for Financial Year 2021-22 is given below:

Number of complaints filed during the financial year: 1(One)
Number of complaints disposed of during the financial year: 1(One)
Number of complaints pending as on end of the financial year: Nil
The said Policy can be accessed at https://satyamicrocapital.com/reports/Satya%20POSH%20Policy.pdf.

Details Of Establishment Of Vigil Mechanism/whistle Blower Policy For Directors And Employees

Your Company has an effective Vigil Mechanism system/ Whistle Blower Policy for directors and employees to report their genuine concern or grievance and to adhere to the highest standards of ethical, moral and legal conduct of business operations. No complaints were received during the financial year 2021-22.

The said Policy can be accessed at
https://satyamicrocapital.com/reports/Whistle%20Blower%20Policy_V1.0.pdf.

Corporate Social Responsibility

As per the requirements of the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder, your Company had constituted a Corporate Social Responsibility (CSR) Committee. As on March 31, 2022, Members of the Committee were :-

1. Mr. C.P. Mohan,
2. Dr. Deepali Pant Joshi,
3. Mr. Taejun Shin, and
4. Dr. Ratnesh Tiwari,

The Committee has formulated the CSR policy indicating the activities to be undertaken by the Company from time to time. The Committee has been entrusted with the prime responsibility of implementation of the activities under the CSR Policy and recommend the amount to be spent on such CSR activities during the year. The Committee is also responsible for recommending to the Board such activities which could be undertaken as per CSR policy.

The CSR Policy of your Company, as adopted by the Board is available on the Company's website at https://satyamicrocapital.com/reports/CSR%20Policy%20Satya.pdf.

Your Company has undertaken the CSR activities and complied with the provisions of Section 135 of the Companies Act, 2013.

During the Financial Year under review, your Company spent Rs. 4.39 million on its CSR activities towards Health & Welfare, as against the required CSR liability amounting to Rs. 1.72 million, 2% of the average net profits of previous three financial years.

The CSR initiatives undertaken by your Company along with other CSR related details form part of the Annual Report on CSR activities for FY 2021-22, which is annexed as Annexure- 6.

Management Discussion And Analysis

A detailed discussion on the Company's operational and financial performance are given in the Management Discussion and Analysis Report which is annexed to this Report as Annexure-7.

Deposits

The Reserve Bank of India in exercise of its powers under The Reserve Bank of India Act, 1934, has granted NBFC-MFI (Registration no. 14.01513) status to the Company. During the FY 2021-22, the Company has not accepted any public deposits and the Board of Directors has passed the resolution that the Company will not accept or hold any public deposits in FY 2022-23.

Risk Management

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity and enables us to be resilient and respond decisively to the changing environment. Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as strategic, operational, financial, legal and regulatory.

Risk Management Committee of the Board assist the Board in its oversight of various risks, review of compliance with risk policies, monitoring of risk tolerance limits, review and analyse the risk exposures related to specific issues and provides oversight of risk across the organization. The details of the Committee along with its terms of reference are set out in the Corporate Governance Report, forming part of this Report. The Board of Directors had also adopted Risk Management Policy for the Company which provides for identification, assessment and control of risks that in the opinion of the Board may threaten the existence of the Company. The management identifies and controls risks through proper operations, management & defined framework in terms of the aforesaid Policy. During the year under review, Mr. Ranjeet Mishra was the Chief Credit & Risk Officer of the Company. The Risk Management Policy as adopted by the Board is available on the website of the Company at https://satyamicrocapital.com/reports/Risk%20Management%20Policy.pdf

Conservation Of Energy & Technology Absorption And Foreign Exchange Earnings And Outgo

Your Company, being engaged in financing business within the Country, does not have any activity relating to conservation of energy, technology absorption and export of materials, goods or services. The directors, therefore, have nothing to report on conservation of energy and technology absorption.

The information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows:

- Parts A and B pertaining to conservation of energy and technology absorption - NIL
- Foreign exchange earnings and outgo:
  - Earnings – NIL
    Outgo – Rs. 13.51 million (Previous year Rs. 124.30 million) on account of :-

Particulars	Amount (Rs. in Million)
Interest Payment - ECB	12.70
Legal & professional Fees	0.11
Director Sitting Fees	0.70
Total	**13.51**

Change In The Nature Of Business

There were no such changes occurred in the nature of business during the financial year under review.

Maintenance Of Cost Records By The Company

The Company is not required to maintain cost records as specified by the Central Government as provisions of sub-section (1) of section 148 of the Companies Act, 2013 is not applicable on the Company.

Change In Director's Disclosure

Directors have disclosed their interest of shareholdings and Directorship in other Companies at the beginning of the financial year 2021-22 and interest changed during the year.

Change In Name Of The Company

The Company has not changed the name during the period under review.

Financial Year Of The Company

The financial year of the Company is kept uniform so as to begin from April 01 and to the end on March 31st every year.

Fraud Reporting

No material fraud has been found during the period under review and no reporting of the same has been done by any Auditor of the Company.

Disclosures Under The Insolvency And Bankruptcy Code, 2016

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

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

Since during the year under review, the Company has not done One Time Settlement, against loan obtained by the Company with Bank/FI, hence the above is not applicable.

Acknowledgements

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

For and on behalf of the Board of Directors

Sd/-
Vivek Tiwari
Managing Director,
CEO & CIO
DIN: 02174160

Sd/-
Ratnesh Tiwari
Director
DIN: 07131331

Place: Flic en Flac (Mauritius)
Date: May 19, 2022

ANNEXURE-1

Report On Corporate Governance

Company's Philosophy On Code Of Governance

Mission of SATYA MicroCapital Limited is to be a preferred choice for the people at the bottom of pyramid in creation of their enterprise and livelihood through holistic approach. For achieving this, the organization strives to adopt best practices and policies on corporate governance through transparency in business ethics and accountability to its customers and stakeholders.

The Company believes that corporate governance is not limited to merely creating checks and balances. It is more about creating organizational excellence leading to increase in employee and customer satisfaction and long-term shareholders' value without compromising on ethical standards.

Board Of Directors ("Board")

It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation. The Company has defined roles and responsibilities of the Board and Committees Members to systematize the decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

As on March 31, 2022, your Board of Directors comprised of 9 (nine) directors which includes 4 (four) being non-executive & independent Directors, 4 (four) non-Executive & non independent Directors and 1 (one) Managing Director of the Company. Composition of your Board is diverse, optimum and balanced in terms of specialization in one or more areas. The Board of Directors considers the interest of all stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management. Moreover, the Board while discharging its fiduciary responsibilities very well ensures that the management adheres to the high standards of ethics, transparency and disclosures. The Non-Executive Directors including Independent Directors bring objective and independent perspective in Board deliberations and decisions as they have a wider view of external factors affecting the Company and its business. They make a constructive contribution to the Company by ensuring fairness and transparency while considering the business plans devised by the management team. The profile of the Directors can be accessed on our website at https://satyamicrocapital.com/our-board/.

All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Independent Directors helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments, corporate governance and standards of conduct. During the year under review, the Independent Directors held a separate meeting in pursuance of applicable statutory and regulatory provisions. The Company has received necessary declarations of independence from each of its Independent Directors under section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independent Directors envisaged in section 149(6) of the Companies Act, 2013. During the reporting financial year, the Independent Directors of the Company met on February 12, 2022 wherein the items as enumerated under Schedule IV to the Companies Act, 2013 were discussed.

During the year, Mr. Mukul Jaiswal (DIN: 02696656), due to pre-occupation in other engagements has resigned from the directorship of the Company with effect from September 21, 2021 and Dr. Deepali Pant Joshi (DIN:-07139051) was appointed as an Additional Director in the category of Independent Director with effect from September 24, 2021 and regularized in the Extra-Ordinary General Meeting held on November 09, 2021. Your Board of Directors placed on record its deep appreciation for the valuable services and guidance received from Mr. Mukul Jaiswal during his tenure as Independent Director of the Company.

Meetings & Attendance

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. The Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. It sets strategic goals and seeks accountability for their fulfilment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspiration and societal expectations. In order to meet out the responsibilities, the Company holds a minimum of four Board meetings every year complying with the provisions of Companies Act, 2013 and

applicable Secretarial Standard for conduct of Board Meetings. Additional Board Meetings are held by the Company to address specific needs, as and when required. In case of urgency or business exigencies, matters are also approved by way of resolution by circulation as per the provisions of Companies Act, 2013, and subsequently noted in the next Board meeting. The Company circulates the agenda and related notes/ documents well in advance via e-mail and convene application to the Board and its Committee Members on their registered mail ids.

The functional heads of the Company periodically give presentations to the Board covering their respective operations, performance, plans and strategies and discuss upon the areas of improvement and prospective opportunities.

As a practice, the Company Secretary communicates all important action points as directed by the Board Members/ Committee Members to the functional head of the concerned departments, for their requisite report thereon in the subsequent meetings.

Number & Dates of Board Meeting:

During the Financial Year 2021-22, the Board met 08 (Eight) times on April 27, 2021, May 21, 2021, August 10, 2021, September 20, 2021, September 24, 2021, November 13, 2021, February 12, 2022 and March 21, 2022. The gap between two consecutive meetings did not exceed 120 days as stipulated under Section 173 of Companies Act 2013 and Secretarial Standards - 1 as issued by the Institute of Company Secretaries of India (ICSI).

Attendance of directors at board meetings and their directorships in other companies as on March 31, 2022, are given below:

Name of the Directors	Nature of Directorship	Number of Board Meetings		Whether attended last AGM	No. of Directorships in other companies
		Held during the tenure	Attended		
Mr. Vivek Tiwari	Managing Director, CEO & CIO	8	8	Yes	5
Dr. Ratnesh Tiwari	Director	8	7	No	7
*Mr. Mukul Jaiswal	Independent Director	4	3	Yes	4
Mr. C. P. Mohan	Independent Director	8	8	Yes	2
Mr. Saneesh Singh	Nominee Director	8	8	Yes	7
Mr. Sanjay Gandhi	Nominee Director	8	8	Yes	4
Mr. Naveen Surya	Independent Director	8	8	Yes	2
Ms. Surekha Marandi	Independent Director	8	8	No	1
Mr. Taejun Shin	Nominee Director	8	8	Yes	1
**Dr. Deepali Pant Joshi	Independent Director	3	3	NA	3

** Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021.*
***Dr. Deepali Pant Joshi was appointed as an Additional Director in the category of Independent Director on the Board with effect from September 24, 2021.*

There is no pecuniary relationship or transaction of Non-Executive Directors vis-à-vis the Company, apart from the sitting fees received by them for attending the Meetings of the Board and Committee(s) thereof.

Board Agenda

The notices of Board Meetings are given well in advance to all the Directors. The Board members are provided agenda setting out the business to be transacted at the Meeting, with well-structured and comprehensive notes on agenda, to enable them to take informed decisions. Agenda papers are circulated atleast seven days prior to the date of the Meeting. Additional/ supplementary items are taken up with the permission of Chair and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated in the Meeting/ placed before the Meeting.

Committees Of The Board

The Board of Directors has constituted various Board Committees with specific terms of reference to ensure timely and effective working of the Board & the Company in addition to comply with the provisions of the SEBI (LODR) Regulations, 2015, other regulations/guidelines of Securities and Exchange Board of India (SEBI) and other statutory provisions. The Committees operate as empowered bodies of the Board. There are 7 (Seven) Committees of the Board of Directors, which have been delegated adequate powers to discharge their roles & responsibilities and urgent business of the Company. The composition and functioning of these Committees are in compliance with the applicable provisions of the Companies Act, 2013, SEBI (LODR) and also in consonance

with the Master Directions issued by the RBI for NBFC's. As on March 31, 2022, the following committees were in operation:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Risk Management Committee;
4. Corporate Social Responsibility Committee;
5. Asset & Liability Management Committee;
6. IT Strategy Committee; and
7. Working Committee;

The Committees meet as often as required. The Minutes of Meetings of the Committees are circulated to the Board of Directors. The brief description of terms of reference and composition of these Committees are as follows:-

1.) Audit Committee

As a measure of good Corporate Governance and also to meet the statutory provisions of the NBFC Regulations and RBI Master Directions and in accordance with section 177 of the Companies Act, 2013, the Audit Committee has been constituted with the primary objective to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

Majority of the members of the Committee are Independent Directors. All the Members of the Audit Committee have the required qualification and expertise for appointment in the Committee and possess requisite knowledge of accounting and financial management.

During the year, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

As on March 31, 2022, the Committee comprises of six members. The Company Secretary is the secretary of the Committee. The invitees include Chief Financial Officer. Further, the representative of Statutory Auditor, Internal Auditor and other executives of the Company are also invited in the Audit Committee Meetings, as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting. During the year under review, the Committee met 6 (Six) times on May 21, 2021, August 10, 2021, September 20, 2021, September 24, 2021, November 13, 2021 and February 12, 2022 and the attendance of members at the Meetings were as follows:

Name	Number of Meetings	
	Held during the year	Attended
Mr. C. P. Mohan	6	6
Mr. Saneesh Singh	6	6
Mr. Sanjay Gandhi	6	6
*Dr. Deepali Pant Joshi	2	2
Ms. Surekha Marandi	6	6
Mr. Naveen Surya	6	6
**Mr. Mukul Jaiswal	3	2

Dr. Deepali Pant Joshi was appointed as the members of the Committee w.e.f. September 24, 2021.
***Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021.*

Terms of Reference

The Audit Committee has the following responsibilities:

- To take cognizance of the internal Audit Reports, independence of auditors and effectiveness of the audit report;
- To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, scope of audit and frequency of internal audit;
- To recommend appointment, remuneration and terms of appointment of auditors;
- To ensure adequacy of whistle blower policy;
- To look into cases of defaults, frauds done to or done by the organization;
- To periodically interact with the statutory auditor and approval of payment to statutory auditors for any

other services rendered by the statutory auditors;

- To ensure that the financial statements are correct, sufficient and credible;
- To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with reference to:

  (a) Any matter required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; (b) Any change in accounting policy; (c) Any significant transaction or financial irregularity; (d) Loan write-offs; (e) Related party transaction; (f) Capital expenditure; (g) Any significant accounting adjustment; (h) Any significant increase in liabilities; (i) Contingent liabilities
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- The Audit Committee ensures the rotation of partner/Chartered accountant firm in conducting the audit. The Audit firm need to be replaced after carrying out three consecutive audits and can be eligible for company audit after an interval of Six years as per the RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs).
- The Audit Committee mandatorily review the following information:

  (a) Management discussion and analysis of financial condition and results of operations;
  (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  (d) Internal audit reports relating to internal control weaknesses; and
  (e) The appointment, removal and terms of remuneration of the internal auditor is subject to review by the audit committee.

2.) Nomination and Remuneration Committee

The terms of reference of the Committee are in accordance with the provisions of the Companies Act and the regulations framed by Reserve Bank of India. It discharges such other functions as may be delegated by the Board of Directors from time to time. The Remuneration Policy is available at Company's website at https://satyamicrocapital.com/reports/Nomination%20Remuneration%20Policy.pdf

The Committee has recommended to the Board of Directors, the manner for an effective annual performance evaluation of the Board, its Committees and individual directors. The Board has accordingly carried out an annual performance evaluation of individual directors. The Board expressed its satisfaction with the evaluation process. It also evaluated the functioning/ performance of Board and its Committees and expressed satisfaction with their functioning/performance.

As on March 31, 2022, the Committee comprised of Five (5) members. The Committee held 3 (Three) meetings during the year on May 20, 2021, September 20, 2021 and September, 24, 2021 and the attendance of members at the Meetings was as follows:

Name	Number of Meetings	
	Held during the year	Attended
Mr. Vivek Tiwari	3	3
Mr. C. P. Mohan	3	3
Mr. Saneesh Singh	3	3
*Mr. Mukul Jaiswal	2	0
Mr. Sanjay Gandhi	3	3
Mr. Naveen Surya	3	3

** Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021.*

The Committee has the following Terms of reference:

- Formulate criteria for determining qualifications with respect to appointment of directors for Board. This includes qualifications, positive attributes and independence of a Director;
- Ensure 'fit and proper' status of proposed/ existing Directors;
- To recommend the Board on the appointment, extension or removal of Directors/Senior Management in accordance with criteria laid down or on the basis of the report of performance evaluation of Directors / Senior Management;

- To recommend to the Board on
  (a). Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management, and (b). Executive Directors remuneration and incentive.
- To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company;
- Administer the ESOP Scheme/Plan of the Company.

3.) Risk Management Committee

Pursuant to the Master Direction issued by RBI for NBFCs, every NBFC whose assets base is of Rs. 100 crores or above should have a Risk Management Committee to manage the integrated risk of the Company. In view of the same, Risk Management Committee has been constituted to manage and mitigate the risk of the Company. The Company has established effective risk assessment and minimization procedures, which are reviewed by the Risk Management Committee periodically. There is a structure in place to identify and mitigate various risks identified by the Company from time to time. At the meeting of the Risk Management Committee, the same is reviewed and new risks are identified and after their assessment, their controls are designed, put in place with specific responsibility of the concerned person for its timely achievement.

The Risk Management Committee of the Board, comprised of 9 (nine) members as on March 31, 2022. The Committee met 4 (Four) times during the year on May 20, 2021, August 10, 2021, November 10, 2021 and February 11, 2022 and the attendance of members at the Meetings was as follows:

Name	Number of Meetings	
	Held during the year	Attended
Mr. Vivek Tiwari	4	4
*Mr. Mukul Jaiswal	2	1
Mr. Saneesh Singh	4	4
Mr. Sanjay Gandhi	4	4
Dr. Ratnesh Tiwari	4	3
Ms. Surekha Marandi	4	4
**Dr. Deepali Pant Joshi	2	2
**Ms. Vandita Kaul	2	2
*Mr. Sudhindra Sharma	2	2
Mr. Ranjeet Kumar Mishra	4	4
Ms. Gaurangini Jain	4	4

**Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021 and Mr. Sudhindra Sharma, Chief Financial Officer, resigned from the Company w.e.f. October 31, 2021.*

***Dr. Deepali Pant Joshi, Independent Director of the Company, and Ms. Vandita Kaul, CFO, were appointed as the member of the Committee w.e.f. September 24, 2021 and November 01, 2021 respectively.*

Terms of Reference- The Risk Management Committee has the following responsibilities:

- To monitor and review the risk management plan.
- To review operational risk (including sub risk for operational risk), credit risk, market risk, interest rate risk and other risks associated with the business of the organization.
- To take Strategic actions to mitigate the risk associated with the nature of the business.
- To appraise the Board of directors at regular intervals regarding the process of putting in place a progressive risk management system, risk management policy and strategy.
- To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws, and
- To lay down procedure to inform Board members about the risk assessment and minimization procedures.

4.) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is constituted by the Board of Directors to promote a culture that emphasizes and sets high standards for corporate social responsibility and reviews corporate performance against those standards.

The Committee considers the impact of the Corporation's businesses, operations and programs from a social responsibility perspective, taking into account the interests of shareholders, clients, employees, communities and regulators. The Corporate Social Responsibility Committee of the Board, comprised of 4 (four) members as on March 31, 2022. During the year, the Committee met twice on May 20, 2021 and August 10, 2021 with the requisite quorum and the attendance of members at the Meeting was as follows:

Name	Number of Meetings	
	Held during the year	Attended
*Mr. Mukul Jaiswal	2	2
Dr. Ratnesh Tiwari	2	2
**Dr. Deepali Pant Joshi	-	-
Mr. C. P. Mohan	2	2
Mr. Taejun Shin	2	2

Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021
***Dr. Deepali Pant Joshi, Independent Director of the Company, was appointed as the member of the Committee w.e.f. September 24, 2021.*

The terms of reference of the Committee includes formulating and recommending to the Board a Corporate Social Responsibility ("CSR") Policy indicating the activities to be undertaken by the Company as specified in the Companies Act, 2013, recommending the amount of expenditure to be incurred on such activities and monitoring the CSR Policy from time to time. It also reviews periodically the progress of CSR projects / programs / activities undertaken by the Company. CSR Policy is available on the website of the Company at https://satyamicrocapital.com/reports/CSR%20Policy%20Satya.pdf.

5.) Asset & Liability Management Committee

Pursuant to guidelines issued by Reserve Bank of India (RBI) on Asset Liability Management (ALM) System for NBFCs, your Company had constituted an Asset Liability Management Committee (ALM Committee) to maintain proper & adequate ALM systems, check the Asset Liability mismatches, interest risk exposure and to help the Company to improve the overall system for effective risk management in various portfolios held by the Company. Mr. Vivek Tiwari, Managing Director, CEO & CIO of the Company is the Chairman of the Committee and possesses rich and varied experience and knowledge in the finance field. The other members as mentioned below are learned and eminent personalities in their respective fields. All members of the Committee are also experienced and are heading the industrial and service sectors.

The Committee held 4 (Four) meetings during the year on May 20, 2021; August 10, 2021; November 10, 2021 and February 11, 2022 and the attendance of members at the Meetings were as follows:

Name	Number of Meetings	
	Held during the year	Attended
Mr. Vivek Tiwari	4	4
Mr. Saneesh Singh	4	4
Mr. Sanjay Gandhi	4	4
*Mr. Sudhindra Sharma	2	2
Ms. Surekha Marandi	4	4
*Ms. Vandita Kaul	2	2
**Dr. Deepali Pant Joshi	-	-

**Ms. Vandita Kaul, Chief Financial officer, was appointed as Member of the Committee in place of Mr. Sudhindra Sharma w.e.f. November 01, 2021.*
*** Dr. Deepali Pant Joshi, Independent Director, was appointed as member of Committee w.e.f. February 12, 2022.*

6.) IT Strategy Committee

Pursuant to RBI Master Direction-Information Technology Framework for the NBFC sector dated June 08, 2017, the Company has constituted an IT Strategy Committee to review the IT strategies in line with the corporate strategies, board policy reviews, cyber security arrangements and any other matter related to IT governance. During the year under review, the members of the IT Strategy Committee met 3 (Three) times on May 20, 2021, November 11, 2021 and February 12, 2022. The constitution of the IT Strategy Committee and the attendance record of members in the Committee Meetings are as under:

Name	Number of Meetings	
	Held during the year	Attended
Mr. Vivek Tiwari	3	3
Mr. Naveen Surya	3	3
Dr. Ratnesh Tiwari	3	3
Mr. Ashutosh Kumar Srivastava	3	3

Name	Number of Meetings	
	Held during the year	Attended
Mr. Ranjeet Kumar Mishra	3	3
Mr. Taejun Shin	3	3

7.) Working Committee of Directors

The Working Committee of Directors deals with routine matters of the Company on day to day basis and the matters relating to borrowing, investment of surplus funds, opening and closure of Bank accounts, allotment of NCDs, issue of commercial paper (CP) & other debt instrument and all other matters as prescribed and delegated to the Committee by the Board from time to time. The Committee comprises of Mr. Vivek Tiwari and Dr. Ratnesh Tiwari as its members. The Company Secretary of the Company is the secretary of the Committee. This Committee generally meets as and when required to deal with day to day affairs of the Company. During the year under review, 42 (Forty-Two) meetings of the Committee were held.

Related Party Transactions

In terms of Section 188(1) of the Companies Act, 2013, all related party transactions entered into by the Company during FY 2021-22 were duly approved by the Audit Committee and the Board of Directors. The transactions with the Related Parties are on arm's length basis and in the ordinary course of business of the Company and do not have any potential conflict with the interests of the Company at large. The policy on dealing with Related Party Transactions is disclosed on the Company' website at https://satyamicrocapital.com/reports/Related%20Party%20Transactions%20Policy.pdf.

Vigil Mechanism/whistle Blower Policy

In compliance with the applicable provisions of the Companies Act, 2013 and other applicable regulations, the Audit Committee of the Company approved the policy/ mechanism on dealing with whistle blowers. The Audit Committee reviews the same as and when required. During the year, no individual was denied access to the Audit Committee for reporting concerns, if any. The Company has put in place a Whistle Blower Policy to support the Code of Conduct. The said Policy/mechanism is disclosed on the Company' website, link for which is https://satyamicrocapital.com/reports/Whistle%20Blower%20Policy_V1.0.pdf. During the year under review, no complaint has been received by the Company.

General Body Meetings

Details of the Annual General Meeting (AGM)/ Extra-ordinary General Meetings (EGMs) held during the financial year 2021-22 are given below:

Meeting	Date	Time	Location	No. of special resolutions passed
AGM	June 28, 2021	03:00 P.M	519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, Delhi-110020	03
EGM	November 09, 2021	11:30 A.M		00
EGM	December 20, 2021	03:00 P.M		01
EGM	March 15, 2022	03:30 P.M		01

Debenture Holder Details

The details regarding the Debenture Holders along with ISIN as on March 31, 2022 are given as under:-

ISIN	Name of Debenture Holder	Address	Amount (In Millions)	No of Debentures	Particulars
INE982X07085	Microfinance Enhancement Facility, SICAV SA-SIF	Citibank N.A. Custody Services Fifc- 9th Floor, G Blockplot C-54 And C-55, Bkcbandra - East, Mumbai-400098	200	200	Secured, Rated, Listed, Redeemable, Transferable, Non- Convertible Debentures
INE982X07085	UTI International Wealth Creator 4	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai- 400001	200	200	Secured, Rated, Listed, Redeemable, Transferable, Non- Convertible Debentures

ISIN	Name of Debenture Holder	Address	Amount (In Millions)	No of Debentures	Particulars
INE982X07051	IFMR FIMPACT INCOME BUILDER FUND	IFMR Finance for Freedom Fund V Ground Floor Axis House Bombay Dyeing Mills Compound Mumbai Maharashtra 400025	150	1500	Rated, Unsubordinated, Secured, Transferable, Redeemable, Non-Convertible Debentures
INE982X08018	IFMR FIMPACT LONG TERM CREDIT FUND	10th Floor Phase 1 IIT Madras Research Parkkanagam Village Taramanichennai Tamil Nadu-600113	200	200	Rated, Subordinated, Unsecured, Transferable, Redeemable, Non-Convertible Debentures
INE982X08034	Various Debenture-Holders in the category of Individuals, HUF, Companies etc	702 Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off. Bandra Kurla Complex, Bandra (East), Mumbai-400051	100	10 million	Rated, Listed, Unsecured, Subordinated, Redeemable, Taxable, Non-Convertible Debentures
INE982X08042	Various Debenture-Holders in the category of Individuals, HUF, Companies etc	702 Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off. Bandra Kurla Complex, Bandra (East), Mumbai-400051	150	15 million	Rated, Listed, Unsecured, Subordinated, Redeemable, Taxable, Non-Convertible Debentures
INE982X07184	UTI International Wealth Creator 4	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	285	285	Rated, Listed, Secured, Redeemable Transferable Non-Convertible Debentures
INE982X07077	Aviator Global Investment Fund	Suite 209, 2nd Floor NG Towerebene Cybercity-72201 111111	249.8	24983	Unlisted, Unsubordinated, Secured, Transferable, Redeemable, Non-Convertible Debentures
INE982X07077	Northern Arc Capital Limited	IFMR Capital Finance Private Limited No 1 X Floor Kanagam Village IIT Research Park Taramani Chennai Tamil Nadu 600113	249.8	24983	Unlisted, Unsubordinated, Secured, Transferable, Redeemable, Non-Convertible Debentures
INE982X07093	JAPAN ASEAN Women Empowerment Fund	Standard Chartered Banksecurities Services, 3rd Floor23-25, Mahatma Gandhi Roadfort, Mumbai-400001	345	345	Secured, Rated, Listed, Redeemable, Transferable, Non-convertible Debentures
INE982X07101	InsuResilience Investment Fund, Debt-Sub Fund	Standard Chartered Banksecurities Services, 3rd Floor 23-25 Mahatma Gandhi Roadfort, Mumbai- 4 00001	380	380	Secured, Rated, Listed, Redeemable,Transferable, Non-convertible Debentures
INE982X07119	Vivriti India Impact Bond Fund	12th Floor No 471prestige Polygonanna Salai Nandanamchennai Tamil Nadu- 600035	250	25 million	Rated, Unlisted, Secured, Redeemable, Taxable, Non-Convertible Debentures
INE982X07127	Microfinance Initiative For Asia (MIFA) Debt Fund SA, SICAV-SIF	Citibank n.a. Custody services fifc- 9th floor, g blockplot C-54 and C-55, BKC bandra - east, mumbai- 400098	260	260	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07135	Northern Arc Income Builder Fund (Series II)	IITM Research Park Phase110th Floor no 1 Kan Agam Villagtaramani Chennai Tamilnadu-600113	200	2000	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07143	Microfinance Initiative for Asia (MIFA) Debt Fund SA, SICAV-SIF	Citibank N.A. Custody Services fifc- 9th Floor, G Block plot C-54 and C-55, BKC Bandra - East, Mumbai- 400098	161	161	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures

ISIN	Name of Debenture Holder	Address	Amount (In Millions)	No of Debentures	Particulars
INE982X07150	COVID-19 Emerging and Frontier Markets Msme Support Fund SCSP SICAV-RAIF - AFRASIA	Citibank N.A. Custody Servicesfifc- 9th Floor, G Blockplot C-54 and C-55, BKC Bandra - East, Mumbai-400098	221	221	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07168	Japan Asean Women Empowerment Fund	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	161	161	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07176	UTI International Wealth Creator 4	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	800	800	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07192	GMO-Z.COM Payment Gateway India Credit Fund	68 Film Centerc-34 3rd Floorj Dadaji Road Tardeo Mumbai-400034	300	300	Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures
INE982X07218	Microfinance Enhancement Facility SA, SICAV-SIF	Citibank N.A., Custody Services FIFC- 9th Floor, G Blockplot C-54 and C-55, Bkcbandra - East, Mumbai-400098	370	370	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07218	UTI International Wealth Creator 4	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	50	50	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07234	Blueorchard Microfinance Fund	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	225	225	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X07234	Japan Asean Women Empowerment Fund	Standard Chartered Bank Securities Services, 3rd Floor23-25 Mahatma Gandhi Roadfort, Mumbai-400001	225	225	Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures
INE982X08067	Northern Arc India Impact Trust	10th FLoor Phase 1 LIT Madras Research Parkkangam Village Taramanichennai Tamil Nadu India-60011	300	300	Rated, Unlisted, Unsecured, Redeemable, Transferable, Non-Convertible Debentures
INE982X08059	Vivriti India Impact Bond Fund	12th Floor No 471 Prestige Polygon Anna Salai Nandanam Chennai Tamil Nadu 600035	300	3000	Rated, Unlisted, Subordinated, Unsecured, Redeemable, Transferable, Dematerialised, Non-Convertible Debentures
INE982X07226	Creation Investments FPI LLC	ICICI Bank Ltd SMS Dept 1st Floor Empire Complex 414 Sb Marg Lower Parel Mumbai Maharashtra 400013	130	130	Rated, unlisted, senior, transferable, redeemable, taxable, non-convertible debentures
INE982X07226	Vivriti Capital Private Limited	12th Floor 471 Prestige Polygon Annasalai Nandanam Chennai Tamil Nadu 600035	130	130	Rated, unlisted, senior, transferable, redeemable, taxable, non-convertible debentures

Redemption During Financial Year 2021-22

- On August 21, 2021, the Company redeemed 200 Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures having a face value of Rs. 10,00,000/- each.
- On August 24, 2021, the Company redeemed 340 Rated, Listed, Senior, Secured, Redeemable, Taxable, Non-Convertible Debentures having a face value of Rs. 10,00,000/- each.

Registrar And Share Transfer Agent

In pursuance of Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all activities in relation to electronic transfer facility with respect to Non-Convertible Debentures (NCDs) are maintained by our Registrar & Transfer Agent (RTA) i.e. Link Intime India Private limited having SEBI Registration

No. INR000004058.
The transfers in relation to NCDs held in electronic form are processed by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through their respective Depository Participants.

Code of Conduct

The Company had adopted Code of Conduct which is available on the website of the Company at https://satyamicrocapital.com/reports/MFIN%20Code%20of%20Conduct.pdf. The object of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. This Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and with the external environment in which the Company operates.

Means Of Communication

(a) Results

The Company publishes limited reviewed un-audited standalone financial results on Quarterly basis. In respect of the last Quarter, the Company published the audited Standalone & consolidated financial results for the complete financial year. The quarterly, half-yearly and annual financial results are also uploaded on the Company's website and intimated to Stock Exchange (BSE).

(b) Website, where displayed

The Company has an operational website www.satyamicrocapital.com wherein inter alia quarterly, half-yearly and annual financials, regulatory disclosures, policies, etc. are placed.

General Shareholder Information

(a) Company Registration details:

The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs is U74899DL1995PLC068688. Registration number allotted by RBI is 14.01513.

(b) Ensuing Annual General Meeting

Date: July 06, 2022
Time: 11:30 AM
Venue: 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020

(c) Financial Year: 1st April to 31st March

(d) Listing Fees:

The Debentures of the Company are listed on Bombay Stock Exchange (BSE) and the listing fees payable to the stock exchange for the financial year 2022-23 has been paid in full.

(e) Dematerialization of Shares:

(a) As per the notification dated September 10, 2018 issued by Ministry of Corporate Affairs (MCA), the requests for effecting transfer of securities in physical mode shall not be processed by the Company on or after October 02, 2018 unless the securities are held in the dematerialized form with a depository. It is mandatory for every shareholder to get their shares dematerialized before the transfer or subscription to any securities of an unlisted public company.

(b) As on March 31, 2022, 4,82,22,410 (93.86%) Equity Shares were held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). During the year under review, the Company had issued & allotted 26,50,000 Equity Shares and 29,85,100 CCPS and the same were also admitted in the dematerialized mode with the depository.

(f) Demat ISIN Number in NSDL & CDSL-

For Equity Shares (fully paid-up shares)	INE982X01013
For Equity Shares (partly paid-up shares)	IN9982X01029
For 0.001% Non-Cumulative, Non-Participating, Compulsorily Convertible Preference Shares	INE982X03035

Shareholding Pattern

Equity Shareholding of the Company as on March 31, 2022 is as follows:

A	Shareholders Name	No. of shares	Percentage (%)
1.	*Mr. Vivek Tiwari	1,16,68,200	22.71
2.	Other Promoters	20,87,300	4.06
3.	Dia Vikas Capital Private Limited	67,73,475	13.18
4.	Gojo & Company, Inc.	2,69,63,315	52.48
5.	Others	30,71,101	5.98
6.	SATYA Employee Welfare Trust	8,11,115	1.58
Total (A)		**5,13,74,506**	100.00

**Includes 2,50,000 Partly paid Equity Shares of Rs. 4 paid till March 31, 2022*

Compulsory Convertible Preference Shares

B	Gojo & Company, Inc.	29,85,100	100
Total (B)		29,85,100	100

Update your Correspondence address / Email Id:

To ensure all communications, all shareholders holding shares in physical form are requested to notify to the Company at its registered office as per the details given herein below, change in their address / email Id instantly by written request under the signatures of sole/ first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details / address / email Id directly with their respective DPs.

519,5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020
Email id: investors@satyamicrocapital.com, Phone: +911149724000
Website: www.satyamicrocapital.com

Quote Folio No. / DP ID No.:

Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos. as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact numbers (landline/ Mobile phone) for prompt reply to their correspondence.

Registrar and Transfer Agent:

Link Intime India Private Limited
C 101, 247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W), Mumbai – 400 083
Tel. No.: +91 22 2594 6970; Fax No.: +91 22 2594 6969
E-mail: rnt.helpdesk@linkintime.co.in , Website: www.linkintime.co.in

Debenture Trustees Details:

1. Catalyst Trusteeship Limited (formerly known as GDA)
Office No. 83 – 87, 8th floor, Mittal Tower,
'B' Wing, Nariman Point, Mumbai – 400021
Tel. Nos.: 022-49220542; Website: www.catalysttrustee.com
Email:- dt.mumbai@ctltrustee.com

2. Vardhman Trusteeship Private Limited (formerly known as Ativir Stock Broking Pvt. Ltd.)
Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata-700001
Tel. Nos.: 022-42648335; Website: www.vardhmantrustee.com
Email:- compliance@vardhmantrustee.com

Any query on Annual Report: Members can write an email on cs@satyamicrocapital.com or send query on annual report on below mentioned address: 519, 5th Floor, DLF Prime Towers, Okhla IndustrialArea, Phase-1, New Delhi-110020, India, addressed to Company Secretary and Chief Compliance Officer.

