

SATIN FINSERV LIMITED



ANNUAL REPORT 2021-22



MISSION AND VISION

Mission

To cater to the needs of the rapidly rising MSME industry, fuelling both industry growth and employment generation.

Vision

To facilitate financial inclusiveness across the country and contribute to the nation's overall economic development.

Aim

Aiming to be one of the most trusted and admired NBFC to aid financial services to various to Entrepreneurs, MSMEs and Individual Businesses, MFI companies



CORPORATE INFORMATION

(as on March 31, 2022)

BOARD OF DIRECTORS

Mr. Harvinder Pal Singh - Non-Executive Director
Mr. Sundeep Kumar Mehta- Independent Director
Mr. Anil Kumar Kalra - Independent Director
Mr. Sumit Mukherjee – Whole Time Director & CEO
Ms. Jyoti Ahluwalia- Independent Director

CHIEF FINANCIAL OFFICER

Mr. Arjun Bansal

COMPANY SECRETARY

Mr. Puneet Jolly

INTERNAL AUDITOR

Mr. Harmanpreet Singh

DETAILS OF COMMITTEES OF THE BOARD

Audit Committee

Mr. Sundeep Kumar Mehta (Chairperson)
Mr. Anil Kumar Kalra
Mr. Harvinder Pal Singh

Nomination & Remuneration Committee

Mr. Sundeep Kumar Mehta (Chairperson)
Mr. Harvinder Pal Singh
Mr. Anil Kumar Kalra

IT Strategy Committee

Mr. Sundeep kumar Mehta (Chairperson)
Mr. Sumit Mukherjee
Mr. Sunil Yadav
Mr. Arjun Bansal



STATUTORY AUDITORS

M/s Rajeev Bhatia & Associates, Chartered Accountants, 201, 202, 2nd Floor, A-20, Indraprastha Bhawan, Dr. Mukherjee Nagar, Commercial Complex, Delhi-110009
Email id: info@rajeevbhatiaassociates.com

SECRETARIAL AUDITORS

M/s S. Behera & Co., Practicing Company Secretaries S-1/3 & 4, 1st Floor, Near Uphaar Cinema, Green Park Ext., New Delhi - 110 016
Email: shesdev@gmail.com

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited, GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (Right), Kothrud Pune MH 411038 | Tel. No: +11 43029101
Fax: +91 22 4922 0505
Website: www.catalysttrustee.com

Asset Liability Management Committee

Mr. Harvinder Pal Singh
Mr. Sumit Mukherjee
Mr. Arjun Bansal

Risk Management Committee

Mr. Sundeeep Kumar Mehta (Chairperson)
Mr. Harvinder Pal Singh
Mr. Sumit Mukherjee
Mr. Anil Kumar Kalra
Mr. Saurabh lall

REGISTER AND TRANSFER AGENT

Link Intime India Private Limited (for Equity)

C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra-400083
Tel: 022 - 4918 6270 | Website: www.linkintime.co.in

Karvy Fintech Private Limited (For Debentures)

KFintech, Tower – B, Plot No 31 & 32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032. Website: www.kfintech.com



BANKERS/ FINANCIAL INSTITUTIONS

Bankers

HDFC Bank Limited

State Bank of India

Financial Institutions (Inclusive)

MAS Financial Services Limited

Vivriti Capital Private Limited

NABSAMRUDDHI Finance Limited

Netafim Agricultural Financing Agency Private Limited

Grow Money Capital Private limited

Caspian Impact Investments Private limited

Nabkisan Finance Limited

DEPOSITORIES FOR DEMAT

National Securities Depository Ltd. (NSDL)

4th Floor, A Wing, Trade World, Kamala Mills Compound, S.B. Marg, Lower Parel, Mumbai - 400 013

Ph. No. : +91 022 24994200 | Email id: info@nsdl.co.in |

Website : www.nsdl.co.in

CREDIT RATING

Nature

Long term Bank borrowings : CARE BBB+ (CE); Negative* [Triple B Plus (Credit Enhancement); Outlook: Negative]

Non Convertible Debentures : CARE A- (CE); Negative [Single A Minus (Credit Enhancement); Outlook: Negative] Reaffirmed; Outlook revised from Stable



CONTACT DETAILS

Satin Finserv Limited

Registered Office & Corporate Office:

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

CIN: U65999HR2018PLC099128

Email: info@satinfinserv.com

Tel. No.: 0124-47154000

Website: www.satinfinserv.com

MSME customers in Semi Urban and rural India are underserved by the formal banking sector. These customers are unable to provide any kind of financial documents which will enable an assessment of their cash flows and hence support a positive decision to lend to such customers. At SFL we understand this problem and are continuously working to understand the need of the customer and meet their working capital needs to sustain and grow their businesses. The pandemic has deeply impacted the rural household income , SFL has stood by customers and worked with them to structure their cash flows to their current levels of income.





ABOUT THE COMPANY

SFL is a Non-Deposit Non-Banking Finance Company holding certificate of Registration from the Reserve Bank of India (“RBI”) dated January 09, 2019. SFL is wholly owned subsidiary of Satin Creditcare Network Limited. The Company is engaged in the business to provide finance whether short term or long term to micro, small and medium scale enterprises and business loans to individuals and corporates.

Some of basis details of the Company, as on March 31, 2022, are as follows:

Issued Subscribed and Paid-up Capital Rs. 102.50 Cr

Completed 3 full years of profitable operations

Gross Loan Portfolio of Rs. 166.33 Cr as of March 2022

Geographically Diversified Micro Business Loan Portfolio

Number of Clients – 4,262, Staff – 230, Number of States – 8, Number of Branches - 14



ABOUT THE COMPANY

Satin Finserv has been specifically established to fill a much needed gap in the market, targeting small business owners in manufacturing, trading and services – all customer segments that are usually denied mainstream access to organized finance.

The Company built on a foundation of happy employees is destined for success. At Satin Finserv, we take pride in our people and consider them