ANNEXURE-2

Details Pertaining To Remuneration As Required Under Section 197(12) Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (appointment And Remuneration Of Managerial Personnel) Rules, 2014

S. No	PARTICULARS	DISCLOSURES
1.	the ratio[1] of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Managing Director, CEO & CIO: - 334:1
2.	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Increase in Remuneration: Managing Director, CEO & CIO: **26.44%** [2]Chief Financial Officer: **18.99%** Company Secretary: **16.40%**
3.	the percentage increase in the median remuneration of employees in the financial year;	11%
4.	the number of permanent employees on the rolls of company as on March 31, 2022;	3,530 Employees
5.	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average increase in the salaries of employees was 18% and the average increase in the managerial remuneration was 44.20%
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

Note: 1)Average percentage of employees' remuneration is calculated on incremental salary whereas of managerial remuneration is calculated on base value;
2)) Mr. Sudhindra Kumar Sharma was resigned from the position of Chief Financial Officer of the Company w.e.f. October 31, 2021 and Ms. Vandita Kaul, was appointed as Chief Financial Officer of the Company w.e.f. November 01, 2021.

ANNEXURE-3

Details Pertaining To Remuneration As Required Under Section 197(12) Of The Companies Act, 2013 Read With Rule 5(2) & 5(3) Of The Companies (appointment And Remuneration Of Managerial Personnel) Rules, 2014

A. Names and details of top 10 employees in terms of remuneration drawn during the year 2021-22 in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

*Employee Name	Designation	Qualification	Remuneration Received (in Millions)	Date of Commencement of Employment	Age (In Years)	Experience (In Years)	Last Employment Details	Whether relative of any director/manager	Percentage of equity shares held by the employee in the Company
#Mr. Vivek Tiwari	Managing Director, CEO & CIO	PGDRM	33.75	1-Nov-16	44	20	COO- Satin Creditcare Network Ltd	Brother of Dr. Ratnesh Tiwari, Director	22.71%
Ms. Gaurangini Jain	Deputy CEO	MBA	7.51	1-Aug-18	48	21	Regional Head in Rural & Inclusive Banking Group at ICICI Bank	None	0.12%
Mr. Ranjeet Kumar Mishra	Chief Credit and Risk Officer	CA	7.41	09-July-20	42	18	Chief Credit Officer - ART Housing Finance (India) Ltd	None	-
Mr. Sanjay Goel	Dy. Chief Financial Officer	B.Com	4.96	1-Nov-16	52	22	Sr Manager (F) - Satin Creditcare Network Ltd	None	0.06%
Mr. Vipin Kumar Panday	Chief Operating Officer - North	MBA	4.83	27-Apr-17	43	17	Zonal Manager - Satin Creditcare	None	0.06%
Ms. Vasudha Goel	Head - Internal Audit	MBA	4.70	6-Feb-19	47	23	Cluster Head Deputy Vice President – HDFC Bank Ltd.	None	0.01%
Mr. G Radha Krishna Sarma	Business Head	MA	4.56	11-Nov-20	48	26	Sr. Vice President - Asirvad Microfinance Ltd	None	-
**Ms. Vandita Kaul	Chief Financial Officer	CA	4.44	08-Sept-21	43	19	Vice President Finance - Cars24 Financial services	None	-
**Mr. Sudhindra Kumar Sharma	Chief Financial Officer	CA	4.34	21-Apr-17	46	22	CFO & Vice President - Intec Capital Limited	None	-
Mr. Balwant Kumar	Business Head	PGPM	4.29	04-July-20	42	16	COO-Vedika	None	-

Includes 2500,000 shares (4.87%) as partly paid-up shares
** Nature of Employment of employees are permanent.*
***Mr. Sudhindra Kumar Sharma resigned from the post of Chief Financial Officer w.e.f. October 31, 2021 and Ms. Vandita Kaul was appointed as Financial Controller on September 06, 2021 and redesignated as Chief Financial Officer (CFO) of the Company w.e.f. November 01, 2021.*

(B) Employed for a part of the year and in receipt of remuneration Rs. 8.50 lacs or more per month: NIL

(C) Employed throughout the year or part thereof and in receipt of remuneration in the year which in aggregate is in excess of that drawn by the Managing Director: NIL

(D) Employed throughout the year and in receipt of remuneration aggregating Rs. 1.02 crore or more per annum: Mr. Vivek Tiwari as mentioned above in the table

ANNEXURE-4

ESOP disclosure pursuant to Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the provisions of Section 62 of the Companies Act, 2012 read with rules framed thereunder.

S. No	Particulars	SATYA ESOP 2018
1.	options granted*	12,54,000
2.	options vested	5,65,900
3.	options exercised	1,88,885
4.	the total no. of shares arising as a result of exercise of option	1,88,885
5.	options lapsed**	4,48,350
6.	the exercise price	Rs. 45/-
7.	variation of terms of options	NA
8.	money realized by exercise of options	84,99,825
9.	total number of options in force	6,16,765
10.	employee wise details of options granted to	
	i) key managerial personnel;	Nil
	ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year (Enclosed details below)	Nil
	iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

**Options granted upto March 31, 2022 since inception of ESOP Plan*
***Options lapsed pursuant to resignation of employees till March 31, 2022*

ANNEXURE-5

Form No. MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Satya MicroCapital Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Satya MicroCapital Limited** (hereinafter called **"Company"**) for the financial year ended March 31, 2022 (**"Audit Period"**). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
   a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
   b) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
   c) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;
   d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
6. The Reserve Bank of India Act, 1934;
7. The following Regulations and Guidelines prescribed under the RBI Act, along with amendments thereto, to the extent applicable: -
   a) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('RBI Master Directions');
   b) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 (Returns Directions');

c) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 ('Fraud Directions');
d) Master Direction - Information Technology Framework for the NBFC Sector ('IT Directions');
e) Master Direction - Know Your Customer (KYC) Direction, 2016 ('KYC Directions');
f) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('Auditor Directions').

8. The following circulars/notifications issued by the RBI, along with the amendments introduced thereto from time to time:
   a) Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021
   b) Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 5, 2021
   c) Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications dated November 12, 2021
   d) Other specific circulars or notifications issued by RBI from time to time and applicable on the Company
9. Guidelines on group insurance issued by the IRDAI;

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above except for minor delays in filings and intimations required to be made under applicable laws.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period, were carried out in compliance with the provisions of the Act and other applicable laws.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings and agenda with detailed notes were sent at least seven days in advance except for a few meetings which were held at shorter notice in due compliance with the Act and applicable laws. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

We further report that there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has undertaken specific event/ action, as mentioned herein, that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc: viz. the Board of Directors has issued, secured and listed NCDs amounting to Rs. 241.30 crores on a private placement basis.

Place: Kolkata
Date: May 13, 2022

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Sd/-
Name: Abhirup Ghosh
Partner
Membership No.: A39076
CP No.: 21571
UDIN: A039076D000320060
Peer Review Certificate No.: 781/2020

Annexure I

Auditor and Management Responsibility
ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Satya MicroCapital Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in Annexure II;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Given the challenges and limitations posed by Covid-19, lockdown restrictions (wherever applicable), as well as considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure II

List of Documents

1. Draft minutes for the meetings of the following held during the Audit Period:
   a) Board of Directors;
   b) Audit Committee;
   c) Risk Management Committee;
   d) Nomination and Remuneration Committee;
   e) Corporate Social Responsibility Committee;
   f) Annual General Meeting;
   g) IT Strategy Committee;
   h) IT Steering Committee;
   i) Asset-Liability Management Committee.
2. Resolutions by circulation passed during FY 2021-22;
3. Proof of circulation of draft and signed minutes of the Board Committee meetings' minutes;
4. Annual Report for financial year 2020-21;
5. Financial Statements and Auditor's Report for financial year 2020-21;
6. Director disclosures under the Act and rules made thereunder;
7. Statutory Registers maintained under the Act;
8. Forms filed with the Registrar;
9. Policies framed under Act and the Listing Regulations;
10. Draft Financial Statements for the period April 1, 2021 - December 31, 2021;
11. Submissions and communications with the RBI;
12. Agreements pertaining to securitisation transactions executed during the FY 2021-2022;
13. Agreements pertaining to external commercial borrowings availed by the Company;
14. Documentation (memorandum of understanding and process note) pertaining to insurance arrangements with insurer;
15. Sample loan agreements executed by the Company with the customers (including agreements pertaining to restructuring facility provided to the borrowers);
16. Acknowledgment of returns filed to the RBI;
17. Agreements pertaining to debentures issued by the Company on a sample basis;
18. Agreements pertaining to loans availed by the Company.

ANNEXURE-6

Annual Report On Corporate Social Responsibility (CSR) Activities

1. The Company has formulated the CSR policy indicating the activities to be undertaken by the Company from time to time. The Company has also constituted a Corporate Social Responsibility (CSR) Committee which functions under direct supervision of the Board of Directors of the Company.
2. Composition of CSR Committee:

Name	Designation / Nature of Directorship	Number of CSR Committee meetings	
		held during the year	attended during the year
*Mr. Mukul Jaiswal	Independent Director	2	1
Dr. Ratnesh Tiwari	Director	2	2
**Dr. Deepali Pant Joshi	Independent Director	-	-
Mr. C. P. Mohan	Independent Director	2	2
Mr. Taejun Shin	Nominee Director	2	2

Mr. Mukul Jaiswal, Independent Director, resigned from the Directorship w.e.f. September 21, 2021
***Dr. Deepali Pant Joshi, Independent Director of the Company, was appointed as the member of the Committee w.e.f. September 24, 2021.*

3. CSR Policy of the Company provides the Composition of CSR committee, overview of projects or programs which are proposed to be undertaken by the Company. The latest CSR Policy can be accessed at the below link on our website: https://satyamicrocapital.com/uploads/pdf/Policies/CSRPolicySatya.pdf.
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **N.A.**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Amount (Rs. in millions)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1	2021-22	1.68 (FY 2020-21)	-

6. Average net profit of the company as per section 135(5): **Rs. 86.12 Mn**
7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 1.72 Mn**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NA**
   (c) Amount required to be set off for the financial year, if any: **NIL**
   (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 1.72 Mn**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. in millions)	Amount Unspent (Rs. in millions)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4.39	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

Amount (Rs. in millions)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No	Location of the project	Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				State	District						Name	CSR Registration number
NA												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Amount (Rs. in millions)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No	Location of the project		Amount spent for the project	Mode of Implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Health and Welfare	Promoting health care including preventive health care	No	Uttar Pradesh (Bulandshahr) and Uttarakhand (Haridwar)		4.39	No	SATYA Shakti Foundation	CSR00026332

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 4.39**

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs. in millions)
(i)	Two percent of average net profit of the company as per section 135(5)	1.72
(ii)	Total amount spent for the Financial Year	4.39
(iii)	Excess amount spent for the financial year [(ii)-(I)]	2.67
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**2.67**

9. a) Details of Unspent CSR amount for the preceding three financial years: **NA**
   b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NA**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **NA**
    a) Date of creation or acquisition of the capital asset(s).
    b) Amount of CSR spent for creation or acquisition of capital asset.
    c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

Sd/- **Vivek Tiwari** **(Managing Director, CEO & CIO)**	**Sd/-** **C. P. Mohan** **(Chairman CSR Committee)**

ANNEXURE-7

Management Discussion and Analysis

Business segment

SATYA continues to offer financial services to underprivileged segments of the society, under the NBFC - MFI license granted by the Reserve Bank of India. This market segment is commonly referred to as microfinance and is dominated by the Joint Liability Group model. The Company has evolved this model to limit the liability of the group members and terms it as a Limited Liability Model. This model has resulted not only in better risk management for company but also better client experience. This market segment offers an opportunity to the company to pursue triple bottom line objectives - financial, social and environmental. In the relatively short period of its existence SATYA has emerged as one of the most respected and innovative provider of financial services in this segment.

Regulatory environment

In March 2022, The Reserve Bank of India came up with a new regulatory framework for microfinance loans. This new framework provides a common definition of microfinance for all the regulated entities - Banks as well as NBFCs directed that microfinance lenders cannot charge usurious rate of interest from borrowers. It also relaxes the pricing guidelines and other restrictions which were imposed on the microfinance institutions under the erstwhile regulations. This is a recognition of maturity of the microfinance sector and expected to give a level playing field to all the lenders. For SATYA, this offers flexibility to offer a wide variety of products and enable reaching out to hitherto unreached segments.

RBI via notification RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on Framework for Scale Based Regulation for Non-Banking Financial Companies, bifurcated the Regulatory structure of NBFCs in four layers i.e. NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFC-ML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL) based on their size, activity, and perceived riskiness. Your Company being a NBFC - Middle Layer (NBFC-ML), endeavors to ensure the compliance with this notification.

Industry scenario

The Microfinance sector is served by a variety of financial service providers including mainstream banks, Small Finance Banks (SFBs) and NBFC-MFIs. A smaller segment is also served by the NGOs and cooperatives.

According to the latest report released by Sa-dhan (Data as on December 2021), The gross loan portfolio of India's microfinance sector grew marginally by 1.9% as compared to the last year to Rs 2,32,126 crore.

Average ticket size of the sector was Rs 39,507 whereas it was Rs 35,076 in Q2. Average ticket size of the same quarter of last year (Dec 2020) was Rs 31,936. 21 States/UTs have Average Ticket size over Rs 40,000 where Jammu & Kashmir is leading with Rs 98,911, followed by Nagaland with Rs 64,410.

Industry PAR 30+ DPD has improved to 8.77% from 10.18% in Q2, and PAR 180+ DPD also improved to 9.60% from 9.94% whereas PAR 60+ DPD has deteriorated to 5.64% from 4.72%, and PAR 90+DPD has deteriorated to 3.48% from 2.96%.

Business growth

During the year, we displayed significant growth in our business. Our total loan portfolio increased from Rs. 14,761.64 million in March 2021 to Rs. 28,839.89 million in March 2022. As on March 31, 2022, Our clientele increased from 5.3 lakh to 8.8 lakh and the branches increased from 187 to 338, operating in 21 states. Our staff strength increased from 2,555 to 3,530.

Profitability

During the year our overall profits increased from Rs 102.17 million in the previous year to Rs 325.03 million in this year. Our Operational Self Sufficiency Ratio has remained almost the same as compared to the previous year at 112.15%. Although our Yield on Portfolio has reduced from 22.0% to 19.75%., it is compensated by reduction in Funding Expense Ratio from 10.24% to 7.26%, resulting in higher profits as compared to the previous year.

Capital adequacy and funding

Capital adequacy ratio is 22.95 % as on March 31, 2022. During the period ended March 31, 2022 our net worth position improved from Rs. 4,044.29 million to Rs. 5,522.67 million due to infusion of equity and NCCCPS. Our borrowings have also increased from Rs 11,271 million to Rs 22,789 million reflecting increased confidence of the lenders on SATYA MicroCapital. During the year, we added 8 new banks and 9 Financial Institutions to our list of lenders. We also issued NCDs worth Rs 3,573 million during the year.

Technology

Use of a strong technology backbone is one of the highlights of the business operations of SATYA. Our technology infrastructure helps us in managing our vast operations with a robust reporting framework and helps us to achieve most efficient operations. With support from technology, we have almost eliminated paper from our field operations resulting in significant cost and time savings.

During the year, we have taken several initiatives for improving our technological footprint. Cashless collections have always been an area of focus for SATYA. During the year we adopted a unique and simplified solution for digital collection through UPI QR Code. This is the fastest and easiest mode of cashless repayment and since each QR Code is unique and client specific, it also aids in accurate identification and tracking of the payments. This solution is fully automated and integrated with our LMS (Loan Management solution). SATYA has started printing QR code on loan cards provided to the clients. We have also launched SATYA Connect mobile application for enabling clients to undertake various banking and payment related transactions.

Social Performance Management

Actively managing the Social Performance is one of the unique features of SATYA's operations. Our Social Performance Management Score for the financial year 2021-22 has been 97%. Our Code of Conduct Assessment Score improved from C2 and now stands at C1 which signifies highest rating grade, awarded by SMERA Gradings & Ratings Private Limited in May 2021. The Company also received A Grade in SDG Rating by Agents for Impact in June 2021. This rating signifies SATYA's commitment and contribution to United Nations- Social Development Goals (UN-SDGs). We have a systematic feedback mechanism from our clients. The Client Satisfaction studies indicate that between 90% and 98% of clients of the Company have expressed satisfaction with various aspects of SATYA's operations. During the year, we also undertook several welfare initiatives for the community as part of our CSR commitments.

Impact Assessment

Bringing sustainable changes in the lives of the clients has been part of the mission of SATYA MicroCapital Limited. A third party impact assessment cum baseline study has been undertaken by the organization to track changes in the lives of the clients over a period of time. Impact assessment of SATYA's interventions has been carried out along the following dimensions A. Livelihoods and economic well-being B. Financial inclusion and empowerment C. Water, sanitation and hygiene D. Health and E. Education. Results of this year's study will serve as the baseline for the future studies. This years' study also highlights impacts on certain dimensions. Mapping with United Nation's Sustainable Development Goals (SDGs) have also been attempted in this report. This year's study has involved interviews with 1,649 clients of Satya from 48 branches across all the major states in which the organization operates.

Risk Management

SATYA has established a robust and proactive risk management infrastructure for managing variety of risks which the organisation faces. At the Board level we have a Board Risk Management Committee for overseeing the Risk Management efforts of the organisation. At the management level we have risk committees to oversee specific areas of risks like credit risk, operational risk, liquidity risk and market risk. Structured reports are presented to the management and the Board risk committees. Some of the risks which SATYA sees in the immediate future are mentioned below

- There is significant COVID related uncertainties in the market. While we have effectively negotiated the first wave of the pandemic, the impact of the second wave is still unfolding and may impact repayment performance on the loans.
- Assam and Punjab are the two states where we have been facing significant impact on repayment on account of political interference. We have limited our exposure to these states and are constantly working

- with various stakeholders to bring the situation under control.
- The interest rate which we are able to charge to the client has been gradually growing down on account of increasing competition. This may have an adverse impact on the net interest margin and profitability of the company.
- Rising inflation may result in a fall in the repayment capacity of the clients.

Human Resource Management and Training

We consider Human Resources to be our most important assets. SATYA has a structured Human Resource function which looks after all important areas of Human Resource management including recruitment, induction, deployment, training, compensation, performance appraisal and statutory compliances.

Our dedicated training team conducts induction as well as refresher training programs on variety of subjects. These trainings helps build overall capacities of the staff so that they are able to perform well in their roles. We have also started using technology now with a Learning Management System and a State of the Art Studio for delivering trainings.

ANNEXURE-8

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(As on March 31, 2022)

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Name of the subsidiary- **NA**
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period-**NA**
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.-**NA**
4. Share capital-**NA**
5. Reserves & surplus- **NA**
6. Total assets- **NA**
7. Total Liabilities- **NA**
8. Investments- **NA**
9. Turnover- **NA**
10. Profit before taxation- **NA**
11. Provision for taxation- **NA**
12. Profit after taxation- **NA**
13. Proposed Dividend- **NA**
14. % of shareholding- **NA**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations-**NA**
2. Names of subsidiaries which have been liquidated or sold during the year.- **The Company transferred the shares of Credentia Finclusion Private Limited on March22, 2022 and March 23, 2022 and Credentia ceased to be the Subsidiary of the Company as on March 31, 2022.**

Part "B": Associates and Joint Ventures

(As on March 31, 2022)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Amount(Rs. in Million)

Name of Associates	Baid Housing Finance Private Limited
1. Latest Balance Sheet Date	May 09, 2022
2. Shares of Associate held by the company on the year end	
No.	3,60,107
Amount of Investment in Associates/Joint Venture	46.36
Extend of Holding %	24%
3. Description of how there is significant influence	SATYA MicroCapital Limited is holding 24% stake
4. Reason why the associate is not consolidated	consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet	36.88
6. Profit / Loss for the year	
i.Considered in Consolidation	(0.22)
Ii.Not Considered in Consolidation	(0.71)

1. Names of subsidiaries which are yet to commence operations. **NA**
2. Names of subsidiaries which have been liquidated or sold during the year. **NA**

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Independent Auditor's Report

To the Members of
Satya MicroCapital Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Satya MicroCapital Limited("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of financial instruments (including provision for expected credit losses) (as described in note 3A(e) and note 7 of the standalone financial statements	
Ind AS 109 requires the Company to provide for impairment of its loan receivables (financial instruments) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'.	Our audit procedures included, among others, ● Read and assessed the Company's accounting accounting policies for impairment of loan receivables, assessing compliance with the policies in terms of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. ● Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. ● Tested the assumptions used by the Company for staging of loan portfolio into various categories and default buckets for determining the Probability of Default ("PD") and Loss Given Default ("LGD") rates.

Contd...

Key Audit matter	How our audit addressed the key audit matter
b) Grouping of loan portfolio under homogenous pools to determine probability of default on a collective basis. c) Estimating recoveries to determine loss given default on a collective basis for loans that have defaulted. d) Determining effect of less frequent past events on future probability of default.	● Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or stage 3. ● Tested the input data used for determining the PD and LGD rates and compared the data with the underlying books of accounts and records. ● Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of policy on moratorium. ● Tested the arithmetical accuracy of computation of ECL provision performed in spreadsheets. ● Compared the disclosures included in the consolidated financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is material misstatement of this 'Other Information' we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

Other Matter

The comparative financial information of the Company as at and for the year ended March 31, 2021 included in the standalone financial statements have been audited by the predecessor auditor, who have expressed unmodified opinion vide their report dated May 21, 2021.

Our opinion on the standalone financial statements is not modified in respect of above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022 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) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

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

i. The Company does not have any pending litigations which would impact its financial position- Refer Note 50(iii) to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 50(iv) to the standalone financial statements

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note 50(v) to the standalone financial statements

iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the standalone financial statements 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the standalone financial statements no funds which are material either individually or in the aggregate have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed 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 mentioned under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN No.: 22087701AJGIXD4884

Place: New Delhi
Date: 19 May, 2022

(Annexure A, referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of SATYA MicroCapital Limited on the standalone financial statements as of and for the year ended March 31, 2022.

(i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

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

(b) The property, plant and equipment and right-of-use assets have been physically verified by the Management during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment and right-of-use assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

(ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

(b) According to the information and explanations given to us, the Company's sanctioned working capital limits is in excess of Rs. 5 crores, in aggregate, during the year from banks on the basis of security of fixed deposits kept as margin money with banks. According to the information and explanations given to us, as the sanctioned working capital limits is against the margin money with banks and therefore the Company is not required to file any quarterly returns or statements with such banks. Accordingly, reporting on the quarterly returns or statements filed by the Company with such banks is not applicable. The Company has not been sanctioned any working capital facility from financial institutions.

(iii) (a) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) According to the information and explanations given to us, the investments made, securities provided and the terms and conditions of grant of all loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest. During the year, the Company has not provided any guarantees.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing microfinance loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay. Category-wise summary of cases where repayment/receipt of principal amount and interest are not regular as at the Balance sheet date is as under:

Category of loan	Total Amount (Rs. in Million)	Delays cases as at March 31, 2022 (Rs. in Million)		
		0-30 days	30-90 days	More than 90 days
Joint liability group loans	23,356.88	21,626.71	905.00	825.17
Individual loans	204.42	182.42	8.00	14.00

Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note **7** to the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2022 and the details of the number of such cases, are disclosed in note 7 of the standalone financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

Category of loan	No. of Cases	Principal Amount overdue (Rs. in Million)	Interest overdue (Rs. in Million)	Total overdue (Rs. in Million)
Joint liability group loans	36,638	772.27	52.90	825.17
Individual loans	634	13.17	0.83	14.00

(e) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances either repayable in demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of investments, loans, guarantees and securities, as applicable.

(v) The Company has not accepted any deposits during the year, further the Company had no unclaimed deposits at the beginning of the year and there are no amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services.

(vii) Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable. During the year the operation of the Company does not give rise the liability of sales-tax, service tax, duty of customs, duty of excise and value added tax.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender, government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) The Company has made private placement of equity shares and non-cumulative compulsory convertible preference shares during the year. For such allotment of shares, the Company has complied with the requirement of Section 42 and Section 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised.

(xi) (a) To the best of our knowledge, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto 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.

(xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause3 (xv) of the order are not applicable.

(xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

(b) During the year the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(b) of the order not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been change in the statutory auditors pursuant to RBI Guidelines for appointment of auditors for NBFCs issued on April 27, 2021 and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, asset liability maturity (ALM) pattern other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, provision of clause 3(xx) of the order is not applicable.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN No.: 22087701AJGIXD4884

Place: New Delhi
Date: 19 May, 2022

Annexure B referred to in paragraph 2(h) under the heading 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of Satya MicroCapital Limited, on the standalone financial statements for the year ended 31 March, 2022

Independent Auditor's report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of SATYA MicroCapital Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on internal controls over Financial Reporting issued by the Institute of chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone inancial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN No.: 22087701AJGIXD4884

Place: New Delhi
Date: 19 May, 2022

SATYA MicroCapital Limited

Standalone Balance Sheet as at March 31, 2022

(Rs. in million unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,278.44	1,689.14
Bank balances other than cash and cash equivalents	5	3,214.89	1,370.86
Trade receivables	6	73.40	107.42
Loan portfolio	7	23,161.34	12,146.00
Investment	8	46.36	-
Other financial assets	9	570.26	244.48
Total financial assets		**28,344.69**	**15,557.90**
Non-financial assets			
Current tax assets (net)	10	46.17	29.38
Deferred tax assets (net)	11	64.45	72.14
Property, plant and equipment	12A	120.56	75.74
Intangible assets	12B	0.33	0.87
Other non-financial assets	13	296.39	137.35
Total non-financial assets		**527.90**	**315.48**
Total assets		**28,872.59**	**15,873.38**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade Payable	14		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		82.49	48.82
Debt securities	15	5,285.46	2,851.39
Borrowings (other than debt securities)	15	16,353.64	7,845.09
Subordinated liabilities	15	1,150.23	574.28
Other financial liabilities	16	368.12	435.45
Total financial liabilities		**23,239.94**	**11,755.03**
Non-financial liabilities			
Provisions	17	36.58	25.24
Other non-financial liabilities	18	73.40	48.82
Total non-financial liabilities		**109.98**	**74.06**
Equity			
Equity share capital	19	490.64	458.50
Instruments entirely equity in nature	20	29.85	-
Other equity	21	5,002.18	3,585.79
Total equity		**5,522.67**	**4,044.29**
Total liabilities and equity		**28,872.59**	**15,873.38**

The accompanying notes are integral part of standalone financial statements

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in million unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations			
Interest income	22	3,333.22	2,444.99
Fee and commission income	23	291.22	114.64
Net gain on derecognition of financials instruments under amortised cost category	24	366.57	108.01
Total revenue from operations		**3,991.01**	**2,667.64**
Other income	25	24.40	4.54
Total income		**4,015.41**	**2,672.18**
Expenses			
Finance cost	26	1,711.05	1,278.12
Impairment on financial instruments	27	170.71	256.36
Employee benefits expense	28	1,167.99	687.48
Depreciation and amortization	12C	57.46	27.46
Other expenses	29	473.11	271.70
Total expenses		**3,580.32**	**2,521.12**
Profit before tax		**435.09**	**151.06**
Tax expense:	**30**		
Current year tax		102.11	75.62
Deferred tax charge/(credit)		7.95	(26.73)
Income-tax expense		**110.06**	**48.89**
Profit for the year		**325.03**	**102.17**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(0.99)	(0.39)
Income tax effect		0.25	0.10
Total comprehensive income for the year		**324.29**	**101.88**
Earnings per equity share (EPS) (face value of Rs. 10 per equity share)			
Computed on the basis of total profit for the year			
Basic (EPS) (amount in Rs.)	31	7.05	2.57
Diluted (DEPS) (amount in Rs.)	31	6.94	2.53

The accompanying notes are integral part of standalone financial statements

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limited

(Rs. in million unless otherwise stated)

Standalone Statement of Cash Flow for the Year Ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	435.09	151.06
Adjustments for:		
Depreciation and amortization	44.41	25.10
Depreciation of right-of-use asset	13.04	2.36
Share based payment to employees	9.24	9.59
Interest expense for leasing arrangements	2.29	0.43
Impairment of financial instruments	170.71	256.36
Loss/(profit) on sale of property plant and equipment	0.88	(0.25)
Net gain on derecognition of financials instruments under amortised cost category	(366.57)	(108.01)
Operating profit before working capital changes	**309.09**	**336.64**
Movements in working capital:		
Increase/(decrease) in other financial liabilities	(33.66)	418.65
Increase/(decreases) in other non-financial liabilities	24.58	40.86
Increase/(decreases) in provisions	10.35	11.45
(Increase)/decrease in bank balances other than cash and cash equivalents	(1,844.03)	(495.41)
(Increase)/decrease in trade receivables	34.02	(85.13)
(Increase)/decrease in loan portfolio	(10,819.54)	(3,121.85)
(Increase)/decrease in other financial assets	(325.78)	69.25
(Increase)/decrease in other non-financial assets	(159.04)	(110.71)
Cash used in operations	**(12,804.01)**	**(2,936.25)**
Income-tax paid	(118.91)	(42.08)
Net cash used in operating activities (A)	**(12,922.92)**	**(2,978.33)**
Cash flow from investing activities		
Purchase of property, plant and equipment	(103.35)	(59.24)
Purchase of intangible assets	(0.15)	(0.45)
Proceeds from derecognition of property, plant and equipment	0.89	0.39
Purchase of investment	(47.36)	-
Proceeds from sale of investment	1.00	-
Net cash used in investing activities (B)	**(148.97)**	**(59.30)**
Cash flow from financing activities		
Proceeds from issue of share capital (including premium and net of issue expenses)	1,144.91	2,215.14
Net proceeds from borrowings#	11,516.28	2,039.80
Net cash from financing activities (C)	**12,661.19**	**4,254.94**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(410.70)**	**1,217.31**
Cash and cash equivalents at the beginning of the year	1,689.14	471.83
Cash and cash equivalents at the end of the year	**1,278.44**	**1,689.14**
Components of cash and cash equivalents as at the end of the year		
Cash on hand	2.91	14.42
Balance with banks - on current accounts	765.49	1,454.70
Deposits with original maturity of less than 3 months	510.04	220.02
Total cash and cash equivalents	**1,278.44**	**1,689.14**

Represents net proceeds from debt securities, borrowings (other than debt securities) and subordinated liabilities.
For disclosure of investing and financing transactions that do not require the use of cash and cash equivalents, refer note 43

The accompanying notes are integral part of standalone financial statements

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limited

Standalone Statement of Changes in Equity for the year ended on March 31, 2022

(Rs. in million unless otherwise stated)

A. Equity Shares

Equity Share of Rs. 10 each issued

Particulars	Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Changes during the Financial year 20-21	Balance as at March 31, 2021	Changes in equity share capital due to prior period errors	Changes during the Financial year 21-22	Balance as at March 31, 2022*
Equity share capital (fully paid up)	298.22	-	154.03	452.25	-	28.39	480.64
Equity share capital (partly paid up)	6.25	-	-	6.25	-	3.75	10.00
Total	**304.47**	**-**	**154.03**	**458.50**	**-**	**32.14**	**490.64**

*net of amount recoverable from Satya Employee Welfare Trust of Rs. 8.11 million (March 31. 2021: Rs. 10 million).

B. Instruments entirely equity in nature

Particulars	Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Changes during the Financial year 2020-21	Balance as at March 31, 2021	Changes in equity share capital due to prior period errors	Changes during the Financial year 2021-22	Balance as at March 31, 2022
Non-Cumulative Compulsorily Convertible Preference Shares	-	-	-	-	-	29.85	29.85
Total	**-**	**-**	**-**	**-**	**-**	**29.85**	**29.85**

C. Other Equity

(Rs. in million unless otherwise stated)

Particulars	Reserves & Surplus					Compulsorily Convertible Preference Shares	Grand Total
	Securities Premium	Retained Earnings	Statutory Reserve	Share Options Outstanding Reserve	Total		
Balance as at March 31, 2020	**1,374.97**	**(22.25)**	**21.62**	**11.65**	**1,385.99**	**27.22**	**1,413.21**
Profit for the year ended March 31, 2021	-	102.17	-	-	**102.17**	-	**102.17**
Other comprehensive income (net of income-tax effect)	-	(0.29)	-	-	**(0.29)**	-	**(0.29)**
Total comprehensive income	**-**	**101.88**	**-**	**-**	**101.88**	**-**	**101.88**
Transfer to Statutory Reserve	-	(20.43)	20.43	-	**-**	-	**-**
Fair value of stock option	-	-	-	5.92	**5.92**	-	**5.92**
Premium on stock option	2.16	-			**2.16**	-	**2.16**
Premium on issue of equity share capital made during the year ended March 31, 2021	1,456.38	-	-	-	**1,456.38**	-	**1,456.38**
Amount recoverabe from Satya Employee Welfare Trust	1.52	-	-	-	**1.52**	-	**1.52**
Issue of Compulsorily Convertible Preference Shares	631.94	-	-	-	**631.94**	-	**631.94**
Conversion of Compulsorily Convertible Preference into equity shares during the year ended March 31, 2021	-	-	-	**-**	**-**	(27.22)	**(27.22)**
Balance as at March 31, 2021	**3,466.97**	**59.20**	**42.05**	**17.57**	**3,585.79**	**-**	**3,585.79**
Profit for the year ended March 31, 2022	-	325.03	-	-	**325.03**	-	**325.03**
Other comprehensive income (net of income -tax effect)	-	(0.74)	-	-	**(0.74)**	-	**(0.74)**
Total comprehensive income	**-**	**324.29**	**-**	**-**	**324.29**	**-**	**324.29**
Transfer to Statutory Reserve	-	(65.01)	65.01		**-**		**-**
Fair value of stock option	-	-	-	5.33	**5.33**	-	**5.33**
Premium on stock option	2.42	-	-	-	**2.42**	-	**2.42**
Premium on issue of equity share capital made during the year ended March 31, 2022	506.12	-	-	-	**506.12**	-	**506.12**
Amount recoverabe from Satya Employee Welfare Trust	8.11	-	-	-	**8.11**	-	**8.11**
Issue of e non- cumulative compulsorily convertible preference shares	570.12	-	-	-	**570.12**	-	**570.12**
Balance as at March 31, 2022	**4,553.74**	**318.48**	**107.06**	**22.90**	**5,002.18**	**-**	**5,002.18**

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJGDXJ2780

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Ratnesh Tiwari
Director
DIN: 07131331

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2022

1. Corporate information

SATYA MicroCapital Limited ('SATYA' or the 'Company') is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on May 18, 1995. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND-SI') with the Reserve Bank of India ('RBI') and got classified as Non-Banking Financial Company – Micro Finance Institution (NBFC – MFI) effective February 2, 2018. The registered office address of the Company is 519, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase-1, New Delhi-110020.

The Company is primarily engaged in the business of micro finance providing small value unsecured loans to low-income customers in urban, semi-urban and rural areas. The tenure of these loans is generally spread over one to two years.

2. Basis of preparation

a) Statement of compliance in preparation of standalone financial statements

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The standalone financial statement has been prepared on a going concern basis.

The standalone financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value. Further, the carrying values of recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The standalone financial statements are presented in Indian Rupees (INR).

b) Presentation of standalone financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when Ind AS specifically permits the same or it has an unconditionally legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind-AS specifically.

3A. Significant accounting policies

a) Use of estimates, judgments and assumptions

The preparation of standalone financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements is included in the following notes:

i) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to

these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iii) Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

The Company's Expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- The Company's internal model, which assigns Probability of defaults ('PDs') to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Lifetime ECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults ('PDs'), Exposure at Default ('EADs') and Loss given Defaults ('LGDs')

Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

iv) Provisions other than impairment on loan portfolio

Provisions are held in respect of a range of future obligations such as employee entitlements and litigation provisions. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate which reflects both current interest rates and the risks specific to that provision.

v) Share-Based Payment

Estimating fair value for share-based payment transactions requires determining of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

vi) Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS)

Non-cumulative compulsory convertible preference shares (NCCCPS) are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS - 32 (Financial instruments: Presentation). NCCCPS issued by the Company classified as equity is carried at its transaction value and shown within "other equity"

vii)Effective Interest Rate ('EIR') method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

viii)Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

b) Recognition of income and expense

(i) Interest and Processing Fee income on loans

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest and loan processing fees are recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or

liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

(ii) Revenue from Contracts with Customers

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from Contracts with Customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a) Facilitation fees income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

b) Revenue from business correspondence services is recognized point in time when performance obligation is satisfied as per agreed terms and conditions of the contract.

c) Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

(iii) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(iv) Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when the shareholders approve the dividend.

(v) Other income and expense

All Other income and expense are recognized on an accrual basis in the period they occur.

c) Property, plant and equipment (PPE) and intangible asset

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 included in the statement of profit and loss when the asset is derecognized.

Intangible Asset

Intangible assets represent capital expenditure towards software which is stated at cost less accumulated amortization and any accumulated impairment losses.

d) Depreciation and amortization

Depreciation

i. Depreciation on property, plant and equipment provided on a written down value method at the rates arrived based on useful life of the assets, prescribed under Schedule II to the Companies Act, 2013, which also represents the estimate of the useful life of the assets by the management.

ii. Property, plant and equipment costing up to Rs.5,000 individually are fully depreciated in the year of purchase.

The Company has used the following useful lives to provide depreciation on its Property, plant and equipment:

Asset Category	Useful Life (In Years)
(i) Furniture and fittings	10
(ii) Computers and data processing units	
(a) Servers and networks	6
(b) End user devices, such as, desktops, laptops, etc.	3
(iii) Office equipment	5
(iv) Motor vehicles	
(a) Motor cars	8
(b) Two-Wheeler Vehicles	10
(v) Building	60

Amortization

Intangible assets are amortized on the basis of Straight-Line Method over a period of 4 years.

e) Impairment

i) Overview of principles for measuring expected credit loss ('ECL') on financial assets.

In accordance with Ind AS 109, the Company is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. Accordingly, the Company is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, the Company is required to recognize credit losses over next 12 months period. The Company has an option to determine such losses on individual basis or collectively depending upon the nature of underlying portfolio. The Company has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all standard exposures (i.e. exposures with no overdues) and exposure upto 30 days overdues fall under this category. In accordance with Ind AS 109, the Company measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, significant increase in credit risk is witnessed after the overdues on an exposure exceed for a period more than 30 days. Accordingly, the Company classifies all exposures with overdues exceeding 30 days at each reporting date under this Stage. The Company measures lifetime ECL on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are considered to be defaults and are classified under this stage. Accordingly, the Company measures lifetime losses on such exposure. Interest revenue on such contracts is calculated by applying the effective interest rate to the amortized cost (net of impairment allowance) instead of the gross carrying amount. The method is similar to Stage II assets, with the probability of default set at 100%.

When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Methodology for calculating ECL

The mechanics of the ECL calculation involve the use of following key elements:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset). PD estimation is done based on historical internal data available with the Company. For credit impaired assets, a PD of 100% has been applied.

Exposure at default (EAD) – It represents an estimate of the exposure of the Company at a future date after considering repayments by the counterparty before the default event occurs. The outstanding balance as at reporting date is considered as EAD by the Company. Considering the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

Loss given default (LGD) – It represents an estimate of the loss expected to be incurred when the event of default occurs. The Company uses historical loss data/external agency LGD for identified pools for the purpose of calculating LGD.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD

rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

Definition of default and cure

The Company considers a financial instrument as defaulted and classifies it as Stage III (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage III if there is significant deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage III for ECL calculations or whether Stage II is appropriate.

Classification of accounts into Stage II is done when there is a significant increase in credit risk since initial recognition, typically when contractual repayments are more than 30 days past due.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage III or Stage II when none of the default criteria which resulted in their downgrade are present.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. All such write-offs are charged to the statement of profit and loss. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

ii) Non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (e) Impairment of non-financial assets.

ii) Lease Liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

iii) Short term lease

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as and when due.

g) Foreign currency transactions

- **Functional and presentation currency**

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

- **Transaction and balance**

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

h) Retirement and Employee benefits

Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company operates following employee benefit plans:

i) Employee Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

ii) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassi ed to pro t and loss in subsequent periods.

iii) Leaves

Entitlements to annual leave are recognized when they accrue to the employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulations. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the Year end.

i) Income taxes

Current Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with The Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Taxes

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized as income tax benefits or expenses in the income statement except for tax related to the FVOCI instruments. The Company also recognizes the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

The Company only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Company's intention to settle on a net basis.

j) Earnings per share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

k) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognized within finance costs.

l) Contingent liabilities and assets

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not have any contingent assets in the standalone financial statements.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial Measurement and recognition

Financial assets are initially recognized on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- Loan Portfolio at amortized cost
- Loan Portfolio at fair value through other comprehensive income (FVOCI)
- Equity instruments and mutual funds

Loan Portfolio at amortized cost:

Loan Portfolio is subsequently measured at amortized cost where:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

After initial measurement, these financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit and loss.

The measurement of credit impairment is based on the three-stage expected credit loss model described in Note: Impairment of financial assets (refer note 3A(e)).

Loan Portfolio at FVOCI:

Loan Portfolio is subsequently measured at FVOCI where:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
- the financial asset is held within a business model where objective is achieved by both collecting contractual cash flows and selling financial assets.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognized as interest income using the EIR method.

Equity instruments and Mutual Funds

Equity instruments and mutual funds included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Financial liabilities

Initial Measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

De-recognition of financial assets and financial liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognized when the rights to receive cash flows from the financial asset have expired. The Company also de-recognizes the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset
  or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Company has transferred substantially all the risks and rewards of the asset
  or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Company's continuing involvement, in which case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of profit or loss account.

Derecognition due to modification of terms and conditions

The Company de-recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI").

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial Liabilities

Financial liability is de-recognized when the obligation under the liability is discharged, cancelled or expires. Where 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 a de-recognition of the original liability and the re-cognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

n) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using various valuation techniques.

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said standalone financial statements.

Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy described as follows:

- *Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.*
- *Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.*
- *Level 3 financial instruments – include one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.*

o) Share-based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments transactions are set out in Note 42.

The cost of equity-settled transactions is measured using the fair value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for the year represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's primary business segments are reflected based on the principal business carried out, i.e. lending activities as Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India ('RBI'). The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment

3B. Recent 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 1, 2022, as below:

Ind AS 103- Reference to Conceptual Framework

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 standalone financial statements.

Ind AS 16- Proceeds before interned 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 standalone financial statements.

Ind AS 37- Onerous Contracts- Costs of Fulfilling a Contract

The amendments specify that 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 significant impact in its standalone financial statements.

Ind AS 109- Annual Improvements to Ind AS (2021)

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 standalone financial statements.

Ind AS 106- Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its standalone financial statements

SATYA Microcapital Limited

Notes to the standalone financial statements for the year ended march 31, 2022

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
4: Cash and cash equivalents		
Cash on hand	2.91	14.42
Balances with banks		
On current accounts	765.49	1,454.70
Deposits with original maturity of less than three months	510.04	220.02
	1,278.44	**1,689.14**

Balances with banks in current accounts do not earn any interest. Short-term deposits are made for varying maturity upto three months, depending upon the funding requirements of the Company, and earn interest at the respective short-term rates.

The Company has not taken any bank overdraft against such deposits, therefore the cash and cash equivalents for statement of cash flow are the same as cash and cash equivalents given above.

Particulars	As at March 31, 2022	As at March 31, 2021
5: Bank balance other than cash and cash equivalents		
Deposits with maturity of less than 12 months	164.47	671.29
Deposits with maturity of more than 12 months	36.57	349.43
Margin money deposits (refer note b below)	3,013.85	350.14
	3,214.89	**1,370.86**

Note:

(a) Fixed deposits and margin money deposits with banks earn interest at fixed rates or floating rates based on daily bank deposit rates.

(b)The amount under lien as security against term loan, overdraft facility availed, assets securitized and business correspondance.

Particulars	As at March 31, 2022	As at March 31, 2021
6: Trade receivables (at amortized cost)		
Unsecured, considered good	73.40	107.42
	73.40	**107.42**

Trade receivables are non-interest bearing and generally due in short-term. Based on the management's assessment, no impairment allowance is considered necessary for trade receivables.

Trade Receivable as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	64.27	1.76	7.37	-	-	73.40
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Trade Receivable as at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	40.09	67.33	-	-	-	107.42
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

*in case where due date of payment is not specified, disclosure has been given based on the date of transaction.

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
7: Loan portfolio		
(a) Portfolio loans (at amortised cost)		
Joint Liability Group Loans	23,356.88	12,293.32
Individual Loans	204.42	205.34
Less: Impairment loss allowance	(399.96)	(352.66)
Total (net)	**23,161.34**	**12,146.00**
(b) (i) Secured	-	-
(ii) Unsecured	23,561.30	12,498.66
Less: Impairment loss allowance	(399.96)	(352.66)
Total (net)	**23,161.34**	**12,146.00**
(c) Loans in India		
(i) Public Sector	-	-
(ii) Others	23,561.30	12,498.66
Less: Impairment loss allowance	(399.96)	(352.66)
Total (net)	**23,161.34**	**12,146.00**

Overview of the loan portfolio of the Company

The Company is primarily in the business of providing micro loans towards income generating activities with its operations spread out in different parts of India. The Company's focus is to reach out to the unbanked section of society and providing financial services to women entrepreneurs.

The table below discloses credit quality of the Company's exposures (net of impairment loss allowance) as at reporting date:

Portfolio classification as at March 31, 2022:

Particulars	Stage I	Stage II	Stage III*	Total
Portfolio Loans				
Joint Liability Group Loans	21,626.71	905.00	825.17	23,356.88
Individual Loans	182.42	8.00	14.00	204.42
Less: Impairment loss allowance	(35.93)	(164.90)	(199.13)	(399.96)
Total (net)	**21,773.20**	**748.10**	**640.04**	**23,161.34**

*It includes 37,272 cases wherein principal and interest outstanding for more than 90 days are Rs. 785.44 million and Rs. 53.73 million respectively.

Portfolio classification as at March 31, 2021:

Particulars	Stage I	Stage II	Stage III	Total
Portfolio Loans				
Joint Liability Group Loans	10,942.56	1,164.36	186.40	12,293.32
Individual Loans	190.85	8.94	5.55	205.34
Less: Impairment loss allowance	(22.13)	(218.74)	(111.79)	(352.66)
Total (net)	**11,111.28**	**954.56**	**80.16**	**12,146.00**

Gross portfolio movement for the year ended March 31, 2022:

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	11,133.41	1,173.30	191.95	12,498.66
Total (A)	**11,133.41**	**1,173.30**	**191.95**	**12,498.66**
Inter-stage movements				
Stage I	142.74	(134.57)	(8.17)	-
Stage II	(581.07)	583.49	(2.42)	-
Stage III	(390.14)	(366.72)	756.86	-
Total (B)	**(828.47)**	**82.20**	**746.27**	**-**
Write-offs	-	-	(123.41)	(123.41)
Total (C)	**-**	**-**	**(123.41)**	**(123.41)**
New assets originated, (netted off for repayment and loans derecognised during the year)	11,504.19	(342.50)	24.36	11,186.05
Total (D)	**11,504.19**	**(342.50)**	**24.36**	**11,186.05**
Gross carrying amount as at March 31, 2022	21,809.13	913.00	839.17	23,561.30
Total (A+B+C+D)	**21,809.13**	**913.00**	**839.17**	**23,561.30**

Gross portfolio movement for the year ended March 31, 2021:

(Rs. in million unless otherwise stated)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2020	9,103.65	71.25	150.70	9,325.60
Total (A)	**9,103.65**	**71.25**	**150.70**	**9,325.60**
Inter-stage movements				
Stage I	(1,311.00)	1,170.85	140.15	-
Stage II	10.55	(25.59)	15.04	-
Stage III	44.15	10.18	(54.33)	-
Total (B)	**(1,256.30)**	**1,155.44**	**100.86**	**-**
Write-offs	-	-	(56.78)	(56.78)
Total (C)	**-**	**-**	**(56.78)**	**(56.78)**
New assets originated, (netted off for repayment and loans derecognised during the year)	3,286.06	(53.39)	(2.83)	3,229.84
Total (D)	**3,286.06**	**(53.39)**	**(2.83)**	**3,229.84**
Gross carrying amount as at March 31, 2021	11,133.41	1,173.30	191.95	12,498.66
Total (A+B+C+D)	**11,133.41**	**1,173.30**	**191.95**	**12,498.66**

ECL movement during the year ended March 31, 2022:

Particulars	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	22.13	218.74	111.79	352.66
Provision made/ (reversed) during the year	13.80	(53.84)	210.75	170.71
Write-offs	-	-	(123.41)	(123.41)
Balance at the end of the year	**35.93**	**164.90**	**199.13**	**399.96**

ECL movement during the year ended March 31, 2021:

Particulars	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	39.25	14.16	99.67	153.08
Provision made/ (reversed) during the year	(17.12)	204.58	68.90	256.36
Write-offs	-	-	(56.78)	(56.78)
Balance at the end of the year	**22.13**	**218.74**	**111.79**	**352.66**

Particulars	As at March 31, 2022	As at March 31, 2021
8: Investments		
Equity instruments (at cost)		
Associate		
360,107 (March 31, 2021 : Nil) equity shares of face value of Rs.10 each of Baid Housing Finance Private Limited	46.36	-
	46.36	**-**

During the year, the Company has acquired 24% equity shares of Baid Housing Finance Private Limited (Baid), pursuant to this Baid became an associate w.e.f. November 12, 2021. The Reserve Bank of India has approved further investment in Baid letter dated April 22, 2022.

Particulars	As at March 31, 2022	As at March 31, 2021
9: Other financial assets (at amortised cost)		
A. Security deposits		
Unsecured, considered good	8.33	7.03
(A)	**8.33**	**7.03**
B. Other assets		
Loans to employees	19.44	13.33
Margin money held with financial institution	215.00	106.33
Interest only strip receivable	310.73	116.64
Other recoverable	16.76	1.15
(B)	**561.93**	**237.45**
Total (A+B)	**570.26**	**244.48**

Note: The margin money held with financial institution are under lien as security against term loan and business correspondance.

Particulars	As at March 31, 2022	As at March 31, 2021
10: Current tax assets (net)		
Advance income-tax (net of provision for income-tax)	46.17	29.38
	46.17	**29.38**

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
11: Deferred tax assets (net)		
(A)Deferred tax assets		
Impairment of financials instruments	102.11	85.93
Provision for employee benefits	9.21	6.35
Difference in written down value of property, plant and equipment	10.09	6.37
EIR impact on borrowing	33.70	16.68
Liability against leases and right of use assets	1.80	0.12
Total deferred tax assets	**156.91**	**115.45**
(B) Deferred tax liabilities		
Deferment of excess interest spread	(78.20)	(29.36)
Others	(14.26)	(13.95)
Total deferred tax liabilities	**(92.46)**	**(43.31)**
Net deferred tax assets (A+B)	**64.45**	**72.14**

(C) Movement in deferred tax assets/(liabilities) (net)

Particulars	As at April 1, 2021	(Charged)/credited to standalone statement of profit & loss during the year	(Charged)/credited to other comprehensive income during the year	As at March 31, 2022
(A) Deferred tax assets				
Impairment of financials instruments	85.93	16.18	-	102.11
Provision for employee benefits	6.35	2.60	0.25	9.20
Difference in written down value of property, plant and equipment	6.37	3.72	-	10.09
EIR impact on borrowing	16.68	17.02	-	33.70
Liability against leases and right of use assets	0.12	1.68	-	1.80
(B) Deferred tax liabilities				
Deferment of excess interest spread	(29.36)	(48.84)	-	(78.20)
Others	(13.95)	(0.30)	-	(14.25)
Net deferred tax assets (A+B)	**72.14**	**(7.95)**	**0.25**	**64.45**

Particulars	As at April 1, 2020	(Charged)/credited to statement of profit and loss during the year	(Charged)/credited to other comprehensive income during the year	As at March 31, 2021
(A) Deferred tax assets				
Impairment of financials instruments	44.58	41.35	-	85.93
Provision for employee benefits	3.90	2.35	0.10	6.35
Difference in written down value of property, plant and equipment	4.90	1.47	-	6.37
EIR impact on borrowing	11.20	5.48	-	16.68
Liability against leases and right of use assets	0.83	(0.71)	-	0.12
(B) Deferred tax liabilities				
Deferment of excess interest spread	(17.94)	(11.42)	-	(29.36)
Others	(2.16)	(11.79)	-	(13.95)
Net deferred tax assets (A+B)	**45.31**	**26.73**	**0.10**	**72.14**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

12A: Property, plant and equipment

Particulars	Furniture and Fixtures	Office Equipment	Vehicles	Computers and Data Processing Units	Office Premises	Right-of-use Asset (refer note 38)	Total
Gross block (at cost)							
As at April 1, 2020	22.01	10.67	4.22	39.61	-	13.24	89.75
Additions	3.22	4.13	-	19.79	32.10	-	59.24
Disposals	-	-	-	(0.72)	-	-	(0.72)
As at March 31, 2021	**25.23**	**14.80**	**4.22**	**58.68**	**32.10**	**13.24**	**148.27**
Additions	27.84	9.28	4.43	39.32	-	22.48	103.35
Disposals	(0.86)	(0.47)	-	(6.06)	-	-	(7.39)
As at March 31, 2022	**52.21**	**23.61**	**8.65**	**91.94**	**32.10**	**35.72**	**244.23**

Contd...

(Rs. in million unless otherwise stated)

Accumulated depreciation							
As at April 1, 2020	9.08	3.66	1.41	21.42	-	10.39	45.96
Charge for the year	4.73	3.96	0.88	14.94	0.27	2.36	27.13
Disposals	-	-	-	(0.56)	-	-	(0.56)
As at March 31, 2021	**13.81**	**7.62**	**2.29**	**35.80**	**0.27**	**12.75**	**72.53**
Charge for the year	12.49	4.92	0.91	24.30	1.55	13.04	57.22
Disposals	(0.48)	(0.18)	-	(5.42)	-	-	(6.08)
As at March 31, 2022	**25.82**	**12.36**	**3.20**	**54.68**	**1.82**	**25.79**	**123.67**
Net carrying amount							
As at March 31, 2021	11.42	7.19	1.93	22.88	31.83	0.49	75.74
As at March 31, 2022	**26.39**	**11.25**	**5.45**	**37.26**	**30.28**	**9.93**	**120.56**

12B: Intangible assets

Particulars	Computer Software	Total
Gross block (at cost)		
As at April 1, 2020	2.45	2.45
Additions	0.45	0.45
Disposals	-	-
As at March 31, 2021	**2.90**	**2.90**
Additions	0.15	0.15
Disposals	(1.03)	(1.03)
As at March 31, 2022	**2.02**	**2.02**
Accumulated amortization		
As at April 1, 2020	1.70	1.70
Charge for the year	0.33	0.33
Disposals	-	-
As at April 1, 2021	**2.03**	**2.03**
Charge for the year	0.24	0.24
Disposals	(0.58)	(0.58)
As at March 31, 2022	**1.69**	**1.69**
Net carrying amount		
As at March 31, 2021	0.87	0.87
As at March 31, 2022	**0.33**	**0.33**

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and intangible assets during the year ended March 31, 2022 and March 31, 2021.

12C: Depreciation and amortization

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
Depreciation	57.22	27.13
Amortization	0.24	0.33
Total	**57.46**	**27.46**

Particulars	As at March 31, 2022	As at March 31, 2021
13: Other non-financial assets		
Unsecured, considered good		
Prepaid expenses	192.13	91.56
Balance in employee imprest accounts	32.32	21.17
GST receivable	9.64	-
Capital Advances	11.21	-
Other advances	51.09	24.62
	296.39	**137.35**

Particulars	As at March 31, 2022	As at March 31, 2021
14: Trade Payable		
A. Trade Payable		
(i) total outstanding dues of micro enterprises and small enterprises (refer note 39)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	82.49	48.82
	82.49	**48.82**

Trade Payable as at March 31, 2022:

(Rs. in million unless otherwise stated)

Particulars	Unbilled dues	Outstanding for following periods from due date of payment*				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME#	-	-	-	-	-	-
(ii) Others	19.52	62.26	0.41	0.20	0.10	82.49
(iii) Disputed dues – MSME#	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

Trade Payable as at March 31, 2021:

Particulars	Unbilled dues	Outstanding for following periods from due date of payment*				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME#	-	-	-	-	-	-
(ii) Others	18.81	29.43	0.36	0.15	0.07	48.82
(iii) Disputed dues – MSME#	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.
*in case where due date of payment is not specified, disclosure has been given based on the due date of transaction.

Particulars	As at March 31, 2022	As at March 31, 2021
15: Debt Securities (at amortised cost)		
(a) Debentures		
Secured*		
Nil (March 31, 2021: 200), 14.55% secured, unlisted, rated, transferable, redeemable, non-convertible debentures of face value of Rs. 1,000,000 each	-	199.73
1,500 (March 31, 2021: 1,500), 14.50%, senior secured, unlisted, rated, transferable, redeemable, principal protected market linked debentures of Rs. 100,000 each	231.44	199.04
400 (March 31, 2021: 400), 13.80%, secured, rated, listed transferable non-convertible debentures of Rs. 1,000,000 each	403.05	403.25
Nil (March 31, 2021: 340), 12.85% secured, rated, listed, transferable non-convertible debentures of Rs. 1,000,000 each	-	171.57
24,983 (March 31, 2021: 24,983) 13.60%, secured, unlisted, rated, redeemable, non-convertible debenture of Rs.10,000 each	83.46	166.24
24,983 (March 31, 2021: 24,983) 13.60%, unlisted, unsubordinated, secured, transferable, redeemable non-convertible debentures of Rs.10,000 each	82.91	163.97
285 (March 31, 2021: 285) 12.85%, secured, listed, non-convertible debentures of Rs. 1,000,000 each	286.68	286.45
380 (March 31, 2021: 380) 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	388.38	388.41
345 (March 31, 2021: 345) 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	352.49	352.57
25,000,000 (March 31, 2021: 25,000,000) 13.75% fully paid-up unlisted, senior, secured, rated, redeemable taxable, transferable non-convertible debentures each having a face value of Rs. 10/- each	172.09	257.17
260 (March 31, 2021: 260) 12.30% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	261.65	262.99
2,000 (March 31, 2021: Nil) 13.16% secured, rated, listed, redeemable, transferable, principal protected market linked non-convertible debentures of face value of Rs. 100,000/- each	218.42	-
221 (March 31, 2021: Nil) 12.40% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	226.34	-
161 (March 31, 2021: Nil) 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	164.71	-
161 (March 31, 2021: Nil) 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	164.74	-
800 (March 31, 2021: Nil) 12.38% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	808.97	-
300 (March 31, 2021: Nil) 11.50% secured, rated, unlisted, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	302.85	-
420 (March 31, 2021: Nil) 12.44% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	429.64	-
225 (March 31, 2021: Nil) 12.45% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	224.90	-
225 (March 31, 2021: Nil) 12.45% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	224.90	-
260 (March 31, 2021: Nil) , 11.76% secured, rated, unlisted, senior, transferable, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	257.84	-
Total debt securities	**5,285.46**	**2,851.39**

Contd...

(Rs. in million unless otherwise stated)

Borrowings in India	5,285.46	2,851.39
Borrowings outside India	-	-
Total	**5,285.46**	**2,851.39**

* Loans are secured by hypothecation of book debts.

(b) Borrowings (other than debt securities) (at amortised cost)		
Secured-Term loan**		
From banks	10,059.53	3,642.24
From others	3,985.39	3,141.24
Bank overdraft (secured)*	1,328.46	487.74
Borrowing under securitisation arrangement**		
From banks	766.29	249.55
From others	196.89	323.36
Lease liability (refer note 38)	17.08	0.96
Total borrowings (other than debt securities)	**16,353.64**	**7,845.09**
Borrowings in India	16,353.64	7,845.09
Borrowings outside India	-	-
Total	**16,353.64**	**7,845.09**

*Bank overdraft is secured by term deposits with banks.
** Loans are secured by hypothecation of book debts and margin money deposits.

(c) Subordinated liabilities (at amortised cost)		
Unsecured debentures#		
200 (March 31, 2021: 200) 15.75% rated, unlisted, subordinated, unsecured, transferable, redeemable, non-convertible debentures of Rs.1,000,000 each	206.47	206.18
25,000,000 (March 31, 2021: 25,000,000) 14.27% rated, listed, unsecured, subordinated, redeemable, taxable, non-convertible debentures of Rs. 10 each	243.56	242.39
3,000 (March 31, 2021:Nil) 14.75% rated, unlisted, subordinate, unsecured, redeemable, transferable, non-convertible debentures of face value of Rs. 100,000/- each	302.26	-
300 (March 31, 2021:Nil) 15.15% rated, unlisted, subordinate, unsecured, taxable, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	301.98	-
Unsecured term loan#		
From banks	95.96	95.84
From others	-	29.87
Total subordinated liabilities	**1,150.23**	**574.28**
Borrowings in India	1,150.23	574.28
Borrowings outside India	-	-
Total	**1,150.23**	**574.28**

The unsecured borrowings are in the nature of subordinated liabilities and non-convertible debentures.

Above amount includes		
Secured borrowings*	21,639.10	10,696.48
Unsecured borrowings #	1,150.23	574.28
Net amount	**22,789.33**	**11,270.76**

* Loans are secured by hypothecation of book debts and margin money deposits.
The unsecured borrowings are in the nature of subordinated liabilities and non-convertible debentures.

15A. Terms of principal repayment of borrowings as at March 31, 2022

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Debt Securities										
NCD										
Yearly										
1-3 years	11.51%-12.00%	1	78.00	1	78.00	1	104.00	0	-	260.00
		1	83.28	0	-	0	-	0	-	83.28
		1	83.28	0	-	0	-	0	-	83.28
		1	83.33	1	83.34	0	-	0	-	166.67
Above 3 years	12.01%-12.50%	0	-	0	-	0	-	2	225.00	225.00
		0	-	0	-	0	-	2	225.00	225.00
		1	95.00	0	-	0	-	1	285.00	380.00
Bullet										
1-3 years	11.01%-11.50%	1	300.00	0	-	0	-	0	-	300.00
Above 3 years	12.01%-12.50%	0	-	0	-	1	345.00	0	-	345.00
		0	-	0	-	0	-	1	260.00	260.00
		0	-	0	-	0	-	1	420.00	420.00
		0	-	0	-	0	-	1	800.00	800.00
		0	-	0	-	0	-	1	161.00	161.00
		0	-	0	-	0	-	1	161.00	161.00
		0	-	0	-	0	-	1	221.00	221.00

Contd...

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Above 3 years	13.01%-13.50%	0		0	-	1	200.00	0	-	200.00
	13.51%-14.00%	1	400.00	0	-	0	-	0	-	400.00
		0	-	1	285.00	0	-	0	-	285.00
	14.01%-14.50%	1	150.00	0	-	0	-	0	-	150.00
Borrowings (Other than Debt Securities)										
Term Loan										
Monthly										
1-3 years	6.51%-7.00%	6	120.00	0	-	0	-	0	-	120.00
	8.51%-9.00%	12	285.71	7	166.67	0	-	0	-	452.38
		12	654.55	7	381.82	0	-	0	-	1,036.37
	9.01%-9.50%	12	72.73	12	72.73	7	42.42	0	-	187.88
		12	188.40	12	188.40	6	91.80	0	-	468.60
		12	180.00	6	90.00	0	-	0	-	270.00
		12	150.00	9	112.50	0	-	0	-	262.50
		12	99.00	10	82.50	0	-	0	-	181.50
		12	333.33	12	333.34	7	194.44	0	-	861.11
	9.51%-10.00%	11	34.38	12	37.50	7	21.87	0	-	93.75
		12	181.82	12	196.97	0	-	0	-	378.79
	10.01%-10.50%	12	500.00	9	375.00	0	-	0	-	875.00
		12	120.00	12	120.00	5	50.00	0	-	290.00
		9	36.75	12	53.68	12	59.57	0	-	150.00
	10.51%-11.00%	11	229.17	0	-	0	-	0	-	229.17
		12	125.00	0	-	0	-	0	-	125.00
		12	58.25	12	64.83	0	-	0	-	123.08
		9	171.43	12	228.57	0	-	0	-	400.00
		12	272.73	6	136.36	0	-	0	-	409.09
		11	108.12	12	130.34	1	11.54	0	-	250.00
		10	83.33	12	100.00	2	16.67	0	-	200.00
		12	75.00	12	75.00	0	-	0	-	150.00
		12	150.00	0	-	0	-	0	-	150.00
	11.01%-11.50%	8	33.33	0	-	0	-	0	-	33.33
		8	36.36	0	-	0	-	0	-	36.36
		8	380.95	12	619.05	0	-	0	-	1,000.00
		12	123.75	11	113.44	0	-	0	-	237.19
		8	2.58	0	-	0	-	0	-	2.58
	11.51%-12.00%	6	54.39	0	-	0	-	0	-	54.39
		12	35.14	6	19.15	0	-	0	-	54.29
		11	157.04	12	191.97	5	87.09	0	-	436.10
		11	100.00	0	-	0	-	0	-	100.00
		12	46.50	12	53.50	0	-	0	-	100.00
		10	104.17	12	125.00	2	20.83	0	-	250.00
		12	57.41	12	64.69	1	6.22	0	-	128.32
		9	75.00	0	-	0	-	0	-	75.00
	12.01%-12.50%	5	52.08	0	-	0	-	0	-	52.08
		12	89.37	12	100.63	0	-	0	-	190.00
		11	131.98	12	162.65	1	15.37	0	-	310.00
		12	47.88	10	44.64	0	-	0	-	92.52
		12	105.00	12	105.00	0	-	0	-	210.00
		9	37.50	0	-	0	-	0	-	37.50
		12	47.24	1	4.22	0	-	0	-	51.46
		12	142.86	1	11.90	0	-	0	-	154.76
	12.51%-13.00%	12	24.69	7	15.92	0	-	0	-	40.61
		12	150.00	9	112.50	0	-	0	-	262.50
		12	25.00	12	25.00	0	-	0	-	50.00
		12	50.00	12	50.00	0	-	0	-	100.00
		12	50.00	3	12.50	0	-	0	-	62.50
		12	75.00	6	37.50	0	-	0	-	112.50
		12	75.00	12	75.00	0	-	0	-	150.00
		12	64.17	12	73.02	3	19.87	0	-	157.06
		6	45.00	0	-	0	-	0	-	45.00
		8	36.23	0	-	0	-	0	-	36.23
		11	58.77	0	-	0	-	0	-	58.77
		12	28.57	0	-	0	-	0	-	28.57
		12	42.54	0	-	0	-	0	-	42.54
		12	9.21	1	0.83	0	-	0	-	10.04
		12	53.23	0	-	0	-	0	-	53.23
		12	28.57	0	-	0	-	0	-	28.57

Contd...

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
1-3 years	13.01%-13.50%	6	27.57	0	-	0	-	0	-	27.57
		3	51.34	0	-	0	-	0	-	51.34
		5	20.83	0	-	0	-	0	-	20.83
		7	29.17	0	-	0	-	0	-	29.17
		9	20.32	0	-	0	-	0	-	20.32
		9	37.50	0	-	0	-	0	-	37.50
		11	22.92	0	-	0	-	0	-	22.92
		12	62.50	0	-	0	-	0	-	62.50
		12	75.00	1	6.25	0	-	0	-	81.25
		2	11.92	0	-	0	-	0	-	11.92
	13.51%-14.00%	8	100.00	0	-	0	-	0	-	100.00
		10	90.35	0	-	0	-	0	-	90.35
		1	2.25	0	-	0	-	0	-	2.25
		1	12.32	0	-	0	-	0	-	12.32
	14.01%-14.50%	2	4.27	0	-	0	-	0	-	4.27
		12	4.68	9	0.02	0	-	0	-	4.70
	14.51%-15.00%	1	0.21	0	-	0	-	0	-	0.21
	15.01%-15.50%	2	3.70	0	-	0	-	0	-	3.70
		2	3.67	0	-	0	-	0	-	3.67
		2	6.64	0	-	0	-	0	-	6.64
		2	3.00	0	-	0	-	0	-	3.00
		7	11.46	0	-	0	-	0	-	11.46
Above 3 years	12.51%-13.00%	0	-	12	75.80	12	75.80	0	-	151.60
	13.01%-13.50%	5	35.10	0	-	0	-	0	-	35.10
Quarterly										
1-3 years	11.51%-12.00%	4	150.00	4	150.00	0	-	0	-	300.00
	12.01%-12.50%	4	66.67	4	66.67	4	66.67	0	-	200.00
	12.51%-13.00%	4	83.33	4	83.33	0	-	0	-	166.66
ECB										
Bullet										
Above 3 years	12.01%-12.50%	2	106.00	0	-	0	-	0	-	106.00
Bank Overdraft										
Repayable on Demand										
1-3 years	5.51%-6.00%	1	300.99	0	-	0	-	0	-	300.99
	8.01%-8.50%	1	448.64	0	-	0	-	0	-	448.64
		1	578.83	0	-	0	-	0	-	578.83
Securitization										
1-3 years	9.01%-9.50%	12	126.90	6	75.25	0	-	0	-	202.15
	9.51%-10. 00%	7	60.15	0	-	0	-	0	-	60.15
		8	88.13	0	-	0	-	0	-	88.13
		6	59.89	0	-	0	-	0	-	59.89
	10.01%-10.50%	8	99.21	0	-	0	-	0	-	99.21
	10.51%-11.00%	9	290.09	0	-	0	-	0	-	290.09
Subordinated Liabilities										
Half Yearly										
Above 3 years	14.01%-14.50%	0	-	0	-	0	-	3	250.00	250.00
Bullet										
Above 3 years	14.51%-15.00%	0	-	0	-	1	50.00	0	-	50.00
		0	-	0	-	0	-	1	300.00	300.00
	15.01%-15.50%	0	-	0	-	0	-	1	300.00	300.00
	15.51%-16.00%	0	-	0	-	0	-	1	200.00	200.00
	16.51%-17.00%	0	-	1	45.00	0	-	0	-	45.00
Total		**858**	**11,274.65**	**441**	**5,912.99**	**79**	**1,479.17**	**17**	**3,808.00**	**22,474.79**
Impact of lease liability recognized under IND-AS 116										**17.08**
Impact of EIR on borrowings										**133.90**
Impact of EIR on securitization										**163.56**
Grand Total										**22,789.33**

15A. Terms of principal repayment of borrowings as at March 31, 2021

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Debt Securities										
NCD										
Yearly										
1-3 years	13.51%-14.00%	1	170.00	0	-	0	-	0	-	170.00
		1	83.28	1	83.28	0	-	0	-	166.55
		1	83.28	1	83.28	0	-	0	-	166.55
		1	83.33	1	83.33	1	83.33	0	-	250.00
Bullet										
Above 3 years	12.00%-12.51%	0	-	0	-	0	-	1	345.00	345.00
		0	-	0	-	0	-	1	260.00	260.00
		0	-	1	95.00	0	-	1	285.00	380.00
	13.51%-14.00%	0	-	1	400.00	0	-	0	-	400.00
		0	-	0	-	1	285.00	0	-	285.00
	14.01%-14.50%	0	-	1	150.00	0	-	0	-	150.00
	14.51%-15.00%	1	200.00	0	-	0	-	0	-	200.00
Borrowings (Other than Debt Securities)										
Term Loan										
Monthly										
1-3 years	6.51%-7.00%	1	42.90	0	-	0	-	0	-	42.90
	9.51%-10.00%	7	100.00	0	-	0	-	0	-	100.00
	10.51%-11.00%	12	250.00	11	229.16	0	-	0	-	479.16
		12	125.00	12	125.00	0	-	0	-	250.00
		12	150.00	12	150.00	0	-	0	-	300.00
	11.01%-11.50%	12	50.00	8	33.33	0	-	0	-	83.33
		12	54.55	8	36.36	0	-	0	-	90.91
		12	10.27	8	5.18	0	-	0	-	15.45
		11	89.38	1	8.13	0	-	0	-	97.50
	11.51%-12.00%	12	99.84	6	54.39	0	-	0	-	154.22
		12	31.33	12	35.14	6	19.15	0	-	85.62
		12	100.00	9	75.00	0	-	0	-	175.00
	12.01%-12.50%	12	125.00	5	52.08	0	-	0	-	177.08
		4	84.19	0	-	0	-	0	-	84.19
		6	25.00	0	-	0	-	0	-	25.00
		12	50.00	9	37.50	0	-	0	-	87.50
		11	38.54	12	47.24	1	4.22	0	-	90.00
		8	95.24	12	142.86	1	11.90	0	-	250.00
	12.51%-13.00%	7	14.58	0	-	0	-	0	-	14.58
		10	20.85	0	-	0	-	0	-	20.85
		3	18.75	0	-	0	-	0	-	18.75
		12	100.00	0	-	0	-	0	-	100.00
		7	29.17	0	-	0	-	0	-	29.17
		12	90.00	6	45.00	0	-	0	-	135.00
		12	48.81	8	36.23	0	-	0	-	85.05
		12	56.72	11	58.77	0	-	0	-	115.49
		9	21.43	12	28.57	0	-	0	-	50.00
		12	37.46	12	42.54	0	-	0	-	80.00
		11	7.46	12	9.21	1	0.83	0	-	17.50
		12	46.77	12	53.23	0	-	0	-	100.00
		9	21.43	12	28.57	0	-	0	-	50.00
	13.01%-13.50%	12	49.33	7	31.99	0	-	0	-	81.32
		12	197.11	7	129.39	0	-	0	-	326.49
		12	50.00	5	20.83	0	-	0	-	70.83
		12	50.00	7	29.17	0	-	0	-	79.17
		12	24.13	9	20.32	0	-	0	-	44.45
		12	50.00	9	37.50	0	-	0	-	87.50
		12	25.00	11	22.92	0	-	0	-	47.92
		12	62.50	12	62.50	0	-	0	-	125.00
		11	68.75	12	75.00	0	6.25	0	-	150.00
		8	66.67	0	-	0	-	0	-	66.67
		8	47.72	0	-	0	-	0	-	47.72
		11	30.82	0	-	0	-	0	-	30.82
		11	114.58	0	-	0	-	0	-	114.58
		10	20.83	0	-		-	0	-	20.83
		12	55.09	2	11.92		-	0	-	67.01
		11	45.83	0	-		-	0	-	45.83
		13	123.81	0	-		-	0	-	123.81

Contd...

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
1-3 years	13.51%-14.00%	1	1.39	0	-	0	-	0	-	1.39
		12	150.00	8	100.00	0	-	0	-	250.00
		12	95.21	10	90.35	0	-	0	-	185.57
		6	20.00	0	-	0	-	0	-	20.00
		6	19.35	0	-	0	-	0	-	19.35
		8	16.16	0	-	0	-	0	-	16.16
		8	106.83	0	-	0	-	0	-	106.83
		12	26.43	1	2.25	0	-	0	-	28.68
		12	133.81	1	12.32	0	-	0	-	146.13
	14.01%-14.50%	6	20.79	0	-	0	-	0	-	20.79
		9	15.03	0	-	0	-	0	-	15.03
		10	25.63	0	-	0	-	0	-	25.63
		11	10.98	0	-	0	-	0	-	10.98
		11	16.39	0	-	0	-	0	-	16.39
		12	23.54	2	4.27	0	-	0	-	27.81
		2	3.73	0	-	0	-	0	-	3.73
		2	2.83	0	-	0	-	0	-	2.83
		12	31.36	11	2.98	0	-	0	-	34.34
	14.51%-15.00%	4	20.44	0	-	0	-	0	-	20.44
		11	26.50	0	-	0	-	0	-	26.50
		12	3.74	1	0.01	0	-	0	-	3.75
		1	9.56	0	-	0	-	0	-	9.56
	15.01%-15.50%	12	38.47	0	-	0	-	0	-	38.47
		12	18.70	2	3.70	0	-	0	-	22.40
		12	18.71	2	3.67	0	-	0	-	22.38
		12	37.54	2	6.64	0	-	0	-	44.18
		12	18.82	2	3.00	0	-	0	-	21.82
		12	17.63	7	11.46	0	-	0	-	29.09
Above 3 years	12.51%-13.00%	0	-	0	-	12	75.80	12	75.80	151.60
	13.01%-13.50%	12	84.24	5	35.10	0	-	0	-	119.34
	13.51%-14.00%	4	3.33	0	-	0	-	0	-	3.33
Quarterly										
1-3 years	12.51%-13.00%	1	18.75	0	-	0	-	0	-	18.75
		4	83.33	4	83.33	4	83.34	0	-	250.00
	13.51%-14.00%	1	25.00	0	-	0	-	0	-	25.00
Above 3 years	13.01%-13.50%	1	8.52	0	-	0	-	0	-	8.52
	13.51%-14.00%	1	7.78	0	-	0	-	0	-	7.78
ECB										
Bullet										
Above 3 years	12.01%-12.50%	0	-	2	106.00	0	-	0	-	106.00
Bank Overdraft										
Repayable on Demand										
1-3 years	8.01%-8.50%	1	314.31	0	-	0	-	0	-	314.31
	12.00%-12.51%	1	173.43	0	-	0	-	0	-	173.43
Securitization										
1-3 years	12.51%-13.00%	3	13.12	0	-	0	-	0	-	13.12
		12	187.65	7	121.34	0	-	0	-	308.99
	13.01%-13.50%	1	5.27	0	-	0	-	0	-	5.27
	13.51%-14.00%	1	4.08	0	-	0	-	0	-	4.08
	14.01%-14.50%	7	47.87	0	-	0	-	0	-	47.87
		9	81.15	7	-	0	-	0	-	81.15
		5	18.72	7	-	0	-	0	-	18.72
	16.01%-16.50%	2	8.42	0	-	0	-	0	-	8.42
Subordinated Liabilities										
Half Yearly										
Above 3 years	14.01%-14.50%	0	-	0	-	0	-	3	250.00	250.00
Bullet										
Above 3 years	14.51%-15.00%	0	-	0	-	0	-	1	50.00	50.00
	15.01%-15.50%	0	-	0	-	1	5.00	0	-	5.00
	15.51%-16.00%	0	-	0	-	0	-	1	25.00	25.00
		0	-	0	-	0	-	1	200.00	200.00

Contd...

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Above 3 years	16.51%-17.00%	0	-	0	-	1	45.00	0	-	45.00
Total		**822**	**5,751.27**	**364**	**3,256.36**	**30**	**619.82**	**21**	**1,490.80**	**11,118.25**
Impact of lease liability recognized under IND-AS 116										**0.96**
Impact of EIR on borrowings										**151.55**
Grand Total										**11,270.76**

Particulars	As at March 31, 2022	As at March 31, 2021
16: Other financial liabilities		
Payable towards direct assignment	353.59	108.73
Other liabilities	14.53	326.72
	368.12	**435.45**

Particulars	As at March 31, 2022	As at March 31, 2021
17: Provisions		
Provision for employee benefits		
Gratuity (refer note 37)	17.09	10.07
Leave encashment	19.49	15.17
	36.58	**25.24**

Particulars	As at March 31, 2022	As at March 31, 2021
18: Other non-financial liabilities		
Statutory dues payable	67.64	21.36
Other liabilities	5.76	27.46
	73.40	**48.82**

Particulars	As at March 31, 2022	As at March 31, 2021
19: Equity Share capital		
Authorized		
80,000,000 (March 31, 2021: 80,000,000) equity shares of Rs.10 each	800.00	800.00
Total	**800.00**	**800.00**
Issued		
51,374,506 (March 31, 2021: 48,724,506) equity shares of Rs.10 each fully paid up	513.75	487.25
Total	**513.75**	**487.25**
Subscribed		
51,374,506 (March 31, 2021: 48,724,506) equity shares of Rs.10 each fully paid up	513.75	487.25
Total	**513.75**	**487.25**
Paid-up		
48,874,506 (March 31, 2021: 46,224,506) equity shares of Rs.10 each fully paid up	488.75	462.25
2,500,000 (March 31, 2021: 2,500,000) equity shares of Rs.10 each partly paid-up to the extent of Rs. 4 per share (March 31, 2021 Rs. 2.5 per share)	10.00	6.25
	498.75	**468.50**
Less: Amount recoverable from Satya Employee Welfare Trust	(8.11)	(10.00)
Total	**490.64**	**458.50**

(a) Terms/rights attached to equity shares

The Company has only one class of equity shares of face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Dividend if proposed by the Board of Directors, shall be subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event, the Company declares any dividend the same shall be paid in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(Rs. in million unless otherwise stated)

On March 21, 2022 the Company issued 2,650,000 Equity Shares to Gojo & Company, Inc. at price of Rs. 201 each (face value of Rs. 10 each and premium of Rs.191 each), pursuant to that Gojo & Company, Inc. became the Holding Company.

(b) Reconciliation of the number of equity shares issued outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	48,724,506	487.25	33,321,728	333.22
Add: Issued during the year	2,650,000	26.50	15,402,778	154.03
Outstanding at the end of the year	**51,374,506**	**513.75**	**48,724,506**	**487.25**

(c) Reconciliation of the number of equity shares subscribed at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	48,724,506	487.25	33,321,728	333.22
Add: Issued during the year	2,650,000	26.50	15,402,778	154.03
Outstanding at the end of the year	**51,374,506**	**513.75**	**48,724,506**	**487.25**

(d) Reconciliation of the number of equity shares paid-up outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	48,724,506	468.50	33,321,728	314.47
Add: Issued during the year*	2,650,000	30.25	15,402,778	154.03
Outstanding at the end of the year	**51,374,506**	**498.75**	**48,724,506**	**468.50**

* include amount received on partly paid equity shares of Rs. 3.75 million.

(e) Shares held by the Holding Company

Name of the shareholder	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
GOJO & Company, Inc.	26,963,315	52.48%	-	-

GOJO & Company, Inc. was not a holding company as at March 31, 2021, hence number of shares held by Gojo & Company, Inc as at March 31, 2021 have not been disclosed

(f) Details of shareholders holding more than 5% in the Company:

As per the records of the Company, including register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the shareholding given below represents both legal and beneficial ownership of shares.

Name of the shareholder	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
GOJO & Company, Inc.	26,963,315	52.48%	24,138,315	49.54%
Vivek Tiwari*	11,668,200	22.72%	11,616,200	23.84%
Dia Vikas Capital Private Limited	6,773,475	13.18%	6,773,475	13.90%

*Includes of 2,500,000 partly-paid equity shares, Rs. 4/- per share paid up (March 31,2021: Rs. 2.5/- per share paid up).

(g) Shareholdings of Promoters

(i) For fully paid shares

Promoter Name	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Vivek Tiwari	9,168,200	17.85%	9,116,200	18.71%
Koshish Marketing Solutions Pvt. Ltd.	1,902,300	3.70%	1,707,100	3.50%
Vandna Tiwari	113,500	0.22%	113,500	0.23%
Sadhna Tiwari	20,000	0.04%	20,000	0.04%
Ratnesh Tiwari	51,500	0.10%	51,500	0.11%
Total	**11,255,500**	**21.91%**	**11,008,300**	**22.59%**

(ii) For Partly paid shares

Promoter Name	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Vivek Tiwari	2,500,000	4.87%	2,500,000	5.13%
Total	**2,500,000**	**4.87%**	**2,500,000**	**5.13%**

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
20: Instruments entirely equity in nature		
Authorized 20,000,000 (March 31, 2021: 20,000,000) preference shares of Rs. 10 each	200.00	200.00
	200.00	**200.00**
Issued, subscribed and fully paid **Non- Cumulative Compulsorily Convertible Preference Shares** 2,985,100 (March 31, 2021: Nil) preference shares of Rs. 10 each	29.85	-
	29.85	**-**

(a) Terms/rights attached to non- cumulative compulsorily convertible preference shares

During the year ended March 31, 2022, the Company has issued 2,985,100, 0.001% Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) at Rs. 201 per NCCCPS (face value of Rs.10 and premium of Rs.191 per NCCCPS) to Gojo & Company, Inc. The terms of NCCCPS are as follows:

(i) Tenor & Conversion: On or before 10 (Ten) years.

(ii) NCCCPS shall have voting rights on conversion into Equity Shares of the Company i.e. the Equity Shares to be issued on conversion of the NCCCPS shall rank pari-passu in all respects with the existing Equity Shares of the Company.

(iii) Priority with respect to payment of dividend or repayment of capital: NCCCPS will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

(b) Reconciliation of the number of non- cumulative compulsorily convertible preference shares issued outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	-	-	-	-
Add: Issued during the year	2,985,100	29.85	-	-
Outstanding at the end of the year	**2,985,100**	**29.85**	**-**	**-**

(c) Reconciliation of the number of non- cumulative compulsorily convertible preference shares subscribed at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	-	-	-	-
Add: Issued during the year	2,985,100	29.85	-	-
Outstanding at the end of the year	**2,985,100**	**29.85**	**-**	**-**

(d) Reconciliation of the number of non- cumulative compulsorily convertible preference shares paid-up outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	-	-	-	-
Add: Issued during the year	2,985,100	29.85	-	-
Outstanding at the end of the year	**2,985,100**	**29.85**	**-**	**-**

(e) Shares held by the Holding Company

Name of the shareholder	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
GOJO & Company, Inc.	2,985,100	100.00%	-	-

(f) Details of shareholders holding more than 5% in the Company:

As per the records of the Company, including register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the shareholding given below represents both legal and beneficial ownership of shares

Name of the shareholder	March 31, 2022		March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
GOJO & Company, Inc.	2,985,100	100.00%	-	-

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
21: Other equity		
Share options outstanding account	22.90	17.57
Statutory reserves	107.06	42.05
Securities premium	4,553.74	3,466.97
Retained earnings	318.48	59.20
Total other equity	**5,002.18**	**3,585.79**
Share options outstanding reserve (refer note a)		
Balance at the beginning of the year	17.57	11.65
Fair value of stock option	5.33	5.92
Balance at the end of the year	**22.90**	**17.57**
Statutory reserves (refer note b)		
Balance at the beginning of the year	42.05	21.62
Add: Amount transferred from statement of profit and loss	65.01	20.43
Balance at the end of the year	**107.06**	**42.05**
Securities premium account (refer note c)		
At the beginning of the year	3,516.45	1,425.97
Add: Premium on issue of equity shares	506.12	1,456.38
Add: Premium on issue of preference shares	570.12	631.94
Add: Premium on ESOP	2.42	2.16
	4,595.11	**3,516.45**
Less: Amount recoverable from SATYA Employee Welfare Trust	(41.37)	(49.48)
Balance at the end of the year	**4,553.74**	**3,466.97**
Retained earnings (refer note d)		
Balance at the beginning of the year	59.20	(22.25)
Add: Profit/(loss) for the year	325.03	102.17
Add: Other comprehensive income (re-measurement gains/ (losses) on defined benefit plans)	(0.99)	(0.39)
Less: Income-tax effect on other comprehensive income	0.25	0.10
Less: Transfer to statutory reserve (20% of profit after tax as required by Section 45-IC of the Reserve Bank of India Act, 1934)	(65.01)	(20.43)
Net surplus/(deficit) in the statement of profit and loss	**318.44**	**59.20**

A. Share options outstanding reserve is created as required by ind as-102 'share based payment' on the employees option scheme operated by the company for employees (refer note 42).
B. In terms of section 45ic of the reserve bank of india act, 1934, the company is required to transfer atleast 20% of its profit after tax to statutory reserve. Accordingly, the company has transferred a sum of rs. 65.01 million (march 31, 2021: Rs. 20.43 million), representing 20% of its profit after tax for the current financial year.
C. Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the companies act, 2013.
D. Retained earnings are the profit/loss that the company has earned/incurred till date, less any transfers to statutory reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the company and eligible for distribution to shareholders, in case where it is having positive balance representing net earning till date.

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
22: Interest Income		
Measured at amortised cost		
Interest income on portfolio loans	3,140.01	2,328.30
Interest on fixed deposits*	193.21	116.69
	3,333.22	**2,444.99**

* Includes interest income on margin money deposits placed to avail term loans from banks, non-banking financial companies and placed as cash collateral in connection with securitisation transactions.

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
23: Fee and commission income		
Fee and commission income	291.22	114.64
	291.22	**114.64**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
24: Net gain on derecognition of financial instruments under amortised cost category		
Net gain on derecognition of financials instruments under amortised cost category	366.57	108.01
	366.57	**108.01**

(Rs. in million unless otherwise stated)

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
25: Other income		
Miscellaneous income	24.40	4.54
	24.40	**4.54**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
26: Finance costs		
Interest		
On debt securities	497.50	397.36
On borrowings (other than debt securities)	1,102.23	858.18
On subordinated liabilities	108.09	19.99
On lease liabilities (refer note 38)	2.29	0.43
On income tax	0.11	-
Other finance cost	0.83	2.16
	1,711.05	**1,278.12**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
27: Impairment on financial instruments		
Impairment on portfolio loans measured at amortised cost	47.30	199.58
Portfolio loans written off	123.41	56.78
	170.71	**256.36**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
28: Employee benefits expense		
Salaries, wages and bonus	1,009.85	603.40
Contribution to provident fund and other funds (refer note 37A)	74.44	46.45
Expense for employee stock option plan (refer note 42)	9.24	9.59
Gratuity expense (refer note 37B)	6.03	4.10
Staff welfare expenses	68.43	23.94
	1167.99	**687.48**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
29: Other expenses		
Advertisement expenses	1.90	0.74
Business promotion	3.20	5.75
Courier expenses	6.80	3.38
General insurance expenses	2.71	2.60
Legal & professional fee	74.07	42.13
Credit rating fees	5.94	7.85
Auditor's Remuneration (refer note below)	4.46	5.50
Cashless pos fee	5.34	1.80
Membership fees	6.66	4.58
Meeting & conference	4.94	6.21
Software expenses	42.36	28.94
Postage, internet & telephone expenses	25.73	13.79
Electricity charges	6.39	3.97
Printing & stationeries	14.07	9.04
Repair and maintainance	51.02	30.35
Branch office maintainance	4.06	1.46
Rates & taxes	0.08	-
Rent including lease rent (refer note 38)	60.18	42.33
Branch establishment expenses	4.97	3.01
Director siting fee	6.52	5.10
Travelling & conveyance	57.31	22.81
ROC fee	0.27	2.70
Covid-19 expenses	2.91	4.23
Festival expenses	6.53	1.39
Annual meet expenses	16.75	-
Freight & forwarding	1.31	0.63
Donation and corporate social responsibility expenditure	10.00	6.24
Cenvat credit disallowed	32.24	13.12

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Miscellaneous expenses	14.39	2.05
	473.11	**271.70**

Note:

Payment to auditors		
As auditor:		
Audit fees	4.00	5.35
Certification fees	0.40	0.15
Out of pocket expenses	0.06	-
	4.46	**5.50**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
30: Income-tax expense		
A. Income-tax expense in the standalone statement of profit and loss consists of:		
Income-tax:		
Current year tax	102.11	75.62
Deferred tax credit	7.95	(26.73)
Income-tax expense reported in the standalone statement of profit or loss	**110.06**	**48.89**
Income-tax recognised in other comprehensive income		
Deferred tax arising on income and expenses recognised in other comprehensive income	(0.25)	(0.10)
Total	**109.81**	**48.79**
B. The reconciliation between the provision for income-tax of the company and amounts computed by applying the Indian statutory income-tax rate to profit before taxes is as follows:		
Profit before tax	435.09	151.06
Re-measurement gains/(losses) on defined benefit plans	(0.99)	(0.39)
Profit before tax (including re-measurement gains/(losses) on defined benefit plans)	434.10	150.68
Enacted tax rates in India	25.17%	25.17%
Computed tax expense	109.25	37.92
Effect of :		
Non-deductible expenses	2.86	4.72
Difference on account of change in tax rate	-	6.15
Earlier year tax	(2.30)	-
Total income-tax expense	**109.81**	**48.79**

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
31: Earnings per share		
Net profit after tax as per statement of profit and loss	325.03	102.17
Less: Dividend on preference shares	-	-
Net profit for calculation of basic earnings per share	**325.03**	**102.17**
Net profit as above	325.03	102.17
Add: Dividend on preference shares and tax thereon	-	-
Net profit for calculation of diluted earnings per share	**325.03**	**102.17**
Calculation of weighted average number of equity shares for basic earning per share		
Equity shares		
Number of shares at the beginning of the year	45,944,492	31,446,728
Add: Issued during the year	184,112	1,232,534
Add: CCPS converted during the year	-	7,070,000
Number of shares at the end of the year	**46,128,604**	**39,749,262**
Compulsorily Convertible Preference Shares (CCPS)		
Number of shares at the beginning of the year	-	2,722,222
Add: Issued during the year	-	4,349,163
Less: Conversion during the year	-	(7,071,385)
Number of shares at the end of the year	**-**	**-**
Weighted average number of equity shares for basic earning per share	**46,128,604**	**39,749,262**
Effect of dilution		
Employee stock option	670,542	662,938
Non- Cumulative Compulsorily Convertible Preference Shares (NCCCPS)	61,644	0

Contd...

(Rs. in million unless otherwise stated)

Weighted average number of equity shares for diluted earning per share	**46,860,790**	**40,412,200**
Basic earnings per share (amoun in rupees)	**7.05**	**2.57**
Diluted earnings per share (amoun in rupees)	**6.94**	**2.53**
Nominal value per share: Rs.10 (Previous year: Rs.10)		

32: Segment Reporting

The Company's main business is of 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. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.

33. Related parties under Ind AS 24 with whom transactions have taken place during the year.

I. Holding Company

GOJO & Company, Inc. (w.e.f March 21, 2022)

II. Key Management Personnel

(a) Mr. Vivek Tiwari, Managing director, Chief Executive Officer and Chief Information Officer
(b) Mr. Sudhindra Kumar Sharma - Chief Financial Officer (upto October 31, 2021)
(c) Ms. Vandita Kaul - Chief Financial Officer (w.e.f. November 1, 2021)
(d) Ms. Rachna Khantwal - Company Secretary (upto September 30, 2020)
(e) Mr. Amit Jain - Company Secretary (w.e.f. October 01, 2020 and upto April 17, 2022)
(f) Mr. Choudhary Runveer Krishanan- Company Secretary and Chief Compliance Officer (w.e.f. April 18, 2022)
(g) Ms. Deepali Pant Joshi (Independent Director) (w.e.f. September 24, 2021)
(h) Mr. CP Mohan (Independent Director)
(i) Mr. Naveen Surya (Independent Director)
(j) Mr. Saneesh Singh (Nominee Director)
(k) Mr. Sanjay Gandhi (Nominee Director)
(l) Mr. Taejun Shin (Nominee Director)
(m) Ms. Surekha Marandi (Independent Director)
(n) Mr. Mukul Jaiswal (Independent Director)
(o) Mr. Rahul Gupta (Independent Director) (upto January 8, 2021)

III. Relative of Key Managerial Personnel

(a) Mr.Girijesh Tiwari - Senior Manager
(b) Mr. Ratnesh Tiwari - Non- Executive Director

IV. Substantial Shareholders

Dia Vikas Capital Private Limited

V. Subsidiary Company

Credentia Finclusion Private Limited (w.e.f. October 25, 2021 and upto March 23, 2022)

VI. Associate Entities

Baid Housing Finance Private Limited (w.e.f. November 11, 2021)

VII. Other related party in accordance with Ind AS 24

(a) Koshish Sustainable Solutions Private Limited
(b) Koshish Marketing Solutions Private Limited
(c) Satya Employee Welfare Trust
(d) Ananya Finance For Inclusive Growth Private Limited
(e) Satya Shakti Foundation

Related party transactions during the year:

S. No.	Nature of Transactions	Related Party	Transactions during year ended March 31, 2022	Transactions during year ended March 31, 2021	(Payable)/Receivable	
					As at March 31, 2022	As at March 31, 2021
1.	Remuneration*	Mr.Vivek Tiwari	34.56	27.78	-	-
		Mr.Sudhindra Sharma	4.61	6.38	(0.34)	-
		Mrs. Vandita Kaul	3.27	-	-	-
		Mr. Amit Jain	2.95	1.31	-	-
		Ms.Rachna Khantwal	-	0.27	-	-
		Mr. Girijesh Tiwari	1.29	0.83	-	-
2.	Investment	Baid Housing Finance Private Limited	46.36	-	46.36	-
		Credentia Finclusion Private Limited	1.00	-	-	-
3.	Proceeds from sale of investment	Credentia Finclusion Private Limited	1.00	-	-	-

Contd...

(Rs. in million unless otherwise stated)

4.	Loan (taken)/repayment	Ananya Finance For Inclusive Growth Private Limited	-	(30)/192.21	-	-
5.	Share allotment including premium	GOJO & Company, Inc.	532.65	1,532.63	-	-
6.	Issue of preference shares Including premium	GOJO & Company, Inc.	600.01	682.50	-	-
7.	Call money received on partly paid equity share capital	Mr.Vivek Tiwari	3.75	-	-	-
8.	Amount received on ESOP exercised by employees	Satya Employee Welfare Trust	8.50	-	-	-
9.	Amount received/(paid) against Business partnership	Ananya Finance For Inclusive Growth Private Limited	982.02/(1475.08)	1,299.52/(162.29)	162.34	64.50
10.	Fees and commission income	Ananya Finance For Inclusive Growth Private Limited	170.39	111.27	-	-
11.	Expense reimbursement received	GOJO & Company, Inc.	10.85	0.30	-	-
		Credentia Finclusion Private Limited	0.48	-	-	-
		Baid Housing Finance Private Limited	0.02	-	0.02	-
12.	Expense reimbursement paid	Satya Shakti Foundation	4.27	-	-	-
13.	Donation and corporate social responsibility expenditure	Satya Shakti Foundation	10.00	3.00	-	-
14.	Director sitting fees	Ms. Deepali Pant Joshi	0.38	-	-	-
		Mr. CP Mohan	0.84	0.62	-	-
		Mr. Naveen Surya	0.87	0.61	-	-
		Mr. Ratnesh Tiwari	0.59	0.45	-	-
		Mr. Saneesh Singh	0.97	0.81	-	-
		Mr. Sanjay Gandhi	0.97	0.81	-	-
		Mr. Taejun Shin	0.70	0.06	-	-
		Ms. Surekha Marandi	0.90	0.56	-	-
		Mr. Mukul Jaiswal	0.30	0.80	-	-
		Mr. Rahul Gupta	-	0.38	-	-

* The above amount does not include accrual for the post employment benefits.
* The above amount does not include the employee stock plan expense.

34: Fair Value

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets measured at amortised cost				
Loan portfolio	23,161.34	12,146.00	23,161.34	12,146.00
Investment	46.36	-	46.36	-
Financial liabilities measured at amortised cost				
Borrowings*	22,789.33	11,270.76	22,789.33	11,270.76

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets/liabilities, other non-financial assets/liabilities and provisions are considered to be the same as their fair values, due to their short-term nature.

35: Fair Value Hierarchy of assets and liabilities

Fair value measurement

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1- Hierarchy includes financial instruments of which prices is available in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure is required):-

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2022 is as follows:

Assets

(Rs. in million unless otherwise stated)

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Total
Loan portfolio	23,161.34	23,161.34	-	-	23,161.34	23,161.34
Total	**23,161.34**	**23,161.34**	**-**	**-**	**23,161.34**	**23,161.34**

Liabilities

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Total
Borrowings*	22,789.33	22,789.33	-	-	22,789.33	22,789.33
Total	**22,789.33**	**22,789.33**	**-**	**-**	**22,789.33**	**22,789.33**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2021 is as follows:

Assets

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 3	Level 3	Total
Loan portfolio	12,146.00	12,146.00	-	-	12,146.00	12,146.00
Total	**12,146.00**	**12,146.00**	**-**	**-**	**12,146.00**	**12,146.00**

Liabilities

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 3	Level 3	Total
Borrowings*	11,270.76	11,270.76	-	-	11,270.76	11,270.76
Total	**11,270.76**	**11,270.76**	**-**	**-**	**11,270.76**	**11,270.76**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

36: Capital management

The Company's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As an NBFC-MFI, the RBI requires the Company to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of its aggregate risk weighted assets. Further, the total of Tier II capital cannot exceed 100% of its Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times

The Company has a board approved policy on resource planning which states that the resource planning of the Company shall be based on its Asset Liability Management (ALM) requirement. The policy of the Company on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

(Rs. in million unless otherwise stated)

37: Employee Benefit Plans

A. Defined contribution plans

Provident and other funds

The Company makes contribution to provident fund, employee state insurance scheme contributions, labour welfare fund and national pension scheme which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Particulars	March 31, 2022	March 31, 2021
Employee providend fund	59.80	37.82
Employee state insurance	13.90	8.60
Labour welfare fund	0.20	0.03
National pension scheme	0.54	-
Total	**74.44**	**46.45**

B. Defined benefit plans

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity, on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of 20 million as per the Payment of Gratuity Act, 1972. Provision for unfunded gratuity liability for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. In accordance with Indian Accounting Standard (Ind AS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the statement of profit and loss as other comprehensive income.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the Balance Sheet for the gratuity plan:

Movement in defined benefit obligations

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation as at the beginning of the year	10.07	5.58
Current service cost	5.37	3.73
Interest on defined benefit obligation	0.66	0.37
Re-measurement (gains)/losses on defined benefit plans	0.99	0.39
Benefits paid	-	-
Defined benefit obligation as at the end of the year	**17.09**	**10.07**

Balance Sheet

Amount recognised in balance sheet

Particulars	March 31, 2022	March 31, 2021
Present value of obligations	17.09	10.07
Fair value on plan assets	NA	NA
Net defined benefit liability recognised in balance sheet	**17.09**	**10.07**

Expenses charged to the statement of profit and loss

Particulars	March 31, 2022	March 31, 2021
Current service cost	5.37	3.73
Interest cost	0.66	0.37
Total	**6.03**	**4.10**

Re-measurement gains/(losses) in the other comprehensive income

Particulars	March 31, 2022	March 31, 2021
Re-measurement gains/(losses) on defined benefit plans	(0.99)	(0.39)
Amount recognised under other comprehensive income	**(0.99)**	**(0.39)**

Summary of actuarial assumptions

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.10%	6.55%
Expected return on plan assets	NA	NA
Rate of Increase in compensation levels	4% p.a.	6.00% p.a. for next 1 years and 4.00% p.a. thereafter
Withdrawal rates	40% at lower service reducing to 0% at higher service	40% p.a. at younger ages reducing 5% p.a. at older ages

(Rs. in million unless otherwise stated)

A quantitative sensitivity analysis for significant assumptions as at the balance sheet date are as shown below:

Particulars	March 31, 2022	March 31, 2021
Discount rate (+0.5%)	(16.30)	(9.67)
Discount rate (-0.5%)	17.96	10.49
Salary Inflation (+0.5%)	17.83	10.49
Salary Inflation (-0.5%)	(16.35)	(9.70)
Withdrawal Rate (+10%)	(16.65)	(9.79)
Withdrawal Rate (-10%)	17.54	10.33

Maturity profile of defined benefit obligation

Particulars	March 31, 2022	March 31, 2021
Year 1	1.24	0.03
Year 2	1.88	0.69
Year 3	2.11	1.06
Year 4	2.19	1.32
Year 5	2.36	1.34
Year 6 to Year 10	4.03	4.99

Discount rate: The rate used to discount post-employment benefit obligation is determined by reference to market yield at the balance sheet date on government bonds.

Salary escalation rate: This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

38: Leases

Company as a lessee

The Company has lease contracts for office premises taken on lease. The lease terms are between 1 to 10 years.

The Company also has certain lease with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year are as follows:

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year	0.49	2.85
Additions made during the year	22.48	-
Depreciation charge for the year	(13.04)	(2.36)
Balance at the end of the year	9.93	0.49

ROU assets and lease liability have been included in the property, plant and equipement and borrowings (other than debt securities) respectively in the balance sheet.

The carrying amounts of lease liabilities and the movements during the year are as follows:

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year	0.96	5.70
Additions made during the year	22.47	-
Covid-19 Rent Concessions	-	(0.33)
Interest accretion for the year	2.29	0.43
Payments made during the year	(8.64)	(4.84)
Balance at the end of the year	17.08	0.96

The following are the amounts recognised in standalone statement of profit and loss :

Particulars	March 31, 2022	March 31, 2021
Depreciation expense in respect of right-of-use asset	13.04	2.36
Interest expense in respect of lease liabilities	2.29	0.43
Expense relating to short-term leases (included on other expenses)	60.18	42.33
Total amount recognised in standalone statement of profit or loss	75.51	45.12

The Company's total cash outflows for leases was Rs. 68.82 million during year ended March 31, 2022 (Rs. 47.17 million during the year ended March 31, 2021).

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	March 31, 2022	March 31, 2021
Less than one year	9.04	1.00
One to five year	10.60	-
More than five years	-	-
Total	**19.63**	**1.00**

(Rs. in million unless otherwise stated)

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

Particulars	March 31, 2022	March 31, 2021
the principal amount remaining unpaid to any supplier as at the end of year	Nil	Nil
- the principal amount due to micro and small enterprises	Nil	Nil
- interest due on the above	Nil	Nil
the interest due on above remaining unpaid to any supplier as at the end of year	Nil	Nil
the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during year	Nil	Nil
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
The amount of further interest due and payable even in the succeeding year, 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.	Nil	Nil

40: Risk Management and financial objectives

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the context of changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

40.1 Credit Risk

Credit risk is the risk of loss that may occur from defaults by Borrowers under loan agreements. In order to address credit risk, the Company have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behavior also supplement the efforts for containing credit risk. The Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

The Company is an urban, semi-urban and rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in urban, semi-urban and rural areas. Further, as it focuses on providing micro-loans in urban, semi-urban and rural areas, the Company's results of operations are affected by the performance and the future growth potential of microfinance in India. The Company's borrowers typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. The borrowers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, the Company relies on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

In order to mitigate the impact of credit risk in the future profitability, the Company creates impairment loss allowance basis the Expected Credit Loss (ECL) model for the outstanding loans as at balance sheet date. refer note 3A(e) for details.

40.2 Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financing activities to meet its financial obligations as and when they fall due. The Company's resource mobilization team sources funds from multiple sources, which inter-alia includes banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilization team is responsible for diversifying fundraising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed. Further, the maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. The Company has a Asset Liability Management (ALM) policy and ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk.

Maturity pattern of assets and liabilities as at March 31, 2022:

(Rs. in million unless otherwise stated)

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*	2,138.00	1,168.03	1,359.69	3,236.61	5,381.69	8,993.38	3,062.03	1,564.96	**26,904.40**
Other financial liabilities (including trade payable)	450.61	-	-	-	-	-	-	-	**450.61**
Loan portfolio	1,562.11	1,308.83	1,513.10	4,364.34	7,454.54	12,082.18	168.73	82.69	**28,536.52**
Investments	-	-	-	-	-	-	-	46.36	**46.36**
Financial assets (other) #	1,396.51	44.64	33.37	847.53	1,424.22	2,445.55	3.38	2.27	**6,197.47**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.
The above maturity pattern is based on the undiscounted contractual cash flows under the respective arrangements where such assets and liabilities have been recognized.
#It includes trade recievables, balance with banks/financials institutions and other financials assets

Maturity pattern of assets and liabilities as at March 31, 2021:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*	532.14	506.34	614.44	2,009.85	3,162.69	4,675.80	1,389.76	396.01	**13,287.02**
Other financial liabilities (including trade payable)	449.46	3.91	25.84	5.05	-	-	-	-	**484.27**
Loan portfolio	768.89	706.61	850.66	2,356.84	4,229.04	6,011.51	15.52		**14,939.07**
Financial assets (other) #	1,762.84	47.75	27.34	437.41	583.70	646.27	18.51	-	**3,523.82**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.
The above maturity pattern is based on the undiscounted contractual cash flows under the respective arrangements basis which such assets and liabilities have been recognized.
#It includes trade recievables, balance with banks/financials institutions and other financials assets

40.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company is exposed primarily to interest rate risk which has been discussed below:

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because it lends to clients at fixed interest rates and for periods that may differ from its funding sources, while the Company's borrowings are at both fixed and variable interest rates for different periods. The Company assesses and manages its interest rate risk by managing its assets and liabilities. The Company's Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The Company has an Asset Liability Management (ALM) policy, approved by the Board of Directors, for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

Finance cost	For year ended March 31, 2022	For year ended March 31, 2021
0.50% increase	(13.13)	(3.39)
0.50% decrease	13.13	3.39

41: Transfer of financial assets

a. Securitisation transactions:

During the year, the Company has entered into securitisation arrangement with one party. Under such arrangement, the Company has transferred a pool of loan portfolio, which does not fulfil the derecognition criteria specified under Ind AS 109 as the risk and rewards with respect to these assets are not substantially transferred.

Following such transfer, the Company's involvement in these assets is as follows:

- As a servicer of the transferred assets
- To the extent of credit enhancements provided to such parties

The value of financial assets and liabilities as on:

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of associated assets	998.23	664.83
Carrying amount of associated liabilities	963.18	572.91
Fair value of associated assets	998.23	664.83
Fair value of associated liabilities	963.18	572.91

The carrying value of securitized loans approximate their fair value as the loans once sold cannot be transferred again.

(Rs. in million unless otherwise stated)

b. Assignment transactions:

The Company has transferred a part of its loan portfolio (measured at amortized cost) vide assignment deals executed with various parties, as a source of finance. As per the terms of deal, the derecognition criteria as per Ind AS 109 (as all the risks and rewards relating to assets being transferred to the buyer) being met, the assets have been derecognised.

The management has evaluated the impact of the assignment transactions executed during the year on its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets and the gain/(loss) on derecognition:

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of derecognised financial assets	3,785.21	1,057.20
Gain from derecognition during the year	366.57	108.01

Since the Company transferred the above financial assets in a transfer that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial assets.

42: Employee Stock Option Plan (ESOP)

The company has provided an equity settled share based payment scheme to its employees. The details of such share based payment scheme are as follows:

Particulars	Grant	Number of options granted	Vesting period (in years)	Vesting conditions
SATYA ESOP 2018	Grant I	9,95,200	4	25% vests every year subject to continuance of service
SATYA ESOP 2018	Grant II	2,58,800	4	25% vests every year subject to continuance of service

Exercise period is 3 years from the date of vesting of options.

The expense recognised for employee services received during the year is Rs. 9.24 million (March 31, 2021: 9.59 million).

(a) The following table lists the input to the Black-Scholes Model used for the options granted by the Company:

Particulars	Grant I	Grant II
Date of Grant	26-Mar-19	05-Nov-20
Date of Board/Compensation Committee approval	22-Oct-18	05-Nov-20
Number of options granted	9,95,200	2,58,800
Method of settlemen	Equity	Equity
Graded vesting period Day following the expiry of 12 months from grant Day following the expiry of 24 months from grant Day following the expiry of 36 months from grant Day following the expiry of 48 months from grant	 25% 25% 25% 25%	 25% 25% 25% 25%
Exercise period	3 years from the date of vesting of options	3 years from the date of vesting of options
Vesting conditions	Minimum period of one year between Grant of Options and Vesting of Options; Vesting Period in any case shall not exceed 5 (Five) years from the Grant Date; Employee must be in service at the time of vesting and must neither be serving his notice for termination of employment with the Company nor be subject to any disciplinary proceedings pending against him on the Vesting Date.	Minimum period of one year between Grant of Options and Vesting of Options; Vesting Period in any case shall not exceed 5 (Five) years from the Grant Date; Employee must be in service at the time of vesting and must neither be serving his notice for termination of employment with the Company nor be subject to any disciplinary proceedings pending against him on the Vesting Date.
Weighted average of remaining contractual life in years	2.49	4.10
Year I	0.98	2.60
Year II	1.99	3.60
Year III	2.99	4.60
Year IV	3.99	5.60

(b) The details of activity under Satya ESOP 2018 with an exercise price of Rs.45 for the year ended March 31, 2022 have been summarised below:

Particulars	Grant I	Grant II
Options outstanding at the beginning of the year	6,12,764	2,52,800
Options granted during the year	-	-
Options excerised during the year*	92,400	1,500
Options lapsed during the year	1,27,900	27,000
Options outstanding at the end of the year	3,92,464	2,24,300
Options excersiable at the end of the year	2,52,702	54,950

(Rs. In million unless otherwise stated)

(c) Details of stock options granted by the Company:

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	Grant I	Grant II
Share price on the date of grant (in Rs.)	61	110
Exercise price (in Rs.)	45	45
Historic volatility (%)	37.44%	48.65%
Life of the options granted in years	2.50-5.50	4.00
Risk free interest rate (%)	6.85%	5.85%
Expected dividend rate (%)	0.00%	0.00%
Weighted fair value of stock option	27.74	72.94

43: Disclosure of investing and financing transactions that do not require the use of cash and cash equivalents

For the year ended March 31, 2022

Name of instrument	Opening Balance	Cash flows	Premium added on conversion of preference shares into equity shares	Conversion	Other	Closing Balance
Equity share capital (including securities premium)	3,925.46	544.90	-	-	3.91	4,474.27
Non- Cumulative Compulsorily convertible preference shares (including securities premium)	-	600.01	-	-	-	600.01
Right-of-use assets	0.49	-	-	-	9.44	9.93
Borrowings*	11,270.76	11,516.28	-	-	2.29	22,789.33
Total	**15,196.71**	**12,661.19**	**-**	**-**	**15.64**	**27,873.54**

* Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

For the year ended March 31, 2021

Name of instrument	Opening Balance	Cash flows	Premium added on conversion of preference shares into equity shares	Conversion	Other	Closing Balance
Equity share capital (including securities premium)	1,339.16	76.25	1,456.38	1,050.00	3.68	3,925.46
Compulsorily convertible debentures	367.50	50.56	631.94	(1,050.00)	-	-
Right-of-use assets	2.85	-	-	-	(2.36)	0.49
Borrowings*	9,230.53	2,076.10	-	-	(35.87)	11,270.76
Total	**10,940.04**	**2,202.91**	**2,088.32**	**-**	**(34.55)**	**15,196.71**

* Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

(Rs. In million unless otherwise stated)

44: Additional information required by Reserve Bank of India Master Direction DNBR. PD. 008/03.10.119/2016-17

(a) Capital to Risk Assets Ratio (CRAR)

Particulars	March 31, 2022	March 31, 2021
CRAR (%)	22.95%	34.62%
CRAR-Tier I Capital (%)	19.51%	31.64%
CRAR-Tier II Capital (%)	3.44%	2.98%
Amount of subordinated debt as (Tier II capital) outstanding as on reporting date	1,150.23	574.28
Amount raised by issue of perpetual debt instruments	-	-

(b) Exposure to real estate sector

Category	March 31, 2022	March 31, 2021
A. Direct exposure		
I. Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
II. Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
III.Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
Residential	-	-
Commercial Real Estate	-	-
B. Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total	-	-

(c) The Company has no loans outstanding as at March 31, 2022 and March 31, 2021 that are secured against gold.

(d) The Company has no exposure to capital market.

(e) The Company does not have any exposure to exchange traded funds as of March 31, 2022 and March 31, 2021.

(f) Asset liability management:

Maturity pattern of assets and liabilities as on March 31, 2022:

Particulars	1 to 7 days	8 to 14 days	15 days to 30 /31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings #	1,493.11	179.29	330.71	932.80	1,142.92	2,629.86	4,565.96	7,392.14	2,326.00	1,779.46	**22,772.25**
Advances *	1,083.55	259.16	107.78	874.41	1,050.32	3,244.39	5,856.91	10,682.38	140.17	63.10	**23,362.17**
Investments	-	-	-	-	-	-	-	-	-	46.36	**46.36**
Other financial assets	14.66	-	38.00	33.83	33.37	87.53	174.77	182.45	3.38	2.27	**570.26**

Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases).
* Net of provision for expected credit loss on Stage III loans.

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

Particulars	1 to 7 days	8 to 14 days	15 days to 30 /31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings #	86.00	108.12	259.52	422.24	466.10	1,685.79	2,723.50	3,876.17	1,115.80	526.56	**11,269.80**
Advances *	-	-	763.74	465.27	637.49	1,794.01	3,423.92	5,288.77	13.68	-	**12,386.88**
Other financial assets	0.60	-	5.71	19.23	13.42	34.60	60.21	109.79	0.91	-	**244.47**

Net of lease liability recognized under Ind AS 116 in respect of leases (other than short-term leases).
* Net of provision for expected credit loss on Stage III loans..

(g) Instances of fraud:

Particulars	March 31, 2022	March 31, 2021
Cash embazzlement	Nil	0.11

(h) The Company has not undertaken any transaction in derivatives during financial year ended March 31, 2022 and March 31, 2021.

(Rs. In million unless otherwise stated)

(i) Ratings assigned by credit rating agencies and migration of ratings during year ended March 31, 2022:

S. No.	Instrument	Rating agency	Date of rating	Rating assigned	Valid up to	Borrowing limit
1	Long-term bank facilities	Acuite Ratings & Research Limited	3-Feb-22	ACUITE A- Stable	Refer Note 1	1500.00
2	Long-term bank facilities	ICRA Limited	24-Jan-22	[ICRA]BBB (Stable)	Refer Note 1	6000.00
3	Long term bank facilities	CRISIL Ratings Limited	13-Jan-22	CRISIL BBB/Stable	Refer Note 1	3000.00
4	Non-convertible debentures	CRISIL Ratings Limited	13-Jan-22	CRISIL BBB/Stable	Refer Note 1	1520.00
5	Non-convertible debentures	ICRA Limited	17-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	3580.00
6	Non-convertible debentures	ICRA Limited	24-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	260.00
7	Market linked debentures	ICRA Limited	17-Mar-22	PP-MLD [ICRA]BBB (Stable)	Refer Note 1	350.00
8	Tier-II bonds	ICRA Limited	17-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	250.00
9	Subordinated debt	ICRA Limited	17-Mar-22	[ICRA]BBB (Stable)	Refer Note 1	800.00
10	Subordinated debt	ICRA Limited	25-Feb-22	[ICRA]BBB (Stable)	Refer Note 1	300.00
11	Securitization	ICRA Limited	15-Sep-21	[ICRA]A(SO) for PTC Series A1, [ICRA]A-(SO) for PTC Series A2	Refer Note 1	200.27
12	Securitization	ICRA Limited	15-Sep-21	[ICRA]A-(SO) for PTC Series A1, [ICRA]BBB+(SO) for PTC Series A2	Refer Note 1	303.32
13	Securitization	ICRA Limited	27-Oct-21	[ICRA]A(SO) for PTC Series A1	Refer Note 1	765.37
14	Securitization	ICRA Limited	2-Jul-21	[ICRA]A-(SO) for PTC Series A1, [ICRA]BBB+(SO) for PTC Series A2	Refer Note 1	309.52
15	Securitization	ICRA Limited	6-Oct-21	[ICRA]A-(SO) for PTC Series A1, [ICRA]BBB+(SO) for PTC Series A2	Refer Note 1	271.24
16	Securitization	ICRA Limited	4-Apr-22	Provisional [ICRA]A(SO) for PTC Series A1	Refer Note 1	202.51

Note 1: The rating is subject to annual surveillance till final repayment/redemption of rated facilities.

Ratings assigned by credit rating agencies and migration of ratings during year ended March 31, 2021:

S. No.	Instrument	Rating agency	Date of rating	Rating assigned	Valid up to	Borrowing limit
1	Long-term bank facilities	ACUITE Ratings & Research Limited	26-May-20	ACUITE BBB+	23-Apr-21	1500.00
2	Long-term bank facilities	ICRA Limited	16-Mar-21	[ICRA]BBB (STABLE)	Refer Note 1	3500.00
3	LT-Market linked debentures	ICRA Limited	16-Mar-21	PP-MLD [ICRA] BBB (STABLE)	Refer Note 1	150.00
4	Non-convertible debentures	ICRA Limited	16-Mar-21	[ICRA]BBB (STABLE)	Refer Note 1	2705.00
5	Non-convertible debentures	CRISIL Limited	05-Feb-21	CRISIL BBB/STABLE	Refer Note 1	500.00
6	Tier-II bonds	ICRA Limited	16-Mar-21	[ICRA]BBB (STABLE)	Refer Note 1	250.00
7	Subordinated debt	ICRA Limited	16-Mar-21	[ICRA]BBB (STABLE)	Refer Note 1	200.00
8	Securitization	ICRA	30-Aug-19	[ICRA]A(SO)	17-Apr-21	277.09
9	Securitization	ICRA	25-Feb-20	[ICRA]A-(SO)	17-Jul-21	358.46
10	Securitization	ICRA	05-Mar-20	[ICRA]A(SO)	13-Nov-21	235.13
11	Securitization	ICRA	06-Dec-19	[ICRA]A-(SO)	27-Jun-21	241.65
12	Securitization	ICRA	06-Dec-19	[ICRA]A-(SO)	17-Jul-21	224.74
13	Securitization	ICRA	27-Dec-19	[ICRA]A(SO)	17-Jul-21	224.75
14	Securitization	ICRA	13-Mar-20	[ICRA]A-(SO)	17-Dec-21	212.07
15	Securitization	ICRA	30-Mar-21	[ICRA]A-(SO)	17-Jan-23	340.00

Note 1: The rating is subject to annual surveillance till final repayment/redemption of rated facilities.

(j) Disclosure of complaints:

Particulars	No. of complaints	
	March 31, 2022	March 31, 2021
No. of complaints pending at the beginning of the year	0	1
No. of complaints received during the year	186	692
No. of complaints redressed during the year	182	693
No. of complaints pending at the end of the year	4	0

(k) Concentration of advances, exposures and non-performing assets:

Particulars	March 31, 2022	March 31, 2021
Concentration of advances*		
Total advances to twenty largest borrowers	106.27	11.13
Percentage of advances to twenty largest borrowers to total advances	0.45%	0.01%
Concentration of exposures*		
Total exposure to twenty largest borrowers	88.88	11.13
Percentage of exposure to twenty largest borrowers to total exposure	0.38%	0.01%
Concentration of non-performing assets		
Total exposure to top four non-performing assets	0.60	0.44

* Represents amount outstanding as per contract with customers

(l) Sector-wise non-performing assets:

(Rs. In million unless otherwise stated)

Sector	Percentage of NPAs to total advances in that sector	
	March 31, 2022	March 31, 2021
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured personal loans*	3.33%	1.54%
Auto loans	0.00%	0.00%
Other personal loans	0.00%	0.00%

* Represents stage III loans.

(m) Movement of non-performing assets (NPAs):

Particulars	March 31, 2022	March 31, 2021
Net NPAs to net advances (%)	2.53%	0.66%
Movement of NPAs (gross)		
1. Balance at the beginning of the year	191.95	150.70
2. Additions during the year	727.49	155.19
3. Reductions during the year	(134.00)	(113.94)
4. Balance at the end of the year	785.44	191.95
Movement of NPAs (net)		
1. Balance at the beginning of the year	80.16	51.03
2. Additions during the year	516.74	86.29
3. Reductions during the year	(10.59)	(57.16)
4. Balance at the end of the year	586.31	80.16
Movement of provision for NPAs		
1. Balance at the beginning of the year	111.79	99.67
2. Provisions made during the year	210.75	68.90
3. Write-off/excess provision written back	(123.41)	(56.78)
4. Balance at the end of the year	199.13	111.79

(n) The Company has not made any drawdown from reserves during the year ended March 31, 2022 and March 31, 2021.

(o) Investments:

Particulars	March 31, 2022	March 31, 2021
1. Value of investments		
(i) Gross value of investments		
(a) In India	46.36	-
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	46.36	-
(b) Outside India	-	-
2. Movement of provisions held towards deprecation		
Opening balance	-	-
Add: Provision made during the year	-	-
Less: Write off/ write back	-	-
Closing balance	-	-

(p) Details relating to securitization:

During the year, the Company has sold loans through securitization. The information on securitization activities is as under:

Particulars	March 31, 2022	March 31, 2021
Total number of loans securitized	57,137	10,070
Total book value of loans securitised (including over collateral)	1918.02	332.81
Sale consideration received for loans securitized	1918.02	332.81
Credit enhancements provided:	171.75	26.63

Above Credit enhancement includes only fixed deposit provided in the form of Cash collateral.

Under Ind AS 109, securitized loan assets does not meet de-recognition criteria and accordingly, the Company continues to recognize such loan assets and in addition recognizes a liability for the amount received Accordingly, securitized loan assets and related liability is measured at amortized cost using effective interest method.

(Rs. In million unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
1. No. of SPVs sponsored by the NBFC for securitization transactions	6	8
2. Total amount of securitized assets as per the books of the SPVs sponsored by the NBFC	998.23	664.60
3. Total amount of exposures retained to comply with minimum retention requirement ('MRR') as on the date of balance sheet	-	-
a) Off balance sheet exposures		
- First loss	-	-
- Others	-	-
b) On balance sheet exposures		
- First loss (cash collateral and over collateral)	396.98	328.89
- Others	-	-
4. Amount of exposures to securitization transactions other than MRR:		
a) Off balance sheet exposures	-	-
i) Exposure to own securitization		
- First loss	-	-
- Others	-	-
ii) Exposure to third party securitization		
- First loss	-	-
- Others	-	-
b) On balance sheet exposures		
i) Exposure to own securitization		
- First loss	-	-
- Others	-	-
ii) Exposure to third party securitization		
- First loss	-	-
- Others	-	-

(q) (i)Details of assignment transactions undertaken

Particulars	March 31, 2022	March 31, 2021
No. of accounts sold during the year	138,623	39,753
Aggregate value of accounts sold during the year	3,785.21	1,057.20
Aggregate consideration received during the year	3,785.21	1,057.20
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain/(loss) over net book value	366.57	108.01

(ii) Details of assignment purchased

Particulars	March 31, 2022	March 31, 2021
No. of accounts purchased during the year	308	-
Aggregate value of accounts purchased during the year	150.71	-
Aggregate consideration paid during the year	150.71	-

(r) The Company has not sold financial assets to securitization/reconstruction companies for asset reconstruction during the year ended March 31, 2022 and March 31, 2021.

(s) The Company has not purchased/sold non-performing financial assets during the year ended March 31, 2022 and March 31, 2021.

(t) Unsecured loan and advances – Refer Note 7

(u) Registration obtained from other financial sector regulators:

Since the Company has listed Non-Convertible Debentures, the Company is also subject to various compliances/guidelines as stipulated by Securities and Exchange Board of India (SEBI) as financial regulator. There is not specific registration from SEBI for the Company. Further, the Company hold registration with Ministry of Corporate Affairs with CIN U74899DL1995PLC068688

(v) No penalties have been imposed on the Company by RBI and other regulators during the year ended March 31, 2022 and March 31, 2021.

(w) Provisions and contingencies (shown under expenses in standalone statement of profit and loss)

Particulars	March 31, 2022	March 31, 2021
Provision for income-tax	102.11	75.62
Provision towards NPA	87.34	12.12
Provsion for standard assets	(40.04)	187.46
Provision for gratuity (including re-measurement gains/(losses) on defined benefit plans)	7.02	4.49
Provision for leave encashment	4.32	7.35

(x) The Company has no unhedged foreign currency exposure as at March 31, 2022 and March 31, 2021.

(y) Information on Net Interest Margin

(Rs. In million unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Average interest charged (A)	19.75%	22.55%
Average effective cost of borrowing (B)	11.23%	13.36%
Net Interest margin (A-B)	8.52%	9.19%

1. Interest income considered for computation of "average interest charged" excludes loan processing fee collected from customers in accordance with para 54 (vi) of the RBI Master Directions. As per Ind AS 109, such loan processing fee forms part of interest income in the Ind AS financial statements.

2. Average loan outstanding considered for computation of "average interest charged" is gross of the impairment allowance and unamortized portion of loan processing fee. As per Ind AS 109, such allowance is adjusted from the loan balance in the Ind AS financial statements.

45: Prudential floor for impairment loss allowance March 31,2022

Asset classification under RBI norms	Asset classification under Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP
(1)	(2)	(3)	(4)	(5) = (3) -(4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard assets	Stage I	21,809.13	35.93	21,773.20	224.16	(188.23)
	Stage II	913.00	164.90	748.10	66.87	98.03
Subtotal (A)		**22,722.13**	**200.83**	**22,521.30**	**291.03**	**(90.20)**
Non-performing assets						
Sub-Standard assets	Stage III	839.17	199.13	640.04	69.61	129.52
Doubtful assets	Stage III	-	-	-	-	-
Upto 1 year	Stage III	-	-	-	-	-
1 to 3 years	Stage III	-	-	-	-	-
More than 3 years	Stage III	-	-	-	-	-
Loss assets	Stage III	-	-	-	-	-
Subtotal (B)		**839.17**	**199.13**	**640.04**	**69.61**	**129.52**
Total (A+B)	**Stage I**	**21,809.13**	**35.93**	**21,773.20**	**224.16**	**(188.23)**
	Stage II	**913.00**	**164.90**	**748.10**	**66.87**	**98.03**
	Stage III	**839.17**	**199.13**	**640.04**	**69.61**	**129.52**
	Total	**23,561.30**	**399.96**	**23,161.34**	**360.64**	**39.32**

Prudential floor for impairment loss allowance March 31,2021

Asset classification under RBI norms	Asset classification under Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP
(1)	(2)	(3)	(4)	(5) = (3) -(4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard assets	Stage I	11,133.41	22.13	11,111.28	110.38	(88.25)
	Stage II	1,173.30	218.74	954.56	7.36	211.38
Subtotal (A)		**12,306.71**	**240.87**	**12,065.84**	**117.74**	**123.13**
Non-performing assets						
Sub-Standard assets	Stage III	191.95	111.79	80.16	1.25	110.54
Doubtful assets	Stage III	-	-	-	-	-
Upto 1 year	Stage III	-	-	-	-	-
1 to 3 years	Stage III	-	-	-	-	-
More than 3 years	Stage III	-	-	-	-	-
Loss assets	Stage III	-	-	-	-	-
Subtotal (B)		**191.95**	**111.79**	**80.16**	**1.25**	**110.54**
Total (A+B)	**Stage I**	**11,133.41**	**22.13**	**11,111.28**	**110.38**	**(88.25)**
	Stage II	**1,173.30**	**218.74**	**954.56**	**7.36**	**211.38**
	Stage III	**191.95**	**111.79**	**80.16**	**1.25**	**110.54**
	Total	**12,498.66**	**352.66**	**12,146.00**	**118.99**	**233.67**

* The provision required as per IRACP norms has been calculated on the aggregate loan portfolio after derecognizing the securitised assets which meets the de-recognition criteria under the previous GAAP.

(Rs. In million unless otherwise stated)

46: The following disclosures have been given in terms of Master Direction DNBR. PD. 008/03.10.119/2016-17 (Updated as on February 17, 2020) - Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Schedule to the Balance Sheet of a NBFC

Particulars				
Liabilities side			**Amount outstanding**	**Amount overdue**
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:			
	(a)	Debentures : Secured	5,285.46	-
		: Unsecured	1,054.27	-
		(other than falling within the meaning of public deposits*)	-	-
	(b)	Deferred Credits	-	-
	(c)	Term Loans	14,140.88	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits	-	-
	(g)	Other Loans:	-	-
		Liability against securitised assets	963.18	-
		Liability against leased assets	17.08	-
		Overdraft facility	1,328.46	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		-	-
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	-	-
Assets side			**Amount outstanding**	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			
	(a)	Secured		-
	(b)	Unsecured		23,561.30
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
	(i)	Lease assets including lease rentals under sundry debtors		-
		(a) Financial lease		-
		(b) Operating lease		-
	(ii)	Stock on hire including hire charges under sundry debtors		-
		(a) Assets on hire		-
		(b) Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities		-
		(a) Loans where assets have been repossessed		-
		(b) Loans other than (a) above		-
(5)	Break-up of Investments			
	Current Investments			
	(1)	Quoted		
		(i) Shares		
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	(2)	Unquoted		
		(i) Shares		
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		-
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-
	Long Term investments			
	(1)	Quoted		

(Rs. In millionunless otherwise stated)

		(i)	Shares	
			(a) Equity	-
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-
	(2)	Unquoted		
		(i)	Shares	
			(a) Equity	46.36
			(b) Preference	-
		(ii)	Debentures and Bonds	-
		(iii)	Units of mutual funds	-
		(iv)	Government Securities	-
		(v)	Others (please specify)	-

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:					
	Category			Amount net of provisions		
				Secured	Unsecured	Total
	1.	Related Parties **				
		(a)	Subsidiaries	-	-	-
		(b)	Companies in the same group	-	-	-
		(c)	Other related parties	-	-	-
	2.	Other than related parties		-	23,161.34	**23,161.34**
	Total			**-**	**23,161.34**	**23,161.34**

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :				
	Category			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1.	Related Parties			
		(a)	Subsidiaries	-	-
		(b)	Associates	46.36	46.36
		(c)	Companies in the same group	-	-
		(d)	Other related parties	-	-
	2.	Other than related parties		-	-
	Total			**46.36**	**46.36**

(8)	Other information			
	Particulars			Amount
	(i)	Gross Non-Performing Assets		
		(a)	Related parties	-
		(b)	Other than related parties	785.44
	(ii)	Net Non-Performing Assets		
		(a)	Related parties	-
		(b)	Other than related parties	586.31
	(iii)	Assets acquired in satisfaction of debt		-

47: Public disclosure on liquidity risk

(Rs. in million unless otherwise stated)

The following disclosures have been given in terms of Master Direction DNBR. PD. 008/03.10.119/2016-17 (Updated as on May 17, 2022) - Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

S. No	Number of Significant Counterparties	Amount *	% of Total Deposits	% of Total Liabilities
1.	Blue Orchard Finance Limited	1,978.00	NA	8.47%
2.	ResponsAbility India Business Advisors Pvt. Ltd.	1,905.00	NA	8.16%
3.	ICICI Bank Limited	1,746.45	NA	7.48%
4.	IDFC FIRST Bank Limited	1,437.95	NA	6.16%
5.	Jana Small Finance Bank Limited	1,316.27	NA	5.64%
6.	Bandhan Bank Limited	1,154.76	NA	4.95%
7.	Punjab National Bank	861.11	NA	3.69%
8.	Federal Bank Limited	707.50	NA	3.03%
9.	Northern Arc Capital Limited	693.32	NA	2.97%
10.	MAS Financial Services Limited	637.50	NA	2.73%
11.	Kotak Mahindra Bank Limited	569.00	NA	2.44%
12.	Canara Bank	468.60	NA	2.01%
13.	Vivriti India Impact Bond Fund	466.67	NA	2.00%
14.	The Hongkong and Shanghai Banking Corporation Limited	452.38	NA	1.94%
15.	North East Small Finance Bank Ltd	448.64	NA	1.92%
16.	Small Industries Development Bank of India	410.00	NA	1.76%
17.	State Bank of India	378.79	NA	1.62%
18.	Nabkisan Finance Limited	366.67	NA	1.57%
19.	Maanveeya Development & Finance Private Limited	362.50	NA	1.55%
20.	GMO-Z.com Payment Gateway India Credit Fund	300.00	NA	1.28%
21.	Kisetsu Saison Finance (India) Private Limited	300.00	NA	1.28%
22.	Northern Arc India Impact Trust / Fund	300.00	NA	1.28%
23.	Vivriti Capital Private Limited	294.77	NA	1.26%
24.	Utkarsh Small Finance Bank Limited	282.19	NA	1.21%
25.	Creation Investments FPI, LLC and Vivriti Capital Private Limited	260.00	NA	1.11%
26.	Piramal Capital & Housing Finance Limited	250.00	NA	1.07%
	Total	**18,348.08**		**78.58%**

**Represents the contractual amount.*

(ii) Top 20 large deposits (rupees in million and % of total deposits)

-Since the Company has been categorized as an NBFC NDSI, this is not applicable

(iii) Top 10 borrowings (rupees in million and % of total borrowings)

S. No	Particular of Lenders	Amount *	% of Total Borrowings
1.	Blue Orchard Finance Limited	1,978.00	8.68%
2.	ResponsAbility India Business Advisors Pvt. Ltd.	1,905.00	8.36%
3.	ICICI Bank Limited	1,746.45	7.66%
4.	IDFC FIRST Bank Limited	1,437.95	6.31%
5.	Jana Small Finance Bank Limited	1,316.27	5.78%
6.	Bandhan Bank Limited	1,154.76	5.07%
7.	Punjab National Bank	861.11	3.78%
8.	Federal Bank Limited	707.50	3.10%
9.	Northern Arc Capital Limited	693.32	3.04%
10.	MAS Financial Services Limited	637.50	2.80%

**Represents the contractual amount.*

(iv) Funding Concentration based on significant instrument/product (rupees in million and % of total liabilities)

S. No	Name of Instrument/Product	Amount *	% of Total Liabilities
1.	Non Convertible Debentures	5,285.46	22.64%
2.	Term Loans	14,044.92	60.15%
3.	Others (includes Bank Overdraft, Securitization and Lease Liability)	2,308.72	9.89%
4.	Subordinated Debt	1,150.23	4.93%
	Total	**22,789.33**	**97.61%**

(v) Stock Ratios:

S. No	Ratios	March 22
1.	Commercial Paper (Original Maturity of less than 1 year) as a % of Total Public Fund, Total Liabilities and Total Assets	NA
2.	Non-convertible debentures (Original Maturity of less than 1 year) as a % of Total Public Fund, Total Liabilities and Total Assets	NA
3.	Other Short-term liabilities as a % of Total Public Funds	8.59%
	Other Short-term liabilities as a %of Total Liabilities	7.97%
	Other Short-term liabilities as a % of Total Assets	6.44%

(Rs. in million unless otherwise stated)

(vi) Institutional set-up for liquidity risk management

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors has established the Risk Management Committee (RMC) and the Asset and Liability Management Committee (ALCO). The position of all perceived risks is periodically put up to the RMC which critically evaluates the same and provides operational and policy guidance to the Company which paves way for an effective risk management so as to safeguard the interest of the Company. ALCO manages the liquidity and interest rate risk in a dynamic situation by measuring, monitoring and taking appropriate steps. ALCO is responsible for putting in place a comprehensive and dynamic framework to measure, monitor and manage the liquidity and interest rate taking into account the rates in financial system by closely integrating it with the business strategy of the Company.

48: Maturity analysis of assets and liabilities

Maturity analysis of assets and liabilities as at March 31, 2022:

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	1,278.44	-	1,278.44
Bank balances other than cash and cash equivalents	1,605.32	1,609.57	3,214.89
Trade receivables	73.40	-	73.40
Loan portfolio	12,275.69	10,885.65	23,161.34
Investment	-	46.36	46.36
Other financial assets	382.27	187.99	570.26
Total financial assets	**15,615.12**	**12,729.57**	**28,344.69**
Non-financial assets			
Current tax assets (net)	-	46.17	46.17
Deferred tax assets (net)	-	64.45	64.45
Property, plant and equipment	-	120.56	120.56
Intangible assets	-	0.33	0.33
Other non-financial assets	249.29	47.10	296.39
Total non-financial assets	**249.29**	**278.61**	**527.90**
Total Assets	**15,864.41**	**13,008.18**	**28,872.59**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade Payable	82.49	-	82.49
Borrowings*	11,281.91	11,507.42	22,789.33
Other financial liabilities	368.12	-	368.12
Total financial liabilities	**11,732.52**	**11,507.42**	**23,239.94**
Non-financial liabilities			
Provisions	9.14	27.44	36.58
Other non-financial liabilities	71.98	1.42	73.40
Total non-financial liabilities	**81.12**	**28.86**	**109.98**
Equity			
Equity share capital	-	490.64	490.64
Instruments entirely equity in nature	-	29.85	29.85
Other equity	-	5,002.18	5,002.18
Total Equity	**-**	**5,522.67**	**5,522.67**
Total Liabilities and Equity	**11,813.64**	**17,058.95**	**28,872.59**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

48.1: Maturity analysis of assets and liabilities

(Rs. in million unless otherwise stated)

Maturity analysis of assets and liabilities as at March 31, 2021:

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	1,689.14	-	1,689.14
Bank balances other than cash and cash equivalents	882.45	488.41	1,370.86
Trade receivables	107.42	-	107.42
Loan portfolio	6,946.95	5,199.05	12,146.00
Other financial assets	136.28	108.20	244.48
Total financial assets	**9,762.24**	**5,795.66**	**15,557.90**
Non-financial assets			
Current tax assets (net)	-	29.38	29.38
Deferred tax assets (net)	-	72.14	72.14
Property, plant and equipment	-	75.74	75.74
Intangible assets	-	0.87	0.87
Other non-financial assets	160.15	31.20	137.35
Total non-financial assets	**160.15**	**209.33**	**315.48**
Total assets	**9,868.39**	**6,004.99**	**15,873.38**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade Payble	48.82	-	48.82
Borrowings*	5,752.23	5,518.53	11,270.76
Other financial liabilities	435.45	-	435.45
Total financial liabilities	**6,236.50**	**5,518.53**	**11,755.03**
Non-financial liabilities			
Provisions	5.95	19.29	25.24
Other non-financial liabilities	47.62	1.19	48.82
Total non-financial liabilities	**53.58**	**20.48**	**74.06**
Equity			
Equity share capital	-	458.50	458.50
Other equity	-	3,585.79	3,585.79
Total Equity	**-**	**4,044.29**	**4,044.29**
Total liabilities and equity	**6,290.08**	**9,583.30**	**15,873.38**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

49: Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibility expenditures as certified by Management are as follows:

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	1.72	0.29
(b) Amount approved by the board to be spent during the year	10.00	
(c) Amount of expenditure incurred (as per table below) (refer note below)	4.39	1.97
(i) Construction/acquisition of any asset	-	-
	-	**-**
(ii) On purposes other than (i) above		
Health and Welfare	4.39	1.25
Contribution to PM CARES Fund	-	0.72
	4.39	**1.97**
(d) Shortfall/(Excess) at the end of the year (a - c)	(2.67)	(1.68)
(e) Total of previous year shortfall	(1.68)	-
(f) Reason for shortfall/(Excess)	-	-
(g) Details of related party transactions	-	-
(h) Liability against contractual obligations for CSR	-	0.29

Details of ongoing projects under 135(6) of the Companies Act, 2013

Balance as on April 1, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as on March 31, 2022	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Balance as on April 1, 2020		Amount required to be spent during the year	Amount spent during the year		Balance as on March 31, 2021	
With the Company	In separate CSR unspent account		From the Company's Bank account	From the separate CSR unspent account	With the Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

(Rs. in million unless otherwise stated)

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as on April 1, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2022
Nil	Nil	1.72	4.39	Nil

Balance as on April 1, 2020	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2021
Nil	Nil	0.29	1.97	Nil

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2021	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2022
Nil	1.72	4.39	(2.67)

Balance excess spent as at April 1, 2020	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2021
Nil	0.29	1.97	(1.68)

50: Commitment and contingencies

(i) The estimated value of contracts remaining to be executed on capital amount and not provided for (net of advances) amount to Rs. 476.29 million (previous year Rs. Nil).

(ii) The Company has other commitments for services in normal course of business, the Company's operations does not give raise to any commitments for purchase of goods and employee benefits.

(iii) The Company does not have any pending litigations which would impact its financial position in its financial statements. Contingent liabilities Rs. Nil (Previous year Rs. Nil).

(iv) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(v) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

51: Details of loan transferred/acquired during the year ended March 31, 2022, under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021, are given below:

(i) Details of loans not in default transferred/acquired through assignment:

Particulars	For the year ended March 31, 2022	
	Transferred (MFI loan)	Acquired
Aggregate amount of loans transferred/acquired	3,785.21	150.71
Weighted average remaining maturity (in months)	17.68	75.57
Weighted average holding period (in months)	NA	NA
Retention of beneficial economic interest by the originator	10%	10%
Tangible security cover	100%	100%
Rated wise distribution of rated loans	Unrated	Unrated

(ii) The Company has not transferred any non-performing assets(NPA).

(iii) The Company has not acquired any stressed loan.

52: Analytical Ratios

Particulars	Numerator	Denominator	As at March 31,2022	As at March 31,2021	% Variance	Reason for Variance
a) Capital to risk-weighted assets ratio (CRAR)	Total capital	Risk weighted assets	22.95%	34.62%	(33.70%)	Note 1 below
b) Tier I CRAR	Tier-I capital	Risk weighted assets	19.51%	31.64%	(38.32%)	Note 1 below
c) Tier II CRAR	Tier-II capital	Risk weighted assets	3.44%	2.98%	15.29%	
d) Liquidity Coverage ratio	Total HQLA	Total net cash outflows	NA	NA	NA	Note 2 below

Note:-

1. The Company portfolio has grown 89% YOY, this leads to decrease in Tier I and CRAR for the period ended March 31, 2022.

2. Applicable for Non-deposit taking NBFCs with asset size of Rs. 50,000 million.

53:.With regard to the new amendments under "Division III of Schedule III" under "Part II-Statement of Profit and Loss-General Instructions for preparation of Statement of Profit and Loss:

(i) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2022 and March 31, 2021.

(ii) The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022 and March 31, 2021.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

(v) The Company is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2022 and March 31, 2021.

(vi) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2022 and March 31, 2021.

(vii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(viii) The Company have not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Company has working capital limits from banks on the basis of security of fixed deposits kept as margin money with banks and as these sanctioned working capital limits is against the margin money with banks, accordingly the Company is not required to file any quarterly returns or statements with such banks.

(x) The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at March 31, 2022 are held by the Company in the form of deposits till the time the utilisation is made subsequently.

54. The outbreak of COVID- 19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. The continuing impact of COVID-19 on the global economy and how governments, businesses and consumers respond is still uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to management judgements and estimates. In relation to COVID-19, judgements and assumptions include the possible extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries.

55. Pursuant to amendment in Schedule III to the Companies Act, 2013 by the Ministry of Corporate Affairs vide its notification dated March 24, 2021, the comparative figures as disclosed in these financial statements have been regrouped / reclassified, whereever necessary, to make them comparable to current period figures.

56. Event after reporting period:

There is no matter after the balance sheet data which are required to be disclosed in the standalone financial statement.

57. The standalone financial statements were apporved for issue by the Board of Directors on May 19, 2022.

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

For and on behalf of the Board of Directors of
SATYA MicroCapital Limited

Vivek Tiwari
Managing director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Gurugram
Date: May 19, 2022

Place: Mauritius
Date: May 19, 2022

Independent Auditor's Report

To the Members of
SATYA MicroCapital Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Satya MicroCapital Limited ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which includes the Group share of loss in its associate, which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2022, consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matters
Impairment of financial instruments (including provision for expected credit losses) (as described in note 3A(e) and note7 of the consolidate financial statements	
Ind AS 109 requires the Company to provide for impairment of its loan receivables (financial instruments) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management for:	• Our audit procedures included, among others, • Read and assessed the Company's accounting accounting policies for impairment of loan receivables, assessing compliance with the policies in terms of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.

Contd...

Key Audit matter	How our audit addressed the key audit matters
a) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. b) Grouping of loan portfolio under homogenous pools to determine probability of default on a collective basis. c) Estimating recoveries to determine loss given default on a collective basis for loans that have defaulted. d) Determining effect of less frequent past events on future probability of default.	● Tested the assumptions used by the Company for staging of loan portfolio into various categories and default buckets for determining the Probability of Default ("PD") and Loss Given Default ("LGD") rates. ● Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or stage 3. ● Tested the input data used for determining the PD and LGD rates and compared the data with the underlying books of accounts and records. ● Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of policy on moratorium. ● Tested the arithmetical accuracy of computation of ECL provision performed in spreadsheets. ● Compared the disclosures included in the consolidated financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the unaudited financial statements of the subsidiary and associate furnished to us by the Management, to the extent it relates to that entity and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as its relates to the subsidiary and associate, is traced from the unaudited financial statements approved by the Board of Directors of the subsidiary and associate, furnished to us by the Management.

If, based on the work we have performed, we conclude that there is material misstatement of this 'Other Information' we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have

been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statement

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

We did not audit the financial statements one subsidiary, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. Nil as at March 31, 2022, total revenues (after eliminating intra-group transactions) of Rs. Nil and net cash outflows/(inflows) amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 0.22 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report hereunder the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till the date of this audit report:

S. No.	Name of the Company	CIN	Nature of relationship
1.	Credentia Finclusion Private Limited	U65929DL2021PTC388931	Subsidiary
2.	Baid Housing Finance Private Limited	U65100RJ2008PTC027935	Joint venture

2. As required by Section 143(3) of the Act, based on our audit (in the absence of audit reports of subsidiary and an associate referred to in 'Other Matter' paragraph above), we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to the financial statements and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197of the Act.

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

i. There were no pending litigations which would impact the consolidated financial position of the Group and its associate- Refer Note XX to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts- Refer Note XX to the consolidated financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associates incorporated in India— Refer Note XX to the consolidated financial statements.

iv. (a) The respective Managements of the Holding Company, its subsidiary and associate which are companies incorporated in India, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note XX to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint ventures and joint operations ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company, its subsidiary and associate which are companies incorporated in India, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note XX to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates and joint ventures and joint operations shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, 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) contain any material misstatement.

v. The Holding Company, its subsidiary and associate has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For S.N. Dhawan & Co LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJGJFU2929

Place: New Delhi
Date: 19 May, 2022

Annexure A referred to in paragraph 2(h) under the heading 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of Satya MicroCapital Limited, on the consolidated financial statements for the year ended March 31, 2022

Independent Auditor's report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Satya MicroCapital Limited (hereinafter referred to as the "Holding Company"), its subsidiary and its associate, which are companies incorporated in India, as of that date. Since the auditors' reports of subsidiary and associate are not available, we are unable to comment on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting under section 143(3)(i) of the Act in respect of these subsidiary and associate.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the respective company's policies, the safeguarding of the company's 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

Our responsibility is to express an opinion on Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (" the ICAI") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both 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 internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Holding Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31 2022, based on internal financial control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For S.N. Dhawan & Co LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 22087701AJGJFU2929

Place: New Delhi
Date: 19 May, 2022

SATYA MicroCapital Limiited

Consolidated Balance Sheet as at March 31, 2022

(Rs. in million unless otherwise stated)

Particulars	Notes	As at March 31, 2022
ASSETS		
Financial assets		
Cash and cash equivalents	4	1,278.44
Bank balances other than cash and cash equivalents	5	3,214.89
Trade receivables	6	73.40
Loan portfolio	7	23,161.34
Investment	8	46.14
Other financial assets	9	570.26
Total financial assets		**28,344.47**
Non-financial assets		
Current tax assets (net)	10	46.17
Deferred tax assets (net)	11	64.45
Property, plant and equipment	12A	120.56
Intangible assets	12B	0.33
Other non-financial assets	13	296.39
Total non-financial assets		**527.90**
Total assets		**28,872.37**
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities		
Trade Payable	14	
(i) total outstanding dues of micro enterprises and small enterprises		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		82.49
Debt securities	15	5,285.46
Borrowings (other than debt securities)	15	16,353.64
Subordinated liabilities	15	1,150.23
Other financial liabilities	16	368.12
Total financial liabilities		**23,239.94**
Non-financial liabilities		
Provisions	17	36.58
Other non-financial liabilities	18	73.40
Total non-financial liabilities		**109.98**
Equity		
Equity share capital	19	490.64
Instruments entirely equity in nature	20	29.85
Other equity	21	5,001.96
Total equity		**5,522.45**
Total liabilities and equity		**28,872.37**

The accompanying notes are integral part of consolidated financial statements

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of
SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary &
Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limiited

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in million unless otherwise stated)

Particulars	Notes	For year ended March 31, 2022
Revenue from operations		
Interest income	22	3,333.22
Fee and commission income	23	291.22
Net gain on derecognition of financials instruments under amortised cost category	24	366.57
Total revenue from operations		**3,991.01**
Other income	25	26.79
Total income		**4,017.80**
Expenses		
Finance cost	26	1,711.07
Impairment on financial instruments	27	170.71
Employee benefits expenses	28	1,169.87
Depreciation and amortization	12C	57.47
Other expenses	29	473.59
Total expenses		**3,582.71**
Profit before share of the profit/(loss) of associates accounted for using the equity method		**435.09**
Share of net profits/(losses) of associates accounted for using the equity method		(0.22)
Profit before tax		**434.87**
Tax expense:	30	
Current year tax		102.11
Deferred tax charge/(credit)		7.95
Income-tax expense		**110.06**
Profit for the year		**324.81**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Re-measurement gains/(losses) on defined benefit plans		(0.99)
Income tax effect		0.25
Total comprehensive income for the year		**324.07**
Earnings per equity share (EPS) (face value of Rs. 10 per equity share)		
Computed on the basis of total profit for the year		
Basic (EPS) (amount in Rs.)	31	7.05
Diluted (DEPS) (amount in Rs.)	31	6.94

The accompanying notes are integral part of consolidated financial statements

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of
SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary &
Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limiited

Consolidated Statement of Cash Flow for the year ended March 31, 2022

(Rs. in million unless otherwise stated)

Particulars	For year ended March 31, 2022
Cash flow from operating activities	
Profit before tax	434.87
Adjustments for:	
Depreciation and amortization	44.41
Depreciation of right-of-use asset	13.04
Share based payment to employees	9.24
Interest expense for leasing arrangements	2.29
Impairment of financial instruments	170.71
Loss/(profit) on sale of property plant and equipment	0.88
Net gain on derecognition of financials instruments under amortised cost category	(366.57)
Operating profit before working capital changes	**308.87**
Movements in working capital:	
Increase/(decrease) in other financial liabilities	(33.66)
Increase/(decreases) in other non-financial liabilities	24.58
Increase/(decreases) in provisions	10.35
(Increase)/decrease in bank balances other than cash and cash equivalents	(1,844.03)
(Increase)/decrease in trade receivables	34.02
(Increase)/decrease in loan portfolio	(10,819.54)
(Increase)/decrease in other financial assets	(325.78)
(Increase)/decrease in other non-financial assets	(159.04)
Cash used in operations	**(12,804.23)**
Income-tax paid	(118.91)
Net cash used in operating activities (A)	**(12,923.14)**
Cash flow from investing activities	
Purchase of property, plant and equipment	(103.35)
Purchase of intangible assets	(0.15)
Proceeds from derecognition of property, plant and equipment	0.89
Purchase of investment	(47.14)
Proceeds from sale of investment	1.00
Net cash used in investing activities (B)	**(148.75)**
Cash flow from financing activities	
Proceeds from issue of share capital (including premium and net of issue expenses)	1,144.91
Net proceeds from borrowings#	11,516.28
Net cash from financing activities (c)	**12,661.19**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(410.70)**
Cash and cash equivalents at the beginning of the year	1,689.14
Cash and cash equivalents at the end of the year	**1,278.44**
Components of cash and cash equivalents as at the end of the year	
Cash on hand	2.91
Balance with banks - on current accounts	765.49
Deposits with original maturity of less than 3 months	510.04
Total cash and cash equivalents	**1,278.44**

Represents net proceeds from debt securities, borrowings (other than debt securities) and subordinated liabilities.
For disclosure of investing and financing transactions that do not require the use of cash and cash equivalents, refer note 43

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

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of
SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary &
Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA MicroCapital Limited

Consolidated Statement of Changes in Equity for the year ended on March 31, 2022

(Rs. in million unless otherwise stated)

A. Equity Shares

Equity Share of Rs. 10 each issued

Particulars	Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Changes during the Financial year 2021-22	Balance as at March 31, 2022*
Equity share capital (fully paid up)	452.25	-	28.39	480.64
Equity share capital (partly paid up)	6.25	-	3.75	10.00
Total	**458.50**	**-**	**32.14**	**490.64**

*net of amount recoverable from Satya Employee Welfare Trust of Rs. 8.11 million.

B. Instruments entirely equity in nature

Particulars	Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Changes during the Financial year 2021-22	Balance as at March 31, 2022
Non-Cumulative Compulsorily Convertible Preference Shares	-	-	29.85	29.85
Total	**-**	**-**	**29.85**	**29.85**

C. Other equity

Particulars	Reserves & Surplus				Grand Total
	Securities Premium	Retained Earnings	Statutory reserves	ShareOptions Outstanding Reserve	
Balance as at April 1, 2021	**3,466.97**	**59.20**	**42.05**	**17.57**	**3,585.79**
Profit for the year ended March 31, 2022	-	324.81	-	-	**324.81**
Other comprehensive income (net of income-tax effect)	-	(0.74)	-	-	**(0.74)**
Total comprehensive income	**-**	**324.07**	**-**	**-**	**324.07**
Transfer to Statutory Reserve	-	(65.01)	65.01		**-**
Fair value of stock option	-	-	-	5.33	**5.33**
Premium on stock option	2.42	-	-	-	**2.42**
Premium on issue of equity share capital made during the year ended March 31, 2022	506.12	-	-	-	**506.12**
Amount recoverable from Satya Employee Welfare Trust	8.11	-	-	-	**8.11**
Issue of e non- cumulative compulsorily convertible preference shares	570.12	-	-	-	**570.12**
Balance as at March 31, 2022	**4,553.74**	**318.26**	**107.06**	**22.90**	**5,001.96**

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

Place: Gurugram
Date: May 19, 2022

For and on behalf of the Board of Directors of SATYA MicroCapital Limited

Vivek Tiwari
Managing Director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary &
Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Mauritius
Date: May 19, 2022

SATYA Microcapital Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

1. Group Overview

Satya MicroCapital Limited ('SATYA' or the 'Holding Company') is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on May 18, 1995. The Holding Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND-SI') with the Reserve Bank of India ('RBI') and got classified as Non-Banking Financial Company – Micro Finance Institution (NBFC – MFI) effective February 2, 2018. The registered office address of the Group is 519, 5th Floor, DLF Prime Tower, Okhla Industrial Area, Phase-1, New Delhi-110020.

The consolidated financial statements relate to Satya MicroCapital Limited and its subsidiary, Credentia Finclusion Private Limited (collectively referred as "the Group") and its associate, Baid Housing Private Limited. As the subsidiary was incorporated and the associate was acquired during the year, previous year's figures are not applicable.

The Holding Company is primarily engaged in the business of micro finance providing small value unsecured loans to low-income customers in urban, semi-urban and rural areas. The tenure of these loans is generally spread over one to two years.

During the year, the Holding Company has acquired 24% equity shares of Baid Housing Finance Private Limited ("Baid"). Pursuant to this, Baid became an associated with effect from November 12, 2021. Baid is engaged in business of Housing Finance.

During the year, the Holding Company has incorporated wholly owned subsidiary "Credentia Finclusion Private Limited" ("Credentia") on October 25, 2021. However, the Holding Company has sold its entire shareholding in its wholly owned subsidiary Credentia on March 22, 2022 and accordingly, Credentia ceased to be a subsidiary of the Holding Company w.e.f March 22, 2022. Accordingly, Credentia is consolidated from October 25, 2021 till March 22, 2022.

2. Basis of preparation

a) Statement of compliance in preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The consolidated financial statement has been prepared on a going concern basis.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which have been measured at fair value. Further, the carrying values of recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged. The consolidated financial statements are presented in Indian Rupees (INR).

b) Basis for consolidation

The consolidated financial statements has comprised financial statements of the Holding Company and its subsidiaries, associates over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries and associates are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries and associates acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of

the holding and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 5o% of the voting rights. Investments in associates are accounted for using the equity method (see (iii) below) of accounting, after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The said investments are tested for impairment atleast annually and whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use)

(iv) Equity method

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and noncontrolling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate

c) Presentation of consolidated financial statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when Ind AS specifically permits the same or it has an unconditionally legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically.

3A.Significant accounting policies

a) Use of estimates, judgments and assumptions

The preparation of consolidated financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

i) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii) Fair value measurement

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

iii) Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Group makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.

The Group's Expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- The Group's internal model, which assigns Probability of defaults ('PDs') to the individual grades
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Lifetime ECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of defaults ('PDs'), Exposure at Default ('EADs') and Loss given Defaults ('LGDs')

Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

iv) Provisions other than impairment on loan portfolio

Provisions are held in respect of a range of future obligations such as employee entitlements and litigation provisions. Some of the provisions involve significant judgment about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate which reflects both current interest rates and the risks specific to that provision.

v) Share-Based Payment

Estimating fair value for share-based payment transactions requires determining of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

vi) Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS)

Non-cumulative compulsory convertible preference shares (NCCCPS) are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS - 32 (Financial instruments: Presentation). NCCCPS issued by the Group classified as equity is carried at its transaction value and shown within "other equity"

vii) Effective Interest Rate ('EIR') method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

Viii) Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

b) Recognition of income and expense

(i) Interest and Processing Fee income on loans

The Group's earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest and loan processing fees are recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

(ii) Revenue from Contracts with Customers

The Group recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from Contracts with Customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

a) Facilitation fees income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognized on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

b) Revenue from business correspondence services is recognized point in time when performance obligation is satisfied as per agreed terms and conditions of the contract.

c) Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

(iii) Dividend Income

Dividend income is recognized when the Group's right to receive the payment is established, which is generally when the shareholders approve the dividend.

(iv) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(v) Other income and expense

All Other income and expense are recognized on an accrual basis in the period they occur.

c) Property, plant and equipment (PPE) and intangible asset

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 included in the statement of profit and loss when the asset is derecognized.

Intangible Asset

Intangible assets represent capital expenditure towards software which is stated at cost less accumulated amortization and any accumulated impairment losses.

d) Depreciation and amortization

Depreciation

i i Depreciation on property, plant and equipment provided on a written down value method at the rates arrived based on useful life of the assets, prescribed under Schedule II to the Companies Act, 2013, which also represents the estimate of the useful life of the assets by the management.

ii i Property, plant and equipment costing up to Rs.5,000 individually are fully depreciated in the year of purchase.

i The Group has used the following useful lives to provide depreciation on its Property, plant and equipment:

Asset Category	Useful Life (In Years)
(i) Furniture and fittings	10
(ii) Computers and data processing units	
(a) Servers and networks	6
(b) End user devices, such as, desktops, laptops, etc.	3
(iii) Office equipment	5
(iv) Motor vehicles	
(a) Motor cars	8
(b) Two- Wheeler Vehicles	10
(v) Building	60

Amortization

Intangible assets are amortized on the basis of Straight-Line Method over a period of 4 years.

e) Impairment

i) Overview of principles for measuring expected credit loss ('ECL') on financial assets.

In accordance with Ind AS 109, the Group is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. Accordingly, the Group is required to determine lifetime losses on financial instruments where credit risk has increased significantly since its origination. For other instruments, the Group is required to recognize credit losses over next 12 months period. The Group has an option to determine such losses on individual basis or collectively depending upon the nature of underlying portfolio. The Group has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Group has assessed that all standard exposures (i.e. exposures with no overdues) and exposure upto 30 days overdues fall under this category. In accordance with Ind AS 109, the Group measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, significant increase in credit risk is witnessed after the overdues on an exposure exceed for a period more than 30 days. Accordingly, the Group classifies all exposures with overdues exceeding 30 days at each reporting date under this Stage. The Group measures lifetime ECL on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are considered to be defaults and are classified under this stage. Accordingly, the Group measures lifetime losses on such exposure. Interest revenue on such contracts is calculated by applying the effective interest rate to the amortized cost (net of impairment allowance) instead of the gross carrying amount. The method is similar to Stage II assets, with the probability of default set at 100%.

When estimating ECL on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Methodology for calculating ECL

The mechanics of the ECL calculation involve the use of following key elements:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset). PD estimation is done based on historical internal data available with the Group. For credit impaired assets, a PD of 100% has been applied.

Exposure at default (EAD) – It represents an estimate of the exposure of the Group at a future date after considering repayments by the counterparty before the default event occurs. The outstanding balance as at reporting date is considered as EAD by the Group. Considering the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

Loss given default (LGD) – It represents an estimate of the loss expected to be incurred when the event of default occurs. The Group uses historical loss data/external agency LGD for identified pools for the purpose of calculating LGD.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

Definition of default and cure

The Group considers a financial instrument as defaulted and classifies it as Stage III (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Group may also classify a loan in Stage III if there is significant deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Group also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage III for ECL calculations or whether Stage II is appropriate.

Classification of accounts into Stage II is done when there is a significant increase in credit risk since initial recognition, typically when contractual repayments are more than 30 days past due.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage III or Stage II when none of the default criteria which resulted in their downgrade are present.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. All such write-offs are charged to the statement of profit and loss. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

ii) Non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Group is lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are also subject to impairment. (Refer to the accounting policies in section (e) Impairment of non-financial assets).

ii) Lease Liability

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

iii) Short term lease

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as and when due.

g) Foreign currency transactions

- **Functional and presentation currency**
  The financial statements are presented in Indian Rupees (INR), which are the functional currency of the Group and the currency of the primary economic environment in which the Group operates.
- **Transaction and balance**
  Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

h) Retirement and Employee benefits

Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Group operates following employee benefit plans:

i) Employee Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service.

ii) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

iii) Leaves

Entitlements to annual leave are recognized when they accrue to the employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulations. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the Year end.

i) Income taxes

Current Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with The Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Taxes

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized as income tax benefits or expenses in the income statement except for tax related to the FVOCI instruments. The Group also recognizes the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

The Group only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Group's intention to settle on a net basis.

j) Earnings per share (EPS)

The Group reports basic and diluted earnings per share in accordance with Ind AS33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

k) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The increase in the provision due to un-winding of discount over passage of time is recognized within finance costs.

l) Contingent liabilities and assets

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not have any contingent assets in the consolidated financial statements.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial Measurement and recognition

Financial assets are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets (not measured subsequently at fair value through profit or loss) are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- Loan Portfolio at amortized cost
- Loan Portfolio at fair value through other comprehensive income (FVOCI)
- Equity instruments and mutual funds

Loan Portfolio at amortized cost:

Loan Portfolio is subsequently measured at amortized cost where:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

After initial measurement, these financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit and loss.

The measurement of credit impairment is based on the three-stage expected credit loss model described in Note: Impairment of financial assets (refer note 3(e)).

Loan Portfolio at FVOCI:

Loan Portfolio is subsequently measured at FVOCI where:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
- the financial asset is held within a business model where objective is achieved by both collecting contractual cash flows and selling financial assets.

Loans included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is recognized as interest income using the EIR method.

Equity instruments and Mutual Funds

Equity instruments and mutual funds included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Financial liabilities

Initial Measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

De-recognition of financial assets and financial liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognized when the rights to receive cash flows from the financial asset have expired. The Group also de-recognizes the financial asset if it has transferred the financial asset and the transfer qualifies for de-recognition.

The Group has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset
  or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients. A transfer only qualifies for de-recognition if either:

- The Group has transferred substantially all the risks and rewards of the asset
  or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Group's continuing involvement, in which case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On derecognition of a financial asset in its entirety, the difference between: (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of profit or loss account.

Derecognition due to modification of terms and conditions

The Group de recognizes a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchase Oriented Credit Impaired ("POCI").

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial Liabilities

Financial liability is de-recognized when the obligation under the liability is discharged, cancelled or expires. Where 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 a de-recognition of the original liability and the re-cognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date using various valuation techniques.

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The Group's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said standalone financial statements.

Accordingly, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy described as follows:

- *Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.*
- *Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.*
- *Level 3 financial instruments – include one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.*

o) Share based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments transactions are set out in Note 42.

The cost of equity-settled transactions is measured using the fair value method and recognized, together with a corresponding increase in the “Stock options outstanding account” in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for the year represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insigni cant risk of changes in value.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The risk and returns of the business of the Group is not associated with geographical segmentation, hence there is no secondary segment

3B.Recent 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 1, 2022, as below:

Ind AS 103- Reference to Conceptual Framework

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 Group does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 16- Proceeds before interned 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 Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its standalone financial statements.

Ind AS 37- Onerous Contracts- Costs of Fulfilling a Contract

The amendments specify that 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 Group does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 109- Annual Improvements to Ind AS (2021)

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 Group does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 106- Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its standalone financial statements

SATYA Microcapital Limited

(Rs. in million unless otherwise stated)

Notes to the Consolidated Financial Statements for the year ended March 31, 2022

Particulars	As at March 31, 2022
4: Cash and cash equivalents	
Cash on hand	2.91
Balances with banks	
On current accounts	765.49
Deposits with original maturity of less than three months	510.04
	1,278.44

Balances with banks in current accounts do not earn any interest. Short-term deposits are made for varying maturity upto three months, depending upon the funding requirements of the Group, and earn interest at the respective short-term rates.

The Group has not taken any bank overdraft against such deposits, therefore the cash and cash equivalents for statement of cash flow are the same as cash and cash equivalents given above.

Particulars	As at March 31, 2022
5: Bank balance other than cash and cash equivalents	
Deposits with maturity of less than 12 months	164.47
Deposits with maturity of more than 12 months	36.57
Margin money deposits (refer note b below)	3,013.85
	3,214.89

Note:

(a) Fixed deposits and margin money deposits with banks earn interest at fixed rates or floating rates based on daily bank deposit rates.

(b)The amount under lien as security against term loan, overdraft facility availed, assets securitized and business correspondance.

Particulars	As at March 31, 2022
6: Trade receivables (at amortized cost)	
Unsecured, considered good	73.40
	73.40

Trade receivables are non-interest bearing and generally due in short-term. Based on the management's assessment, no impairment allowance is considered necessary for trade receivables.

Trade receivable as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment*					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	64.27	1.76	7.37	-	-	73.40
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

*in case where due date of payment is not specified, disclosure has been given based on the date of transaction.

Particulars	As at March 31, 2022
7: Loan portfolio	
(a) Portfolio loans (at amortised cost)	
Joint Liability Group Loans	23,356.88
Individual Loans	204.42
Less: Impairment loss allowance	(399.96)

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022
Total (net)	**23,161.34**
(b) (i) Secured	-
(ii) Unsecured	23,561.30
Less: Impairment loss allowance	(399.96)
Total (net)	**23,161.34**
(c) Loans in India	
(i) Public Sector	-
(ii) Others	23,561.30
Less: Impairment loss allowance	(399.96)
Total (net)	**23,161.34**

Overview of the loan portfolio of the Holding Company

The Holding Company is primarily in the business of providing micro loans towards income generating activities with its operations spread out in different parts of India. The Holding Company's focus is to reach out to the unbanked section of society and providing financial services to women entrepreneurs.

The table below discloses credit quality of the Holding Company's exposures (net of impairment loss allowance) as at reporting date:

Portfolio classification as at March 31, 2022:

Particulars	Stage I	Stage II	Stage III*	Total
Portfolio Loans				
Joint Liability Group Loans	21,626.71	905.00	825.17	23,356.88
Individual Loans	182.42	8.00	14.00	204.42
Less: Impairment loss allowance	(35.93)	(164.90)	(199.13)	(399.96)
Total (net)	**21,773.20**	**748.10**	**640.04**	**23,161.34**

*It includes 37,272 cases wherein principal and interest outstanding for more than 90 days are Rs. 785.44 million and Rs. 53.73 million respectively.

Gross portfolio movement for the year ended March 31, 2022:

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	11,133.41	1,173.30	191.95	12,498.66
Total (A)	**11,133.41**	**1,173.30**	**191.95**	**12,498.66**
Inter-stage movements				
Stage I	142.74	(134.57)	(8.17)	-
Stage II	(581.07)	583.49	(2.42)	-
Stage III	(390.14)	(366.72)	756.86	-
Total (B)	**(828.47)**	**82.20**	**746.27**	**-**
Write-offs*	-	-	(123.41)	(123.41)
Total (C)	**-**	**-**	**(123.41)**	**(123.41)**
New assets originated, (netted off for repayment and loans derecognised during the year)	11,504.19	(342.50)	24.36	11,186.05
Total (D)	**11,504.19**	**(342.50)**	**24.36**	**11,186.05**
Gross carrying amount as at March 31, 2022	21,809.13	913.00	839.17	23,561.30
Total(A+B+C+D)	**21,809.13**	**913.00**	**839.17**	**23,561.30**

ECL movement during the year ended March 31, 2022:

Particulars	Stage I	Stage II	Stage III	Total
Balance at the beginning of the year	22.13	218.74	111.79	352.66
Provision made/ (reversed) during the year	13.80	(53.84)	210.75	170.71
Write-offs	-	-	(123.41)	(123.41)
Balance at the end of the year	**35.93**	**164.90**	**199.13**	**399.96**

Particulars	As at March 31, 2022
8: Investments	
Equity Instruments (at cost)	
Associate	
360,107 equity shares of face value of Rs. 10 each of Baid Housing Finance Private Limited	46.36
Less: Share of net profits/(losses) of associates accounted for using the equity method	(0.22)
	46.14

During the year, the Holding Company has acquired 24% equity shares of Baid Housing Finance Private Limited (Baid), pursuant to this Baid became an associate w.e.f. November 12, 2021.

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022
9: Other financial assets (at amortised cost)	
A. Security deposits	
Unsecured, considered good	8.33
(A)	**8.33**
B. Other assets	
Loans to employees	19.44
Margin money held with financial institution	215.00
Interest only strip receivable	310.73
Other recoverable	16.76
(B)	**561.93**
Total (A+B)	**570.26**

Note: The margin money held with financial institution are under lien as security against term loan and business correspondance.

Particulars	As at March 31, 2022
10: Current tax assets (net)	
Advance income-tax (net of provision for income-tax)	46.17
	46.17

Particulars	As at March 31, 2022
11: Deferred tax assets (net)	
(A) Deferred tax assets	
Impairment of financials instruments	102.11
Provision for employee benefits	9.21
Difference of written down value of property, plant and equipment	10.09
EIR Impact on borrowing	33.70
Liability against leases and right of use assets	1.80
Total deferred tax assets	**156.91**
(B) Deferred tax liabilities	
Deferment of excess interest spread	(78.20)
Others	(14.26)
Total deferred tax liabilities	**(92.46)**
Net deferred tax assets (A+B)	**64.45**

(C) Movement in deferred tax assets/(liabilities) (net)

Particulars	As at April 1, 2021	(Charged)/credited to consolidated statement of profit and loss during the year	(Charged)/credited to other comprehensive income during the year	As at March 31, 2022
(A) Deferred tax assets				
Impairment of financials instruments	85.93	16.18	-	102.11
Provision for employee benefits	6.35	2.60	0.25	9.20
Difference of written down value of property, plant and equipment	6.37	3.72	-	10.09
EIR impact on borrowing	16.68	17.02	-	33.70
Liability against leases and right of use assets	0.12	1.68	-	1.80
(B) Deferred tax liabilities				
Deferment of excess interest spread	(29.36)	(48.84)	-	(78.20)
Others	(13.95)	(0.30)	-	(14.25)
Net deferred tax assets (A+B)	**72.14**	**(7.95)**	**0.25**	**64.45**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

12A: Property, plant and equipment

Particulars	Furniture and Fixtures	Office Equipment	Vehicles	Computers and Data Processing Units	Office Premises	Right-of-use Asset (refer note 38)	Total
Gross block (at cost)							
As at April 1, 2021	25.23	14.80	4.22	58.68	32.10	13.24	148.27
Additions	27.84	9.28	4.43	39.32	-	22.48	103.35
Disposals	(0.86)	(0.47)	-	(6.06)	-	-	(7.39)
As at March 31, 2022	**52.21**	**23.61**	**8.65**	**91.94**	**32.10**	**35.72**	**244.23**

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(Rs. in million unless otherwise stated)

Accumulated depreciation							
As at April 1, 2021	13.81	7.62	2.29	35.80	0.27	12.75	72.53
Charge for the year	12.49	4.92	0.91	24.30	1.55	13.04	57.22
Disposals	(0.48)	(0.18)	-	(5.42)	-	-	(6.08)
As at March 31, 2022	**25.82**	**12.36**	**3.20**	**54.68**	**1.82**	**25.79**	**123.67**
Net carrying amount							
As at April 1, 2021	11.42	7.19	1.93	22.88	31.83	0.49	75.74
As at March 31, 2022	**26.39**	**11.25**	**5.45**	**37.26**	**30.28**	**9.93**	**120.56**

12B: Intangible assets

Particulars	Computer Software	Total
Gross block (at cost)		
As at April 1, 2021	2.90	2.90
Additions	0.15	0.15
Disposals	(1.03)	(1.03)
As at March 31, 2022	**2.02**	**2.02**
Accumulated amortization		
As at April 1, 2021	2.03	2.03
Charge for the year	0.24	0.24
Disposals	(0.58)	(0.58)
As at March 31, 2022	**1.69**	**1.69**
Net carrying amount		
As at April 1, 2021	0.87	0.87
As at March 31, 2022	**0.33**	**0.33**

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and intangible assets during the year ended March 31, 2022.

12C: Depreciation and amortization

Particulars	For year ended March 31, 2022
Depreciation	57.22
Amortization	0.24
Total	**57.46**

Particulars	As at March 31, 2022
13: Other non-financial assets	
Unsecured, considered good	
Prepaid expenses	192.13
Balance in employee imprest accounts	32.32
GST receivable	9.64
Capital Advances	11.21
Other advances	51.09
	296.39

Particulars	As at March 31, 2022
14: Trade payable	
(i) total outstanding dues of micro enterprises and small enterprises (refer note 39)	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	82.49
	82.49

Trade Payable as at March 31, 2022:

Particulars	Unbilled dues	Outstanding for following periods from due date of payment*				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME#	-	-	-	-	-	-
(ii) Others	19.52	62.26	0.41	0.20	0.10	82.49
(iii) Disputed dues – MSME#	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.
*in case where due date of payment is not specified, disclosure has been given based on the date of transaction.

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022
15: Debt Securities (at amortised cost)	
(a) Debentures	
Secured*	
1,500, 14.50%, senior secured, unlisted, rated, transferable, reedemable, principal protected market linked debentures of Rs.100,000 each	231.44
400, 13.80%, secured, rated, listed transferable non-convertible debentures of Rs. 1,000,000 each	403.05
24,983,13.60%, secured, unlisted, rated, redeemable, non-convertible debenture of Rs. 10,000 each	83.46
24,983,13.60%, unlisted, unsubordinated, secured, transferable, redeemable non-convertible debentures of Rs. 10,000 each	82.91
285, 12.85%, secured, listed, non-convertible debenturesof Rs. 1,000,000 each	286.68
380, 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	388.38
345, 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	352.49
25,000,000, 13.75% fully paid-up unlisted, senior, secured, rated, redeemable taxable, transferable non-convertible debentures each having a face value of Rs. 10/- each	172.09
260, 12.30% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	261.65
2,000, 13.16% secured, rated, listed, redeemable, transferable, principal protected market linked non-convertible debentures of face value of Rs. 100,000/- each	218.42
221, 12.40% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	226.34
161, 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	164.71
161, 12.40% secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	164.74
800, 12.38% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	808.97
300, 11.50% secured, unlisted, rated, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	302.85
420, 12.44% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	429.64
225, 12.45% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	224.90
225, 12.45% secured, rated, listed, redeemable, transferable, non-convertible debentures of face value of Rs. 1,000,000/- each	224.90
260, 11.76% secured, rated, unlisted, senior, transferable, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	257.84
Total debt securities	**5,285.46**
Borrowings in India	5,285.46
Borrowings outside India	-
Total	**5,285.46**

* The Indian rupee loans are secured by hypothecation of book debts.

(b) Borrowings (other than debt securities) (at amortised cost)	
Secured-Term loan**	
From banks	10,059.53
From others	3,985.39
Bank overdraft (secured)*	1,328.46
Borrowing under securitisation arrangement**	
From banks	766.29
From others	196.89
Lease liability (refer note 38)	17.08
Total borrowings (other than debt securities)	**16,353.64**
Borrowings in India	16,353.64
Borrowings outside India	-
Total	**16,353.64**

*Bank overdraft from bank is secured by term deposits with banks.
**Loans are secured by hypothecation of book debts and margin money deposits.

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(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022
(c) Subordinated liabilities (at amortised cost)	
Unsecured debentures#	
200, 15.75% rated,unlisted, subordinated, unsecured, transferable, redeemable, non-convertible debentures of Rs.1,000,000 each	206.47
25,000,000, 14.27% rated, listed, unsecured, subordinated, redeemable, taxable, non-convertible debentures of Rs. 10 each	243.56
3,000, 14.75% rated, unlisted, subordinate, unsecured, redeemable, transferable, non-convertible debentures of face value of Rs. 100,000/- each	302.26
300, 15.15% rated, unlisted, subordinate, unsecured, taxable, redeemable, non-convertible debentures of face value of Rs. 1,000,000/- each	301.98
Unsecured term loan#	
From banks	95.96
From others	-
Total subordinated liabilities	**1,150.23**
Borrowings in India	1,150.23
Borrowings outside India	-
Total	**1,150.23**

The Unsecured borrowings are in the nature of subordinated liabilities and non-convertible debentures.

Above amount includes	
Secured borrowings*	21,639.10
Unsecured borrowings #	1,150.23
Net amount	**22,789.33**

* Loans are secured by hypothecation of book debts and margin money deposits.
The Unsecured borrowings are in the nature of subordinated liabilities and non-convertible debentures.

15A. Terms of principal repayment of borrowings as at March 31, 2022

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
Debt Securities										
NCD										
Yearly										
1-3 years	11.51%-12.00%	1	78.00	1	78.00	1	104.00	0	-	260.00
		1	83.28	0	-	0	-	0	-	83.28
		1	83.28	0	-	0	-	0	-	83.28
		1	83.33	1	83.34	0	-	0	-	166.67
Above 3 years	12.01%-12.50%	0	-	0	-	0	-	2	225.00	225.00
		0	-	0	-	0	-	2	225.00	225.00
		1	95.00	0	-	0	-	1	285.00	380.00
Bullet										
1-3 years	11.01%-11.50%	1	300.00	0	-	0	-	0	-	300.00
Above 3 years	12.01%-12.50%	0	-	0	-	1	345.00	0	-	345.00
		0	-	0	-	0	-	1	260.00	260.00
		0	-	0	-	0	-	1	420.00	420.00
		0	-	0	-	0	-	1	800.00	800.00
		0	-	0	-	0	-	1	161.00	161.00
		0	-	0	-	0	-	1	161.00	161.00
		0	-	0	-	0	-	1	221.00	221.00
	13.01%-13.50%	0		0	-	1	200.00	0	-	200.00
	13.51%-14.00%	1	400.00	0	-	0	-	0	-	400.00
		0	-	1	285.00	0	-	0	-	285.00
	14.01%-14.50%	1	150.00	0	-	0	-	0	-	150.00
Borrowings (Other than Debt Securities)										
Term Loan										
Monthly										
1-3 years	6.51%-7.00%	6	120.00	0	-	0	-	0	-	120.00
	8.51%-9.00%	12	285.71	7	166.67	0	-	0	-	452.38
		12	654.55	7	381.82	0	-	0	-	1,036.37
	9.01%-9.50%	12	72.73	12	72.73	7	42.42	0	-	187.88
		12	188.40	12	188.40	6	91.80	0	-	468.60
		12	180.00	6	90.00	0	-	0	-	270.00
		12	150.00	9	112.50	0	-	0	-	262.50
		12	99.00	10	82.50	0	-	0	-	181.50
		12	333.33	12	333.34	7	194.44	0	-	861.11
	9.51%-10.00%	11	34.38	12	37.50	7	21.87	0	-	93.75
		12	181.82	12	196.97	0	-	0	-	378.79

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(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
1-3 years	10.01%-10.50%	12	500.00	9	375.00	0	-	0	-	875.00
		12	120.00	12	120.00	5	50.00	0	-	290.00
		9	36.75	12	53.68	12	59.57	0	-	150.00
	10.51%-11.00%	11	229.17	0	-	0	-	0	-	229.17
		12	125.00	0	-	0	-	0	-	125.00
		12	58.25	12	64.83	0	-	0	-	123.08
		9	171.43	12	228.57	0	-	0	-	400.00
		12	272.73	6	136.36	0	-	0	-	409.09
		11	108.12	12	130.34	1	11.54	0	-	250.00
		10	83.33	12	100.00	2	16.67	0	-	200.00
		12	75.00	12	75.00	0	-	0	-	150.00
		12	150.00	0	-	0	-	0	-	150.00
	11.01%-11.50%	8	33.33	0	-	0	-	0	-	33.33
		8	36.36	0	-	0	-	0	-	36.36
		8	380.95	12	619.05	0	-	0	-	1,000.00
		12	123.75	11	113.44	0	-	0	-	237.19
		8	2.58	0	-	0	-	0	-	2.58
	11.51%-12.00%	6	54.39	0	-	0	-	0	-	54.39
		12	35.14	6	19.15	0	-	0	-	54.29
		11	157.04	12	191.97	5	87.09	0	-	436.10
		11	100.00	0	-	0	-	0	-	100.00
		12	46.50	12	53.50	0	-	0	-	100.00
		10	104.17	12	125.00	2	20.83	0	-	250.00
		12	57.41	12	64.69	1	6.22	0	-	128.32
		9	75.00	0	-	0	-	0	-	75.00
	12.01%-12.50%	5	52.08	0	-	0	-	0	-	52.08
		12	89.37	12	100.63	0	-	0	-	190.00
		11	131.98	12	162.65	1	15.37	0	-	310.00
		12	47.88	10	44.64	0	-	0	-	92.52
		12	105.00	12	105.00	0	-	0	-	210.00
		9	37.50	0	-	0	-	0	-	37.50
		12	47.24	1	4.22	0	-	0	-	51.46
		12	142.86	1	11.90	0	-	0	-	154.76
	12.51%-13.00%	12	24.69	7	15.92	0	-	0	-	40.61
		12	150.00	9	112.50	0	-	0	-	262.50
		12	25.00	12	25.00	0	-	0	-	50.00
		12	50.00	12	50.00	0	-	0	-	100.00
		12	50.00	3	12.50	0	-	0	-	62.50
		12	75.00	6	37.50	0	-	0	-	112.50
		12	75.00	12	75.00	0	-	0	-	150.00
		12	64.17	12	73.02	3	19.87	0	-	157.06
		6	45.00	0	-	0	-	0	-	45.00
		8	36.23	0	-	0	-	0	-	36.23
		11	58.77	0	-	0	-	0	-	58.77
		12	28.57	0	-	0	-	0	-	28.57
		12	42.54	0	-	0	-	0	-	42.54
		12	9.21	1	0.83	0	-	0	-	10.04
		12	53.23	0	-	0	-	0	-	53.23
		12	28.57	0	-	0	-	0	-	28.57
	13.01%-13.50%	6	27.57	0	-	0	-	0	-	27.57
		3	51.34	0	-	0	-	0	-	51.34
		5	20.83	0	-	0	-	0	-	20.83
		7	29.17	0	-	0	-	0	-	29.17
		9	20.32	0	-	0	-	0	-	20.32
		9	37.50	0	-	0	-	0	-	37.50
		11	22.92	0	-	0	-	0	-	22.92
		12	62.50	0	-	0	-	0	-	62.50
		12	75.00	1	6.25	0	-	0	-	81.25
		2	11.92	0	-	0	-	0	-	11.92
	13.51%-14.00%	8	100.00	0	-	0	-	0	-	100.00
		10	90.35	0	-	0	-	0	-	90.35
		1	2.25	0	-	0	-	0	-	2.25
		1	12.32	0	-	0	-	0	-	12.32
	14.01%-14.50%	2	4.27	0	-	0	-	0	-	4.27
		12	4.68	9	0.02	0	-	0	-	4.70
	14.51%-15.00%	1	0.21	0	-	0	-	0	-	0.21

Contd...

(Rs. in million unless otherwise stated)

Original maturity of loan	Interest rate	Due within 1 year		Due between 1-2 years		Due between 2-3 years		Due beyond 3 years		Total
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	
1-3 years	15.01%-15.50%	2	3.70	0	-	0	-	0	-	3.70
		2	3.67	0	-	0	-	0	-	3.67
		2	6.64	0	-	0	-	0	-	6.64
		2	3.00	0	-	0	-	0	-	3.00
		7	11.46	0	-	0	-	0	-	11.46
Above 3 years	12.51%-13.00%	0	-	12	75.80	12	75.80	0	-	151.60
	13.01%-13.50%	5	35.10	0	-	0	-	0	-	35.10
Quarterly										
1-3 years	11.51%-12.00%	4	150.00	4	150.00	0	-	0	-	300.00
	12.01%-12.50%	4	66.67	4	66.67	4	66.67	0	-	200.00
	12.51%-13.00%	4	83.33	4	83.33	0	-	0	-	166.66
ECB										
Bullet										
Above 3 years	12.01%-12.50%	2	106.00	0	-	0	-	0	-	106.00
Bank Overdraft										
Repayable on Demand										
1-3 years	5.51%-6.00%	1	300.99	0	-	0	-	0	-	300.99
	8.01%-8.50%	1	448.64	0	-	0	-	0	-	448.64
		1	578.82	1	-	0	-	0	-	578.82
Securitization										
1-3 years	9.01%-9.50%	12	126.90	6	75.25	0	-	0	-	202.15
	9.51%-10. 00%	7	60.15	0	-	0	-	0	-	60.15
		8	88.13	0	-	0	-	0	-	88.13
		6	59.89	0	-	0	-	0	-	59.89
	10.01%-10.50%	8	99.21	0	-	0	-	0	-	99.21
	10.51%-11.00%	9	290.09	0	-	0	-	0	-	290.09
Subordinated Liabilities										
Half Yearly										
Above 3 years	14.01%-14.50%	0	-	0	-	0	-	3	250.00	250.00
Bullet										
Above 3 years	14.51%-15.00%	0	-	0	-	1	50.00	0	-	50.00
		0	-	0	-	0	-	1	300.00	300.00
	15.01%-15.50%	0	-	0	-	0	-	1	300.00	300.00
	15.51%-16.00%	0	-	0	-	0	-	1	200.00	200.00
	16.51%-17.00%	0	-	1	45.00	0	-	0	-	45.00
Total		**858**	**11,274.64**	**441**	**5,912.99**	**79**	**1,479.17**	**17**	**3,808.00**	**22,474.79**
Impact of lease liability recognized under IND-AS 116										**17.08**
Impact of EIR on borrowings										**133.90**
Impact of EIR on securitization										**163.56**
Grand Total										**22,789.33**

Particulars	As at March 31, 2022
16: Other financial liabilities	
Payable towards direct assignment	353.59
Other liabilities	14.53
	368.12

Particulars	As at March 31, 2022
17: Provisions	
Provision for employee benefits	
Gratuity (refer note 37)	17.09
Leave encashment	19.49
	36.58

Particulars	As at March 31, 2022
18: Other non-financial liabilities	
Statutory dues payable	67.64
Other liabilities	5.76
	73.40

(Rs. in million unless otherwise stated)

Particulars	As at March 31, 2022
19: Equity Share capital	
Authorized 80,000,000 equity shares of Rs.10 each	800.00
Total	**800.00**
Issued 51,374,506 equity shares of Rs.10 each fully paid up	513.75
Total	**513.75**
Subscribed 51,374,506 equity shares of Rs.10 each fully paid up	513.75
Total	**513.75**
Paid-up 48,874,506 equity shares of Rs.10 each fully paid up	488.75
2,500,000 equity shares of Rs.10 each partly paid-up to the extent of Rs. 4 per share	10.00
	498.75
Less: Amount recoverable from Satya Employee Welfare Trust	(8.11)
Total	**490.64**

(a) Terms/rights attached to equity shares

The Holding Company has only one class of equity shares of face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Dividend if proposed by the Board of Directors, shall be subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event, the Holding Company declares any dividend the same shall be paid in Indian rupees.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

On March 21, 2022 the Holding Company issued 2,650,000 Equity Shares to Gojo & Company, Inc. at price of Rs. 201 each (face value of Rs.10 each and Premium of Rs.191 each), pursuant to that Gojo & Company, Inc. became the Ultimate Holding Company.

(b) Reconciliation of the number of equity shares issued outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Balance at the beginning of the year	48,724,506	487.25
Add: Issued during the year	2,650,000	26.50
Outstanding at the end of the year	**51,374,506**	**513.75**

(c) Reconciliation of the number of equity shares subscribed at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Outstanding at the beginning of the year	48,724,506	487.25
Add: Issued during the year	2,650,000	26.50
Outstanding at the end of the year	**51,374,506**	**513.75**

(d) Reconciliation of the number of equity shares paid-up outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Outstanding at the beginning of the year	48,724,506	468.50
Add: Issued during the year*	2,650,000	30.25
Outstanding at the end of the year	**51,374,506**	**498.75**

* include amount received on partly paid equity shares of Rs. 3.75 million.

(e) Shares held by the Holding Company

Name of the shareholder	March 31, 2022	
	Number of shares	% of holding
GOJO & Company, Inc.	26,963,315	52.48%

(f) Details of shareholders holding more than 5% in the Holding Company: (Rs. in million unless otherwise stated)

As per the records of the Holding Company, including register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the shareholding given below represents both legal and beneficial ownership of shares.

Name of the shareholder	March 31, 2022	
	Number of shares	% of holding
Equity shares		
GOJO & Company, Inc.	26,963,315	52.48%
Vivek Tiwari*	11,668,200	22.72%
Dia Vikas Capital Private Limited	6,773,475	13.18%

*Includes of 2,500,000 partly-paid equity shares, Rs. 4/- per share paid up.

(g) Shareholdings of Promoters

(i) For fully paid shares

Promoter Name	March 31, 2022	
	Number of shares	% of holding
Vivek Tiwari	9,168,200	17.85%
Koshish Marketing Solutions Pvt. Ltd.	1,902,300	3.70%
Vandna Tiwari	113,500	0.22%
Sadhna Tiwari	20,000	0.04%
Ratnesh Tiwari	51,500	0.10%
Total	**11,255,500**	**21.91%**

(ii) For Partly paid shares

Promoter Name	March 31, 2022	
	Number of shares	% of holding
Vivek Tiwari	2,500,000	4.87%
Total	**2,500,000**	**4.87%**

Particulars	As at March 31, 2022
20: Instruments entirely equity in nature	
Authorized 20,000,000 preference shares of Rs. 10 each	200.00
	200.00
Issued, subscribed and fully paid **Non- Cumulative Compulsorily Convertible Preference Shares** 2,985,100 preference shares of Rs. 10 each	29.85
	29.85

(a) Terms/rights attached to non- cumulative compulsorily convertible preference shares

During the year ended March 31, 2022, the Holding Company has issued 2,985,100, 0.001% Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) at Rs. 201 per NCCCPS (face value of Rs.10 and premium of Rs.191 per NCCCPS) to Gojo & Company, Inc. The terms of NCCCPS are as follows:

(i) Tenor & Conversion: On or before 10 (Ten) years.

(ii) NCCCPS shall have voting rights on conversion into Equity Shares of the Holding Company i.e. the Equity Shares to be issued on conversion of the NCCCPS shall rank pari-passu in all respects with the existing Equity Shares of the Holding Company.

(iii) Priority with respect to payment of dividend or repayment of capital: NCCCPS will carry a preferential right vis-à-vis equity shares of the Holding Company with respect to the payment of dividend and repayment of capital during winding up.

(b) Reconciliation of the number of non- cumulative compulsorily convertible preference shares issued outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Balance at the beginning of the year	-	-
Add: Issued during the year	2,985,100	29.85
Outstanding at the end of the year	**2,985,100**	**29.85**

(c) Reconciliation of the number of non- cumulative compulsorily convertible preference shares subscribed at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Outstanding at the beginning of the year	-	-
Add: Issued during the year	2,985,100	29.85

Contd...

(Rs. in million unless otherwise stated)

Outstanding at the end of the year	**2,985,100**	**29.85**

(d) Reconciliation of the number of non- cumulative compulsorily convertible preference shares paid-up outstanding at the beginning and at the end of the year:

Particulars	March 31, 2022	
	Number of shares	Amount
Outstanding at the beginning of the year	-	-
Add: Issued during the year	2,985,100	29.85
Outstanding at the end of the year	**2,985,100**	**29.85**

(e) Shares held by the Holding Company

Name of the shareholder	March 31, 2022	
	Number of shares	% of holding
GOJO & Company, Inc.	2,985,100	100.00%

(f) Details of shareholders holding more than 5% in the Holding Company:

As per the records of the Holding Company, including register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the shareholding given below represents both legal and beneficial ownership of shares.

Name of the shareholder	March 31, 2022	
	Number of shares	% of holding
GOJO & Company, Inc.	2,985,100	100.00%

Particulars	As at March 31, 2022
21: Other Equity	
Share options outstanding account	22.90
Statutory reserves	107.06
Securities premium	4,553.74
Retained earnings	318.26
Total other equity	**5,001.96**
Share options outstanding reserve (refer note a)	
Balance at the beginning of the year	17.57
Fair value of stock option	5.33
Balance at the end of the year	**22.90**
Statutory Reserves (refer note b)	
Balance at the beginning of the year	42.05
Add: Amount transferred from consolidated statement of profit and loss	65.01
Balance at the end of the year	**107.06**
Securities premium (refer note c)	
At the beginning of the year	3,516.45
Add: Premium on issue of equity shares	506.12
Add: Premium on issue of preference shares	570.12
Add: Premium on ESOP	2.42
	4,595.11
Less: Amount recoverable from Satya Employee Welfare Trust	(41.37)
Balance at the end of the year	**4,553.74**
Retained earnings (refer note d)	
Balance at the beginning of the year	59.21
Add: Profit/(loss) for the year	324.81
Add: Other comprehensive income (re-measurement gains/(losses) on defined benefit plans)	(0.99)
Less: Income-tax effect on other comprehensive income	0.25
Less: Transfer to Statutory Reserve (20% of profit after tax as required by Section 45-IC of the Reserve Bank of India Act, 1934)	(65.01)
Net surplus/(deficit) in the consolidated statement of profit and loss	**318.26**

a. Share options outstanding reserve is created as required by Ind AS-102 'Share Based Payment' on the employees option scheme operated by the group for employees (refer note 42).

b. In terms of section 45IC of the Reserve Bank of India Act, 1934, the Holding Company is required to transfer atleast 20% of its profit after tax to statutory reserve. Accordingly, the Holding Company has transferred a sum of Rs. 65.01 million, representing 20% of its

(Rs. in million unless otherwise stated)

profit after tax for the current financial year.

c. Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

d. Retained earnings are the profit/loss that the Group has earned/incurred till date, less any transfers to statutory reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Group and eligible for distribution to shareholders, in case where it is having positive balance representing net earning till date.

Particulars	For year ended March 31, 2022
22: Interest Income	
Measured at amortised cost	
Interest income on portfolio loans	3,140.01
Interest on fixed deposits*	193.21
	3,333.22

* Includes interest income on margin money deposits placed to avail term loans from banks, non-banking financial companies and placed as cash collateral in connection with securitisation transactions.

Particulars	For year ended March 31, 2022
23: Fee and commission income	
Fee and commission income	291.22
	291.22

Particulars	For year ended March 31, 2022
24: Net gain on derecognition of financial instruments under amortised cost category	
Net gain on derecognition of financials instruments under amortised cost category	366.57
	366.57

Particulars	For year ended March 31, 2022
25: Other income	
Miscellaneous income	26.79
	26.79

Particulars	For year ended March 31, 2022
26: Finance costs	
Interest	
On debt securities	497.50
On borrowings (other than debt securities)	1,102.25
On subordinated liabilities	108.09
On lease liabilities (refer note 38)	2.29
On income tax	0.11
Other finance cost	0.83
	1,711.07

Particulars	For year ended March 31, 2022
27: Impairment on financial instruments	
Impairment on portfolio loans measured at amortised cost	47.30
Portfolio loans written off	123.41
	170.71

Particulars	For year ended March 31, 2022
28: Employee benefits expense	
Salaries, wages and bonus	1,011.68
Contribution to provident fund and other funds (refer note 37A)	74.44
Expense for employee stock option plan (refer note 42)	9.24

Contd...

(Rs. in million unless otherwise stated)

Gratuity expense (refer note 37B)	6.03
Staff welfare expenses	68.48
	1,169.87

Particulars	For year ended March 31, 2022
29: Other expenses	
Advertisement expenses	1.90
Business promotion	3.20
Courier expenses	6.80
General insurance expenses	2.71
Legal and professional fee	74.14
Credit rating fees	5.94
Auditor's Remuneration (refer note below)	4.46
Cashless POS fee	5.34
Membership fees	6.66
Meeting and conference	4.94
Software expenses	42.37
Postage, internet and telephone expenses	25.78
Electricity charges	6.39
Printing and stationeries	14.07
Repair and maintenance	51.02
Branch office maintenance	4.06
Rates and taxes	0.08
Rent including lease rent (refer note 38)	60.18
Branch establishment expenses	4.97
Director siting fee	6.52
Travelling and conveyance	57.45
ROC fee	0.47
Covid-19 expenses	2.91
Festival expenses	6.53
Annual meet expenses	16.75
Freight and forwarding	1.31
Donation and corporate social responsibility expenditure	10.00
Cenvat credit disallowed	32.24
Miscellaneous expenses	14.39
	473.59

Note:-

Particulars	For year ended March 31, 2022
Payment to auditors	
As auditor:	
Audit fees	4.00
Certification fees	0.40
Out of pocket expenses	0.06
	4.46

Note:-

Particulars	For year ended March 31, 2022
30: Income-tax expense	
A. Income-tax expense in the consolidated statement of profit and loss consists of:	
Income-tax:	
Current year tax	102.11
Deferred tax credit	7.95
Income-tax expense reported in the standalone statement of profit or loss	**110.06**
Income-tax recognised in other comprehensive income	
Deferred tax arising on income and expenses recognised in other comprehensive income	(0.25)
Total	**109.81**
B. The reconciliation between the provision for income-tax of the and amounts computed by applying the Indian statutory income-tax rate to profit before taxes is as follows:	
Profit before tax	435.09
Re-measurement gains/(losses) on defined benefit plans	(0.99)

Contd...

(Rs. in million unless otherwise stated)

Profit before tax (including re-measurement gains/(losses) on defined benefit plans)	434.10
Enacted tax rates in India	25.17%
Computed tax expense	109.25
Effect of :	
Non-deductible expenses	2.86
Difference on account of change in tax rate	-
Earlier year tax	(2.30)
Total income-tax expense	**109.81**

Particulars	For year ended March 31, 2022
31: Earnings per share	
Net profit after tax as per consolidated statement of profit and loss	324.81
Less: Dividend on preference shares	-
Net profit for calculation of basic earnings per share	**324.81**
Net profit as above	324.81
Add: Dividend on preference shares and tax thereon	-
Net profit for calculation of diluted earnings per share	**324.81**
Calculation of weighted average number of equity shares for basic earning per share	
Equity shares	
Number of shares at the beginning of the year	45,944,492
Add: Issued during the year	184,112
Number of shares at the end of the year	**46,128,604**
Number of shares at the end of the year	**-**
Weighted average number of equity shares for basic earning per share	**46,128,604**
Effect of dilution	
Employee stock option	670,542
Non- Cumulative Compulsorily Convertible Preference Shares (NCCCPS)	61,644
Weighted average number of equity shares for diluted earning per share	**46,860,790**
Basic earnings per share (amount in rupees)	**7.05**
Diluted earnings per share (amount in rupees)	**6.94**
Nominal value per share: Rs.10 (Previous year: Rs.10)	

32: Segment Reporting

The Holding Company's main business is of 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. All other activities of the Holding Company revolve around the main business. Accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.

33. Related parties under Ind AS 24 with whom transactions have taken place during the year.

I. Holding Company

GOJO & Company, Inc. (w.e.f March 21, 2022)

II. Key Management Personnel

(a) Mr. Vivek Tiwari, Managing director, Chief Executive Officer and Chief Information Officer
(b) Mr. Sudhindra Kumar Sharma - Chief Financial Officer (upto October 31, 2021)
(c) Ms. Vandita Kaul - Chief Financial Officer (w.e.f. November 1, 2021)
(d) Ms. Rachna Khantwal - Company Secretary (upto September 30, 2020)
(e) Mr. Amit Jain - Company Secretary (w.e.f. October 01, 2020 and upto April 17, 2022)
(f) Mr. Choudhary Runveer Krishanan- Company Secretary and Chief Compliance Officer (w.e.f. April 18, 2022)
(g) Ms. Deepali Pant Joshi (Independent Director) (w.e.f. September 24, 2021)
(h) Mr. CP Mohan (Independent Director)
(i) Mr. Naveen Surya (Independent Director)

Contd...

(Rs. in million unless otherwise stated)

(j) Mr. Saneesh Singh (Nominee Director)
(k) Mr. Sanjay Gandhi (Nominee Director)
(l) Mr. Taejun Shin (Nominee Director)
(m) Ms. Surekha Marandi (Independent Director)
(n) Mr. Mukul Jaiswal (Independent Director)

III. Relative of Key Managerial Personnel

(a) Mr.Girijesh Tiwari - Senior Manager
(b) Mr. Ratnesh Tiwari - Non- Executive Director

IV. Substantial Shareholders

Dia Vikas Capital Private Limited

V. Other related party in accordance with Ind AS 24

(a) Koshish Sustainable Solutions Private Limited
(b) Koshish Marketing Solutions Private Limited
(c) Satya Employee Welfare Trust
(d) Ananya Finance For Inclusive Growth Private Limited
(e) Satya Shakti Foundation

Related party transactions during the year:

S. No.	Nature of Transactions	Related Party	Transactions during year ended March 31, 2022	(Payable)/Receivable As at March 31, 2022
1.	Remuneration*	Mr.Vivek Tiwari	34.56	-
		Mr.Sudhindra Sharma	4.61	(0.34)
		Mrs. Vandita Kaul	3.27	-
		Mr. Amit Jain	2.95	-
		Mr. Girijesh Tiwari	1.29	-
2.	Share allotment including premium	GOJO & Company, Inc.	532.65	-
3.	Issue of preference shares Including premium	GOJO & Company, Inc.	600.01	-
4.	Call money received on partly Paid equity share capital	Mr.Vivek Tiwari	3.75	-
5.	Amount received on ESOP exercised by employees	Satya Employee Welfare Trust	8.50	-
6.	Amount received/(paid) against Business partnership	Ananya Finance For Inclusive Growth Private Limited	982.02/(1475.08)	162.34
7.	Fees and commission income	Ananya Finance For Inclusive Growth Private Limited	170.39	-
8.	Expense reimbursement received	GOJO & Company, Inc.	10.85	-
9.	Expense reimbursement paid	Satya Shakti Foundation	4.27	-
10.	Donation and corporate social responsibility expenditure	Satya Shakti Foundation	10.00	-
11.	Director sitting fees	Ms. Deepali Pant Joshi	0.38	-
		Mr. CP Mohan	0.84	-
		Mr. Naveen Surya	0.87	-
		Mr. Ratnesh Tiwari	0.59	-
		Mr. Saneesh Singh	0.97	-
		Mr. Sanjay Gandhi	0.97	-
		Mr. Taejun Shin	0.70	-
		Ms. Surekha Marandi	0.90	-
		Mr. Mukul Jaiswal	0.30	-

* The above amount does not include accrual for the post employment benefits.
* The above amount does not include the employee stock plan expense.

34: Fair Value

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	Carrying Value As at March 31, 2022	Fair Value As at March 31, 2022
Financial assets measured at amortised cost		
Loan portfolio	23,161.34	23,161.34
Investment	46.14	46.14
Financial liabilities measured at amortised cost		
Borrowings*	22,789.33	22,789.33

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

(Rs. in million unless otherwise stated)

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets/liabilities, other non-financial assets/liabilities and provisions are considered to be the same as their fair values, due to their short-term nature.

35: Fair Value Hierarchy of assets and liabilities

Fair value measurement

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Hierarchy includes financial instruments of which prices is available in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The financial instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure is required):-

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2022 is as follows:

Assets

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Total
Loan portfolio	23,161.34	23,161.34	-	-	23,161.34	23,161.34
Total	**23,161.34**	**23,161.34**	**-**	**-**	**23,161.34**	**23,161.34**

Liabilities

Particulars	Measured at amortised cost					
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Total
Borrowings*	22,789.33	22,789.33	-	-	22,789.33	22,789.33
Total	**22,789.33**	**22,789.33**	**-**	**-**	**22,789.33**	**22,789.33**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

36: Capital management

The Holding Company's objective for capital management is to maximize shareholders' value, safeguard business continuity, meet the regulatory requirement and support the growth of the Holding Company. The Holding Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flows generated.

As NBFC-MFI, the RBI requires the Holding Company to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of its aggregate risk weighted assets. Further, the total of Tier II capital cannot exceed 100% of its Tier I capital at any point of time. The capital management process of the Holding Company ensures to maintain a healthy CRAR at all the times.

The Holding Company has a board approved policy on resource planning which states that the resource planning of the Holding Company shall be based on its Asset Liability Management (ALM) requirement. The policy of the Holding Company on resource planning will also cover the objectives of the regulatory requirement. The policy prescribes the sources of funds, threshold for mix from various sources, tenure, manner of raising the funds etc.

37: Employee Benefit Plans

A. Defined contribution plans

Provident and other funds

The Group makes contribution to provident fund, employee state insurance scheme contributions, labour welfare fund and national pension scheme which are defined contribution plans, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

(Rs. in million unless otherwise stated)

Particulars	March 31, 2022
Employee providend fund	59.80
Employee state insurance	13.90
Labour welfare fund	0.20
National pension scheme	0.54
Total	**74.44**

B. Defined benefit plans

The Holding Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity, on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of 20 million as per the Payment of Gratuity Act, 1972. Provision for unfunded gratuity liability for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. In accordance with Indian Accounting Standard (Ind AS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the consolidated statement of profit and loss as other comprehensive income.

The following tables summarize the components of net benefit expense recognized in the consolidated statement of profit and loss and amounts recognized in the Balance Sheet for the gratuity plan:

Movement in defined benefit obligations

Particulars	March 31, 2022
Defined benefit obligation as at the beginning of the year	10.07
Current service cost	5.37
Interest on defined benefit obligation	0.66
Re-measurement (gains)/losses on defined benefit plans	0.99
Benefits paid	-
Defined benefit obligation as at the end of the year	**17.09**

Balance Sheet

Amount recognised in balance sheet

Particulars	March 31, 2022
Present value of obligations	17.09
Fair value on plan assets	NA
Net defined benefit liability recognised in balance sheet	**17.09**

Expenses charged to the consolidated statement of profit and loss

Particulars	March 31, 2022
Current service cost	5.37
Interest cost	0.66
Total	**6.03**

Re-measurement gains/(losses) in the other comprehensive income

Particulars	March 31, 2022
Re-measurement gains/(losses) on defined benefit plans	(0.99)
Amount recognised under other comprehensive income	**(0.99)**

Summary of actuarial assumptions

Particulars	March 31, 2022
Discount rate	7.10%
Expected return on plan assets	NA
Rate of Increase in compensation levels	4% p.a.
Withdrawal rates	40% at lower service reducing to 0% at higher service

(Rs. in million unless otherwise stated)

A quantitative sensitivity analysis for significant assumptions as at the balance sheet date are as shown below:

Particulars	March 31, 2022
Discount rate (+0.5%)	(16.30)
Discount rate (-0.5%)	17.96
Salary Inflation (+0.5%)	17.83
Salary Inflation (-0.5%)	(16.35)
Withdrawal Rate (+10%)	(16.65)
Withdrawal Rate (-10%)	17.54

Maturity profile of defined benefit obligation

Particulars	March 31, 2022
Year 1	1.24
Year 2	1.88
Year 3	2.11
Year 4	2.19
Year 5	2.36
Year 6 to Year 10	4.03

Discount rate: The rate used to discount post-employment benefit obligation is determined by reference to market yield at the balance sheet date on government bonds.

Salary escalation rate: This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

38: Leases

The Holding Company as a lessee

The Holding Company has lease contracts for office premises taken on lease. The lease terms are between 1 to 10 years.
The Holding Company also has certain lease with lease terms of 12 months or less. The Holding Company applies the 'short-term lease' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year are as follows:

Particulars	March 31, 2022
Balance at the beginning of the year	0.49
Additions made during the year	22.48
Depreciation charge for the year	(13.04)
Balance at the end of the year	9.93

ROU assets and lease liability have been included in the property, plant and equipement and borrowings (other than debt securities) respectively in the balance sheet.

The carrying amounts of lease liabilities and the movements during the year are as follows:

Particulars	March 31, 2022
Balance at the beginning of the year	0.96
Additions made during the year	22.47
Interest accretion for the year	2.29
Payments made during the year	(8.64)
Balance at the end of the year	17.08

The following are the amounts recognised in consolidated statement of profit and loss :

Particulars	March 31, 2022
Depreciation expense in respect of right-of-use asset	13.04
Interest expense in respect of lease liabilities	2.29
Expense relating to short-term leases (included on other expenses)	60.18
Total amount recognised in consolidated statement of profit or loss	75.51

The Holding Company's total cash outflows for leases was Rs. 68.82 million during year ended March 31, 2022.
The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	March 31, 2022
Less than one year	9.03
One to five year	10.60
More than five years	-
Total	**19.63**

(Rs. in million unless otherwise stated)

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

Particulars	March 31, 2022
the principal amount remaining unpaid to any supplier as at the end of year	Nil
- the principal amount due to micro and small enterprises	Nil
- interest due on the above	Nil
the interest due on above remaining unpaid to any supplier as at the end of year	Nil
the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during year	Nil
the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year	Nil
The amount of further interest due and payable even in the succeeding year, 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.	Nil

40: Risk Management and financial objectives

Risk is an integral part of the Holding Company's business and sound risk management is critical to the success. As a financial intermediary, the Holding Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Holding Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors of Holding Company.

The Holding Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Holding Company. The risk management process is continuously reviewed, improved and adapted in the context of changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Holding Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

40.1 Credit Risk

Credit risk is the risk of loss that may occur from defaults by Borrowers under loan agreements. In order to address credit risk, the Holding Company have stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behavior also supplement the efforts for containing credit risk. The Holding Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposed group and to confirm that they meet our criteria.

The Holding Company is an urban, semi-urban and rural focused NBFC-MFI with a geographically diversified presence in India and offer income generation loans under the joint liability group model, predominantly to women from low-income households in urban, semi-urban and rural areas. Further, as it focuses on providing micro-loans in urban, semi-urban and rural areas, the Holding Company's results of operations are affected by the performance and the future growth potential of microfinance in India. the Holding Company's borrowers typically have limited sources of income, savings and credit histories and the loans are typically provided free of collateral. The borrowers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. In addition, the Holding Company relies on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of loans.

In order to mitigate the impact of credit risk in the future profitability, the Holding Company creates impairment loss allowance basis the Expected Credit Loss (ECL) model for the outstanding loans as at balance sheet date. refer note 3A(e) for details.

40.2 Liquidity risk

Liquidity risk refers to the risk that the Holding Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Holding Company consistently generates sufficient cash flows from operating and financing activities to meet its financial obligations as and when they fall due. The Holding Company's resource mobilization team sources funds from multiple sources, which inter-alia includes banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilization team is responsible for diversifying fundraising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is

(Rs. in million unless otherwise stated)

well addressed. Further, the maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. The Holding Company has a Asset Liability Management (ALM) policy and ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk.

Maturity pattern of assets and liabilities as at March 31, 2022:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
Borrowings*	2,138.00	1,168.03	1,359.69	3,236.61	5,381.69	8,993.38	3,062.03	1,564.96	**26,904.40**
Other financial liabilities (including trade payable)	450.61	-	-	-	-	-	-	-	**450.61**
Loan portfolio	1,562.11	1,308.83	1,513.10	4,364.34	7,454.54	12,082.18	168.73	82.69	**28,536.52**
Investments	-	-	-	-	-	-	-	46.14	**46.14**
Financial assets (other) #	1,396.51	44.64	33.37	847.53	1,424.22	2,445.55	3.38	2.27	**6,197.47**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.
The above maturity pattern is based on the undiscounted contractual cash flows under the respective arrangements basis which such assets and liabilities have been recognized.
#It includes trade recievables, balance with banks/financials institutions and other financials assets

40.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. the Holding Company is exposed primarily to interest rate risk which has been discussed below:

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Holding Company is subject to interest rate risk, principally because it lends to clients at fixed interest rates and for periods that may differ from its funding sources, while The Holding Company's borrowings are at both fixed and variable interest rates for different periods. The Holding Company assesses and manages its interest rate risk by managing its assets and liabilities. The Holding Company's Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The Holding Company has an Asset Liability Management (ALM) policy, approved by the Board of Directors, for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before tax is affected through the impact on floating rate borrowings, as follows:

Finance cost	For year ended March 31, 2022
0.50% increase	(13.13)
0.50% decrease	13.13

41: Transfer of financial assets

a. Securitisation transactions:

During the year, the Holding Company has entered into securitisation arrangement with one party. Under such arrangement, the Holding Company has transferred a pool of loan portfolio, which does not fulfil the derecognition criteria specified under Ind AS 109 as the risk and rewards with respect to these assets are not substantially transferred.

Following such transfer, the Holding Company's involvement in these assets is as follows:

- As a servicer of the transferred assets
- To the extent of credit enhancements provided to such parties

The value of financial assets and liabilities as on:

Particulars	As at March 31, 2022
Carrying amount of associated assets	998.23
Carrying amount of associated liabilities	963.18
Fair value of associated assets	998.23
Fair value of associated liabilities	963.18

The carrying value of securitized loans approximate their fair value as the loans once sold cannot be transferred again.

b. Assignment transactions:

The Holding Company has transferred a part of its loan portfolio (measured at amortized cost) vide assignment deals executed with various parties, as a source of finance. As per the terms of deal, the derecognition criteria as per Ind AS 109 (as all the risks and rewards relating to assets being transferred to the buyer) being met, the assets have been derecognised.

(Rs. in million unless otherwise stated)

The management has evaluated the impact of the assignment transactions executed during the year on its business model. Based on the future business plan, the Holding Company's business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets and the gain/(loss) on derecognition:

Particulars	As at March 31, 2022
Carrying amount of derecognised financial assets	3,785.21
Gain from derecognition during the year	366.57

Since the Holding Company transferred the above financial assets in a transfer that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself as interest only strip receivable and correspondingly recognised as profit on derecognition of financial assets.

42: Employee Stock Option Plan (ESOP)

The Holding Company has provided an equity settled share based payment scheme to its employees. The details of such share based payment scheme are as follows:

Particulars	Grant	Number of options granted	Vesting period (in years)	Vesting conditions
SATYA ESOP 2018	Grant I	9,95,200	4	25% vests every year subject to continuance of service
SATYA ESOP 2018	Grant II	2,58,800	4	25% vests every year subject to continuance of service

Exercise period is 3 years from the date of vesting of options.

The expense recognised for employee services received during the year is Rs. 9.24 million

(a) The following table lists the input to the Black-Scholes Model used for the options granted by the Holding Company:

Particulars	Grant I	Grant II
Date of Grant	26-Mar-19	05-Nov-20
Date of Board/Compensation Committee approval	22-Oct-18	05-Nov-20
Number of options granted	9,95,200	2,58,800
Method of settlemen	Equity	Equity
Graded vesting period Day following the expiry of 12 months from grant Day following the expiry of 24 months from grant Day following the expiry of 36 months from grant Day following the expiry of 48 months from grant	 25% 25% 25% 25%	 25% 25% 25% 25%
Exercise period	3 years from the date of vesting of options	3 years from the date of vesting of options
Vesting conditions	Minimum period of one year between Grant of Options and Vesting of Options; Vesting Period in any case shall not exceed 5 (Five) years from the Grant Date; Employee must be in service at the time of vesting and must neither be serving his notice for termination of employment with the Holding Company nor be subject to any disciplinary proceedings pending against him on the Vesting Date.	Minimum period of one year between Grant of Options and Vesting of Options; Vesting Period in any case shall not exceed 5 (Five) years from the Grant Date; Employee must be in service at the time of vesting and and must neither be serving his notice for termination of employment with the Holding Company nor be subject to any disciplinary proceedings pending against him on the Vesting Date.
Weighted average of remaining contractual life in years	2.49	4.10
Year I	0.98	2.60
Year II	1.99	3.60
Year III	2.99	4.60
Year IV	3.99	5.60

(b) The details of activity under Satya ESOP 2018 with an exercise price of Rs.45 for the year ended March 31, 2022 have been summarised below:

Particulars	Grant I	Grant II
Options outstanding at the beginning of the year	6,12,764	2,52,800
Options granted during the year	-	-
Options excerised during the year	92,400	1,500
Options lapsed during the year	1,27,900	27,000
Options outstanding at the end of the year	3,92,464	2,24,300
Options excersiable at the end of the year	2,52,702	54,950

(c) Details of stock options granted by the Holding Company:

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

(Rs. in million unless otherwise stated)

Particulars	Grant I	Grant II
Share price on the date of grant (in Rs.)	61	110
Exercise price (in Rs.)	45	45
Historic volatility (%)	37.44%	48.65%
Life of the options granted in years	2.50-5.50	4.00
Risk free interest rate (%)	6.85%	5.85%
Expected dividend rate (%)	0.00%	0.00%
Weighted fair value of stock option	27.74	72.94

43: Disclosure of investing and financing transactions that do not require the use of cash and cash equivalents

For the year ended March 31, 2022

Name of instrument	Opening Balance	Cash flows	Premium added on conversion of preference shares into equity shares	Conversion	Other	Closing Balance
Equity share capital (including securities premium)	3,925.46	544.90	-	-	3.91	4,474.27
Non- Cumulative Compulsorily convertible preference shares (including securities premium)	-	600.01	-	-	-	600.01
Right-of-use assets	0.49	-	-	-	9.44	9.93
Borrowings*	11,270.76	11,516.28	-	-	2.29	22,789.33
Total	**15,196.71**	**12,661.19**	**-**	**-**	**15.64**	**27,873.54**

* Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

44: Maturity analysis of assets and liabilities

Maturity analysis of assets and liabilities as at March 31, 2022:

Particulars	Within 12 months	After 12 months	Total
ASSETS			
Financial assets			
Cash and cash equivalents	1,278.44	-	1,278.44
Bank balances other than cash and cash equivalents	1,605.32	1,609.57	3,214.89
Trade receivables	73.40	-	73.40
Loan portfolio	12,275.69	10,885.65	23,161.34
Investment	-	46.14	46.14
Other financial assets	382.27	187.99	570.26
Total financial assets	**15,615.12**	**12,729.35**	**28,344.47**
Non-financial assets			
Current tax assets (net)	-	46.17	46.17
Deferred tax assets (net)	-	64.45	64.45
Property, plant and equipment	-	120.56	120.56
Intangible assets	-	0.33	0.33
Other non-financial assets	249.29	47.10	296.39
Total non-financial assets	**249.29**	**278.61**	**527.90**
Total Assets	**15,864.41**	**13,007.96**	**28,872.37**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade Payable	82.49	-	82.49
Borrowings*	11,281.91	11,507.42	22,789.33
Other financial liabilities	368.12	-	368.12
Total financial liabilities	**11,732.52**	**11,507.42**	**23,239.94**
Non-financial liabilities			
Provisions	9.14	27.44	36.58
Other non-financial liabilities	71.98	1.42	73.40
Total non-financial liabilities	**81.12**	**28.86**	**109.98**
Equity			
Equity share capital	-	490.64	490.64
Instruments entirely equity in nature	-	29.85	29.85
Other equity	-	5,001.96	5,001.96
Total Equity	**-**	**5,522.45**	**5,522.45**
Total Liabilities and Equity	**11,813.64**	**17,058.73**	**28,872.37**

*Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

45: Corporate Social Responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Holding Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibility expenditures as certified by Management are as follows:

(Rs. in million unless otherwise stated)

Particulars	For year ended March 31, 2022
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	1.72
(b) Amount approved by the board to be spent during the year	10.00
(c) Amount of expenditure incurred (as per table below) (refer note below)	4.39
(i) Construction/acquisition of any asset	-
	-
(ii) On purposes other than (i) above	
Health and Welfare	4.39
Contribution to PM CARES Fund	-
	4.39
(d) Shortfall/(Excess) at the end of the year (a - c)	(2.67)
(e) Total of previous year shortfall	(1.68)
(f) Reason for shortfall/(Excess)	-
(g) Details of related party transactions	-
(h) Liability against contractual obligations for CSR	-

Details of ongoing projects under 135(6) of the Companies Act, 2013

Balance as on April 1, 2021		Amount required to be spent during the year	Amount spent during the year		Balance as on March 31, 2022	
With the Holding Company	In separate CSR unspent account		From the Holding Company's Bank account	From the separate CSR unspent account	With the Holding Company	In separate CSR unspent account
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as on April 1, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2022
Nil	Nil	1.72	4.39	Nil

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2021	Amount required to be spent during the year	Amount spent during the year	Balance as on March 31, 2022
Nil	1.72	4.39	(2.67)

46: Commitment and contingencies

(i) The estimated value of contracts remaining to be executed on capital amount and not provided for (net of advances) amount to Rs.476.29 million.

(ii) The Group has other commitments for services in normal course of business, the Group's operations does not give raise to any commitments for purchase of goods and employee benefits.

(iii) The Group does not have any pending litigations which would impact its financial position in its financial statements. Contingent liabilities Rs. Nil.

(iv) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(v) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

47: Details of loan transferred/acquired during the year ended March 31, 2022, under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021, are given below:

(i) Details of loans not in default transferred/acquired through assignment:

Particulars	For the year ended March 31, 2022	
	Transferred (MFI loan)	Acquired
Aggregate amount of loans transferred/acquired	3,785.21	150.71
Weighted average remaining maturity (in months)	17.68	75.57
Weighted average holding period (in months)	NA	NA
Retention of beneficial economic interest by the originator	10%	10%
Tangible security cover	100%	100%
Rated wise distribution of rated loans	Unrated	Unrated

(ii) The Holding Company has not transferred any non-performing assets (NPA).

(iii) The Holding Company has not acquired any stressed loan.

(Rs. in million unless otherwise stated)

48: The outbreak of COVID- 19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. The continuing impact of COVID-19 on the global economy and how governments, businesses and consumers respond is still uncertain. This uncertainty is reflected in the Group's assessment of impairment loss allowance on its loans which are subject to management judgements and estimates. In relation to COVID-19, judgements and assumptions include the possible extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries.

49. Investment in Associates

Associate of the Company is:

Name of the associate	Country of incorporation	Principal place of business	Principal activities	Ownership interest held by the Group
				March 31,2022
Baid Housing Finance Private Limited	India	Jaipur	Registered with National Housing Bank	24%

The Company has recognised its investment in associate undert equity method and not adjusted to fair value at the reporting period.

The Company's share in the associate is as follows :

Particulars	Year ended
	March 31,2022
(a) share in profit or (loss) from continuing operations	(0.22)
(b) share in post-tax profit or loss from discontinued operations.	-
(c) share in other comprehensive income.	-
(d) share in total comprehensive income.	-

The financial statements of the associate for the financial year ended March 31, 2022 are as per unaudited financial statements provided by the management.

50:Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the Group	Net Assets, i.e total assets minus liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount (Rs. In Million)	As % of Consolidated net assets	Amount (Rs. In Million)
Parent				
Satya MicroCapital Limited	97.29%	5,522.45	100.05%	435.09
Associates (Investment as per equity method)				
Indian				
Baid Housing Finance Private Limited	2.71%	153.69	-0.05%	(0.22)
Subsidiary				
Indian				
Credentia Finclusion Private Ltd	-	-	-	-
	100.00%	**5,676.14**	**100.00%**	**434.87**

During the year the Company has incorporated Wholly Owned Subsidiary - Credentia Finclusion Private Limited and further sold its entire shareholding in its wholly owned subsidiary "Credentia Finclusion Private Limited" ("Credentia") and accordingly, Credentia ceased to be a subsidiary of the Company effective March 22, 2022. There are no profit/loss on sale of this investment.

51: With regard to the new amendments under "Division III of Schedule III" under "Part II-Statement of Profit and Loss-General Instructions for preparation of Statement of Profit and Loss:

(i) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2022.

(ii) The Group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2022.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022.

(v) The Group is not a declared wilful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2022.

(vi) There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended March 31, 2022, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended March 31, 2022.

(Rs. in million unless otherwise stated)

(vii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The Group have not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. 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

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(ix) The Group has working capital limits from banks on the basis of security of fixed deposits kept as margin money with banks and as these sanctioned working capital limits is against the margin money with banks, accordingly the Group is not required to file any quarterly returns or statements with such banks

(x) The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at March 31, 2022 are held by the Group in the form of deposits till the time the utilisation is made subsequently.

52: Event after reporting period:

There is no matter after the balance sheet data which are required to be disclosed in the consolidated financial statement.

53: The consolidated financial statements were apporved for issue by the Holding Company's Board of Directors on May 19, 2022.

As per our report of even date
For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701

For and on behalf of the Board of Directors of
SATYA MicroCapital Limited

Vivek Tiwari
Managing director, CEO & CIO
DIN: 02174160

Ratnesh Tiwari
Director
DIN: 07131331

Choudhary Runveer Krishanan
Company Secretary & Chief Compliance officer
M.No.F7437

Vandita Kaul
Chief Financial Officer

Place: Gurugram
Date: May 19, 2022

Place: Mauritius
Date: May 19, 2022

NOTICE

NOTICE IS HEREBY GIVEN THAT THE (27TH) TWENTY-SEVENTH ANNUAL GENERAL MEETING of SATYA MICROCAPITAL LIMITED will be held on Wednesday, July 06, 2022 at 11:30 A.M at 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020, India, to transact the following business:

Ordinary Business:

1. **Adoption Of Annual Audited (Standalone & Consolidated) Financial Statements And Reports Thereon**

   To receive, consider and adopt the Annual Audited (Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 including Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. **Re-appointment Of Mr. Saneesh Singh (DIN: 02254868), As Director, Liable To Retire By Rotation**

   To appoint a Director in place of Mr. Saneesh Singh (DIN: 02254868), who retires by rotation and being eligible, offers himself for re-appointment.

3. **To Re-appoint M/s. S. N. Dhawan & Co., LLP Chartered Accountants (Firm Registration No. 000050N/N500045) As Statutory Auditors Of The Company**

   To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 141, 142, 143 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act, read with Rules made thereunder as well as RBI Master Direction for Non-Banking Financial Company–Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and RBI Guidelines RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines) for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs), (including any statutory modification(s) or re-enactment for the time being in force), M/s. S.N. Dhawan & Co., LLP, Chartered Accountants having Firm Registration No. 000050N/N500045, be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Meeting to hold such office for a period of two years till the conclusion of the 29th Annual General Meeting, at mutually agreed audit fees plus all the taxes and out of pocket expenses as per actual, to conduct the audit for the financial years 2022-23 to 2023-24."

Special Business

4. **Enhancement In The Limit Of Borrowings**

   To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board), to raise or borrow from time to time, such sum or sums, as they may deem appropriate for the purposes of the business 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 Capital of the Company and Free Reserves of the Company, not set apart for any specific purpose, and Securities Premium Account, provided that the total amount up to which monies may be borrowed by the Board of Directors shall not exceed Rs. 75,000 million (Rupees Seventy-Five Thousand Million only) at any time.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

5. To Provide The Security For Securing The Borrowings

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder, the consent of the members of the Company be and is hereby accorded, to the Board of Directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any Committee duly constituted by the Board or any Committee, which the Board may hereafter constitute), to pledge, mortgage and/or charge in 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 floating charge in 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. 75,000 million (Rupees Seventy-Five Thousand Million only) at any time.

RESOLVED FURTHER THAT any of Directors and Company Secretary of the Company be and are hereby severally authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution."

6. Issuance Of Non-convertible Debentures On Private Placement Basis

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provision of Sections 42 and 71 of the Companies Act, 2013 and Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and subject to all other applicable regulations, rules, notifications, circulars and guidelines prescribed by the Securities Exchange Board of India ("SEBI"), as amended, including SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, and subject to the applicable regulations, rules, notifications, circulars and guidelines prescribed by Reserve Bank of India ("RBI") and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, 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 terms shall be deemed to include any Committee duly constituted by the Board or any Committee, which the Board may hereafter constitute), to issue/offer/invite for subscription of secured/unsecured, rated/unrated, listed/unlisted Non- Convertible Debentures ("Debentures") by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the Debentures, aggregating upto Rs. 25,000 Million (Rupees Twenty-Five Thousand Million only) on such terms and conditions and at such times whether at par/premium/discount, as may be decided by the Board to such person or persons including one or more company(ies), body Corporate(s), statutory corporation(s), commercial Bank(s), Lending Agency(ies), Financial Institution(s), insurance company(ies), foreign portfolio investor(s), mutual fund(s) and individual(s), Alternative Investment Fund, as the case may be or such other person/ persons as the Board may decide so for a period of one year from the date of approval of the members, within the overall borrowing limits of the Company, as approved by the members of the Company from time to time.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolutions and for matters connected therewith or incidental thereto.

7. Revision In Remuneration Of Managing Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"RESOLVED THAT in continuation to the resolution of the members of the Company passed in their Annual General Meeting held on June 28, 2021 and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors in their meeting held on May 19, 2022 and in accordance with the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or re- enactment thereof, for the time being in force and as may be enacted from time to time) read with Schedule V of the Companies Act, 2013, and such other approvals, permissions and sanctions and subject to the provisions of Articles of Association of the Company, the approval of the members of the Company be and are accorded for payment of remuneration as per the details given below and on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, in compliance of Schedule V to the Companies Act, 2013:

Amount (Rs. in million)

Name	Designation	FY 2022-23	FY 2023-24
Mr. Vivek Tiwari	Managing Director, CEO & CIO	42.20	52.70

RESOLVED FURTHER THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their meeting held on May 19, 2022 and in terms of Schedule V of the Companies Act, 2013, the approval of the members be and are hereby accorded to pay, over and above the remuneration mentioned above, 3% of the Profit Before Tax of the Company to Mr. Vivek Tiwari, Managing Director, CEO & CIO of the Company as per Annual Performance Linked Incentives Plan/Scheme (as approved by the Board in their meeting held on May 19, 2022) for Mr. Vivek Tiwari, Managing Director, CEO & CIO, which shall be payable in H1 (First half) of every financial year (effective from FY 2021-22, for which incentive shall be payable in H1 of FY 22-23 and so on) following to the year for which Profit is arrived/calculated.

RESOLVED FURTHER THAT the Board of Directors, which term shall include Committee(s) of the Board of Directors be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

RESOLVED FURTHER THAT the retirement benefits of Gratuity and Leave encashment and/ or any other benefits as may be applicable from time to time shall be considered over and above the aforesaid proposal as it is not possible to ascertain the amount at present and therefore the same shall be paid as per the statutory guidelines and Company's Policy."

By Order of the Board of Directors
For SATYA MICROCAPITAL LIMITED

Place: Flic en Flac (Mauritius)
Dated: May 19, 2022

Choudhary Runveer Krishanan
(Company Secretary & Chief Compliance Officer)
M. No- FCS 7437

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014, ("Rules") setting out all material facts in respect of the business specified in this notice and the reasons thereto is annexed hereto.
3. The proxy form duly completed must reach the registered office not later than 48 hours before the commencement of the Meeting. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The representative so appointed, shall have the right to appoint a proxy.
4. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.
5. Members may please note that no gifts/ gift coupons shall be distributed at the venue of the General Meeting.
6. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
7. Members can avail the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company.
8. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/ name etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.
9. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
10. Details of Director retiring by rotation/ seeking re-appointment at the ensuing Meeting are provided in the 'Annexure' to the Notice.
11. The Notice calling the AGM along with Annual Report for FY 2021-22 have been uploaded on the website of the Company at www.satyamicrocapital.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
12. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of the relevant Board Resolution together with specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.

By Order of the Board of Directors
For SATYA MICROCAPITAL LIMITED

Place: Flic en Flac (Mauritius)
Dated: May 19, 2022

Choudhary Runveer Krishanan
(Company Secretary & Chief Compliance Officer)
M. No- FCS 7437

Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013

Item No. 4 & 5

In view of expected growth in business of the Company, it is necessary for the Company to borrow from various sources and to increase the existing limit of Rs. 50,000 million (Rupees Fifty Thousand Millions Only) to Rs. 75,000 million (Rupees Seventy-Five Thousand Millions Only). The Board of Directors at its meeting held on May 19, 2022 has approved the proposal to increase the limit to borrow from time to time such sum or sums of monies as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and Securities Premium Account, provided that the total amount upto which monies may be borrowed and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 75,000 million (Rupees Seventy-Five Thousand Million only). The borrowings of the Company in general are required to be secured from time to time by creation of hypothecation, mortgage or charge on all or any of the movable or immovable property/assets of the Company in such form and manner as may be required by the lenders and acceptable to the Company. Mortgaging or creating charge by the Company of its assets to secure the funds borrowed from time to time within the overall limits of borrowing powers delegated to the Board, may be construed as disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013. It is therefore considered necessary for the Members to authorize the Board to create mortgage/charge on Company's assets in the manner proposed in the Resolution to secure the funds borrowed by the Company from time to time. Further, the provisions of Sections 180(1)(c) and 180(1)(a) of the Companies Act, 2013 read with Rules made thereunder require that such a Resolution be passed by way of a Special Resolution. The consent of the members is hereby requested on the proposed resolution(s) by way of Special Resolution(s).

Your Directors recommend the passing of the Special Resolution(s) proposed at Item Nos. 4 & 5 of this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

The Board of Directors recommends the passing of the resolution as Special Resolution.

Item No. 6

Due to the increased long term capital requirements and to maintain the growth, the issuance of Non-Convertible Debentures (NCDs) in compliance with the provisions of Companies Act, 2013 ("Act") read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and in accordance with the applicable provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, is beneficial for the Company. The Board at its Meeting held on May 19, 2022 has approved the proposal for the issuance of NCDs within the overall borrowing limits of the Company of Rs. 25,000 Million (Rupees Twenty-Five Thousand Millions Only). The NCDs would be issued for cash either at par or premium to face value depending upon the prevailing market conditions. Pursuant to the provisions of Sections 23, 42, 179 and other applicable provisions of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any modifications or re-enactments thereof, for the time being in force), the Proposal requires the approval of members by way of a Special Resolution. Accordingly, the approval of the members is being sought by way of Special Resolution as set out at Item No. 6 for issue of secured/unsecured, rated/unrated, listed/unlisted Non-Convertible Debentures on a private placement basis, to any category of investors eligible to invest in the Debentures from time to time, for a year from the date of passing of this Resolution, in one or more series or trenches, not exceeding the total borrowing limit of the Company i.e. Rs. 25,000 Million (Rupees Twenty-Five Thousand Millions Only). The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out hereinbelow:

Particulars of the offer including date of passing of board resolution: This special resolution is being passed in

terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of NCDs, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board of Directors (including any committee duly authorized by the Board of Directors thereof), from time to time;

a) Kinds of securities offered and price at which security is being offered: This special resolution is restricted to the private placement issuance of Non-Convertible Debentures by the Company which may be secured/unsecured/subordinated, rated/unrated, listed/unlisted with the terms of each issuance being determined by the Board of Directors (including any committee duly authorized by the Board of Directors thereof), from time to time, for each issuance;
b) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable;
c) Name and address of valuer who performed valuation: Not applicable;
d) Amount which the Company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to Rs. 25,000 Million (Rupees Twenty-Five Thousand Million only);
e) Material terms of raising such 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: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of NCDs, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board of Directors (including any committee duly authorized by the Board of Directors thereof), from time to time.

Item No. 7

The members of the Company in their Annual General Meeting held on June 28, 2021, approved the appointment of Mr. Vivek Tiwari as Managing Director, CEO & CIO of the Company for a period of 5 (five) years, with effect from October 20, 2021 at a remuneration as given below:

Amount (Rs. in million)

Name	Designation	FY 2021-22	FY 2022-23	FY 2023-24
Mr. Vivek Tiwari	Managing Director, CEO & CIO	33.80	42.20	52.70

Mr. Vivek Tiwari holds vast experience in Micro Finance sector and under his leadership and guidance, the Company has made exceptional progress and achieved milestones successfully. The growth of the business was over and above projections in given market scenario and under highly competitive environment. His responsibility has considerably increase on account of future business plan and forecast for upcoming years that requires more engagement and contribution to meet business expectations. The Nomination & Remuneration Committee and Board of Directors of the Company have recognised the contribution of Mr. Vivek Tiwari who has taken considerably increased responsibilities.

The Board of Directors of the Company in their meeting held on May 19, 2022, based on the recommendations of the Nomination and Remuneration Committee, have approved the Annual Performance Linked Incentives Plan/Scheme for the Managing Director of the Company. Consequently, in terms of said recommendation/ approval, over and above the remuneration given below, Mr. Vivek Tiwari, shall be eligible to receive variable pay/ incentive under the said Plan/Scheme, 3% of Profit Before Tax of the Company payable in H1(First half) of every financial year (effective from FY 2021-22, for which incentive shall be payable in H1 of FY 22-23 and so on)following to the year for which Profit is arrived /calculated. In view of the same and in line with the approval of the members of the Company in their Annual General Meeting held on June 28, 2021, the Board of Directors of the Company at their meeting held on May 19, 2022, based on the recommendations of the Nomination and Remuneration Committee approved the remuneration and terms & conditions of Mr. Vivek Tiwari, Managing Director, CEO & CIO of the Company as set out herein below:

A. Remuneration:

Amount (Rs. in million)

Name	Designation	FY 2022-23	FY 2023-24
Mr. Vivek Tiwari	Managing Director, CEO & CIO	42.20	52.70

To pay, over and above the remuneration mentioned above, 3% of the Profit Before Tax of the Company to Mr. Vivek Tiwari, Managing Director, CEO & CIO of the Company as per Annual Performance Linked Incentives Plan/Scheme for Mr. Vivek Tiwari, Managing Director, CEO & CIO which shall be payable in H1(First half) of every financial year (effective from FY 2021-22, for which incentive shall be payable in H1 of FY 22-23 and so on) following to the year for which Profit is arrived/calculated.

Retirement benefits of Gratuity and Leave encashment and/ or any other benefits as may be applicable from time to time shall be considered over and above the aforesaid proposal and the same shall be paid as per the statutory guidelines and Company Policy.

- **Withholding Tax**

The remuneration shall be subject to applicable Taxes and the Company may withhold therefrom any amounts as are required to be withheld pursuant to Applicable Law. Any Tax liability arising in respect of payments made pursuant to the Agreement or income earned by Mr. Vivek Tiwari, Managing Director, CEO & CIO as an employee shall be borne solely by him.

B. Benefits

- **Paid Leave:** It shall be in accordance with the Company's policies as may be outlined from time to time.
- **Perquisites:** The Company shall provide all perquisites as per Company's policy as may be outlined from time to time.
- **Business and Entertainment Expenses:** Reimbursement shall in accordance with the Company's expense reimbursement policy for all reasonable and necessary approved business and entertainment expenses incurred in connection with the performance of his duties hereunder.

Pursuant to Section 197 read with Schedule V of the Companies Act 2013, in case of inadequacy of profit and since the revised remuneration of Mr. Vivek Tiwari is exceeding the maximum permissible amount as stipulated in Section 198 of the Companies Act, 2013, the proposal is required to be approved by the members through Special Resolution.

Disclosure pursuant to Schedule V of the Companies Act 2013:-

I	**General Information**	
1.	Nature of industry	NBFC-Microfinance
2.	Date of commencement of commercial production (Micro Finance Business)	February 02, 2018
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicators	Performance for FY 2021-22 Total Income (Rs.)- 4015.41 million PBT(Rs.)-435.09 million PAT (Rs.)-325.03 million EPS Basic/Diluted-7.05/6.94
5.	Foreign investments or collaborations, if any.	The Company has not made any foreign investments or collaborations.
II	**Information about the appointee**	
6.	Background details	Mr. Vivek Tiwari, hold a Post Graduate Degree in Rural Development & Management from the institute of Engineering & Rural Technology, Allahabad. Apart from acquiring prolific experience of nearly two decades in the Microfinance and Development Sector; Mr. Tiwari is also a certified professional of Concentration in Management Programme from Boulder Microfinance Training, Italy. His Proficiency outlines extreme focus on the innovative deployment of technological framework for incubating responsible lending, financial inclusion, social entrepreneurship, and impact investing within national boundaries.
7.	Past remuneration	Rs. 33.80 million p.a. for FY 2020-21

II	**Information about the appointee**	
8.	Recognition or awards	He has also been felicitated with the BFSI Leadership Award as well as "Bharat Jyoti Award" by India International Friendship Society.
9.	Job profile and his suitability	Mr. Tiwari is the Vice Chairperson of MFIN (Microfinance Institutions Network) – an association for microfinance sector in India. Recognising his immense contribution in the microlending space, He was recently recognised as Promising Entrepreneurs of India 2021 on September 28, 2021 by The Economic Times. Mr. Tiwari was associated with Satin Credit Care Network Ltd (SCNL) as the Chief Operating Officer and transfigured its portfolio from INR 500 million to INR 40,000 million. For his immense contribution for furthering the financial inclusion movement and playing a pivotal role in accelerating the JLG/WSHG movement.
10.	Remuneration proposed	FY 2022-23: Rs. 42.20 million FY 2023-24: Rs. 52.70 million To pay, over and above the remuneration mentioned above, 3% of the Profit Before Tax of the Company as per Annual Performance Linked Incentives Plan/Scheme as stipulated in proposed resolution under item no. 7 of this notice.
11.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with the industry standards and Managing Director, CEO & CIO position held in similar sized and similar positioned business.
12.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	1. Mr. Vivek Tiwari holds the position of Managing Director, CEO and CIO of the Company. 2. Dr. Ratnesh Tiwari(brother) holds the position of Non-Executive Director on the Board of the Company.
III	**Other Information**	
13.	Reasons of loss or inadequate profits	The Company is in the growing stage and due to the pandemic, there were reduced economic activities, our customers were largely not able to generate sufficient income to meet their livelihood needs and repayment of loans was impacted during this period. Under the leadership of Mr. Vivek Tiwari, the Company has grown exceptionally in last financial year but the profit is not sufficient to augment the proposed remuneration as stipulated above. Aside, the cost of fund raise in challenging times is slightly higher which may go down in upcoming years on account of Company's rating and business improvements.

III	Other Information	
14.	Steps taken or proposed to be taken for improvement	➢ The Company to open 113 new branches in FY'23 ➢ New branches are expected to be opened till December 31, 2022 ➢ Equity infusion of Rs. 550 miilion expected in FY'22 ➢ The Company plans to disburse Rs. 36,400 million in FY'23 ➢ Closing gross AUM and Off Book AUM for FY'23 is expected to be Rs. 44,500 million and Rs. 9900 million respectively. ➢ Decrease in fund raise cost(s) and proposed rating upgrade.
15.	Expected increase in productivity and profits in measurable terms	In March 2022, the Reserve Bank of India came up with a new regulatory framework for microfinance loans. This new framework provides a common definition of microfinance for all the regulated entities - Banks as well as NBFCs directed that microfinance lenders cannot charge usurious rate of interest from borrowers. It also relaxes the pricing guidelines and other restrictions which were imposed on the microfinance institutions under the erstwhile regulations. This is a recognition of maturity of the microfinance sector and expected to give a level playing field to all the lenders. For SATYA, this offers flexibility to offer a wide variety of products and enable reaching out to hitherto unreached segments. Further, the Company is expecting in productivity and profits in measurable terms as follows: ➢ Total Income is expected to up by 91.25% i.e Rs. 7679.40 million in FY 23 as against 4015.41 million in FY 22. ➢ PBT is expected to up by 176.78 % crore i.e. Rs. 1204.00 million in FY 23 as against Rs. 435.09 million in FY 22. ➢ PAT is expected to up by 177.23% i.e. Rs, 901.00 million in FY 23 as against Rs. 325.03 million in FY22.

Dr. Ratnesh Tiwari, Non Executive and Non-Independent Director of the Company, who is a Brother of Mr. Vivek Tiwari may be deemed to be concerned or interested, financial or otherwise, in this Resolution. Except Mr. Vivek Tiwari & Dr. Ratnesh Tiwari, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the Resolution.

The Directors recommend the Resolution for members' approval as a Special Resolution.

By Order of the Board of Directors
For SATYA MICROCAPITAL LIMITED

Place: Flic en Flac (Mauritius)
Dated: May 19, 2022

Choudhary Runveer Krishanan
(Company Secretary & Chief Compliance Officer)
M. No- FCS 7437

ANNEXURE-A

Details Of Directors Seeking Appointment/re-appointment At The Annual General Meeting Of The Company, Pursuant To The Standard 1.2.5 Of Secretarial Standard – 2 On General Meetings Issued By The Institute Of The Company Secretaries Of India.

Name of the Director	Mr. Saneesh Singh
Directors Identification Number (DIN)	02254868
Date of Birth	September 19, 1968
Date of first appointment on the Board	October 26, 2017
Qualification	He holds a PGD in Information Management and Systems Administration; a Master's Degree in Social Work and is a British Chevening Scholar of Banking and Finance from The London School of Economics and Political Science.
Experience & Expertise in specific functional areas	Mr. Saneesh has 26 years of experience in the fields of development, banking, and finance, financial inclusion, MSME lending and impact investments. Saneesh is a member of Inclusive Finance India Group of Advisors and serves on MFI and Small Finance Bank boards. He also serves on key committees and industry forums associated with social performance, responsible finance and impact investments. He has earlier worked in various senior managerial capacities at Small Industries Development Bank of India and was part of the core team that initiated its highly successful microfinance program. He successfully implemented prestigious bilateral projects with UK Aid, IFAD, World Bank.
Terms and conditions for appointment / Re-appointment	As per Company`s Policy on appointment of Board Members
Remuneration sought to be paid	Sitting fee
Remuneration last drawn	NA
Shareholding in the company as on March 31, 2022	Nil
Relationship with other directors and KMPs of the Company	Mr. C. P. Mohan is the Director on the board of ESAF Small Finance Bank Limited
Number of Board meetings attended during the year	8
List of Companies in which outside directorships in Indian Companies held as on March 31, 2022	1. ESAF Small Finance Bank Limited 2. MI India Capital Consultants Private Limited 3. Growing Opportunity Finance (India) Private Limited 4. DIA Vikas Capital Private Limited 5. Cashpor Micro Credit 6. ESAF Financial Holdings Private Limited
Chairman/member in Committees of Board of Directors of other Indian Companies as on March 31, 2022	**I. ESAF Small Finance Bank Limited:** 1. Board-Non Executive Nominee Director 2. Chairman-CSR Committee 3. Member-NRCCB (Nomination Remuneration & Compensation Committee) 4. Member-CSCB (Customer Service Committee) **II. ESAF Financial Holdings Private Limited:** 1. Board - Nominee Director 2. Member - Nomination and Remuneration Committee (NRCB) 3. Member - Risk Management Committee (RMCB) 4. Member - Group Risk Management Committee (GRMCB) 5. Member - Investment Committee (ICB)

Name of the Director	Mr. Saneesh Singh
Chairman/member in Committees of Board of Directors of other Indian Companies as on March 31, 2022	**III. Growing Opportunity Finance (India) Private Limited:** 1. Board-Nominee Director 2. Member-CSR Committee 3. Member-Audit Committee 4. Member-Loan Committee **IV. Cashpor Micro Credit:** 1. Board-Nominee Director 2. Member-Audit Committee **V. Dia Vikas Capital Pvt. Ltd.** 1. Board-Managing Director & CEO 2. Member-Risk Management & Audit Committee (Ex Officio Member) 3. Member-Compensation and Nomination Committee 4. Member-Investment Committee **VI. MI India Capital & Investment Private Limited** 1. Board- Director

ATTENDANCE SLIP

Folio No.*: _____ No. of Shares: _____

DP ID: _____ Client ID: _____

Members or their Proxies are requested to present this Slip in accordance with the Specimen Signatures registered with the Company, at the entrance of the Meeting Hall, for admission

Name of the attending Member / Proxy(s): _____

(in BLOCK LETTERS)

I hereby record my presence at the 27th Annual General Meeting of the Company held on Wednesday, July 06, 2022 at 11:30 A.M at the registered office of the Company at 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020.

_____ Member's Signature ; _____ Proxy's Signature

*Applicable for Members holding shares in Physical form.

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: SATYA MICROCAPITAL LIMITED

Registered Office: 519,5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) of shares of the above named Company, hereby appoint:

S. No	Name	Address	Email id	Signature

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company held on Wednesday, July 06, 2022 at 11:30 A.M at the registered office of the Company at office 519,5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, New Delhi-110020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:-

1. Adoption of Annual Audited (Standalone & Consolidated) Financial Statements and Reports thereon
2. Appointment of Director in place of those retiring by rotation
3. To Re-Appoint M/S. S.N. Dhawan & Co., LLP Chartered Accountants (Firm Registration No. 000050N/N500045) as Statutory Auditors of the Company
4. Enhancement in the Limit of Borrowings
5. To provide the Security for securing the Borrowings
6. Issuance of Non-Convertible Debentures on Private Placement Basis
7. Revision in Remuneration of Managing Director

Signed this _____day of 2022

Affix Revenue Stamp

_____ Signature of Shareholder

_____ Signature of Proxy holder(s)

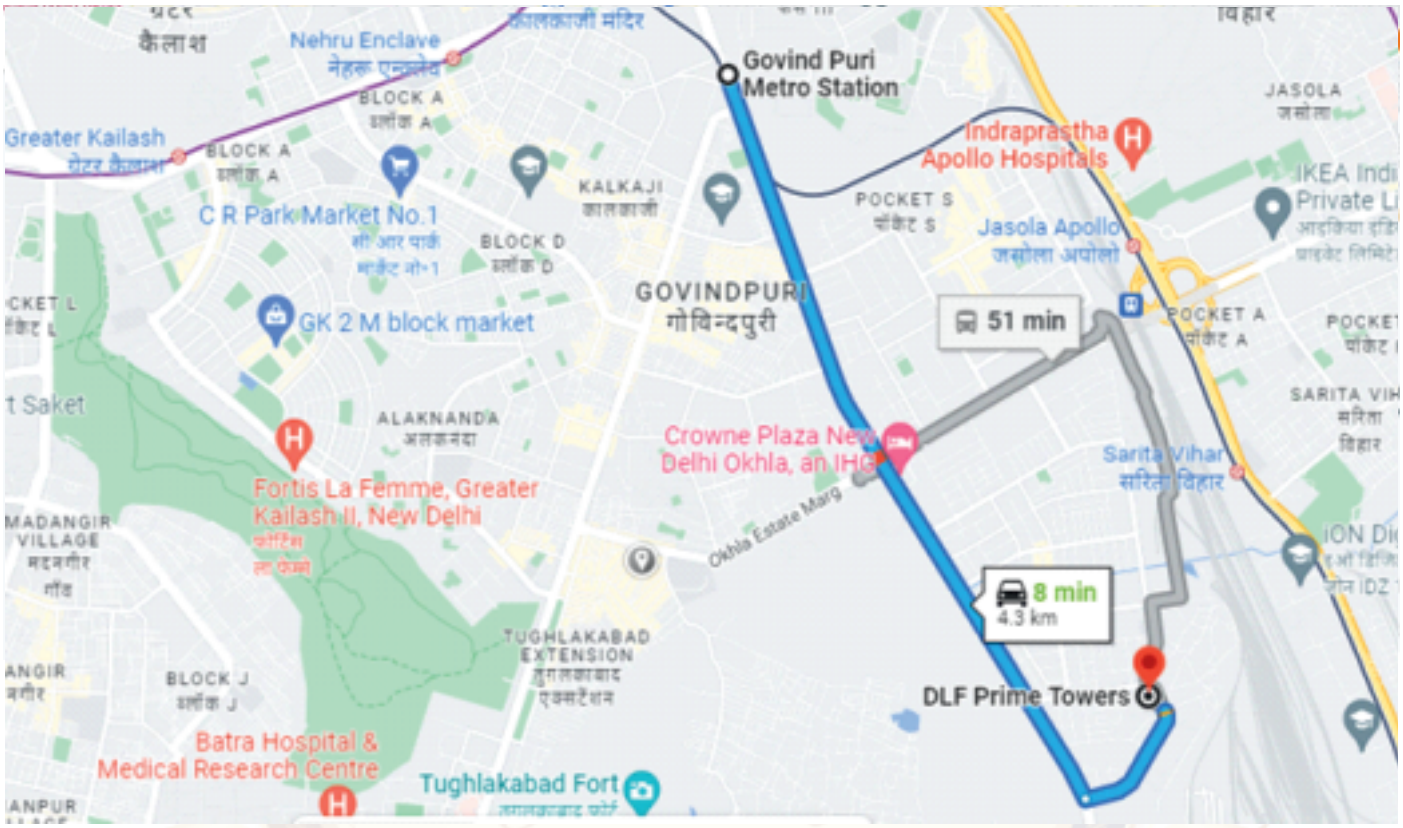
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP

Date of AGM: July 06, 2022

Time: 11:30 AM

Venue: 519, 5th Floor, DLF Prime Towers, Okhla Industrial Area, Phase-1, Delhi-110020, India



Contact Us

519, 5th Floor, DLF Prime Towers,
Okhla Industrial Area, Phase-1,
New Delhi-110020, India

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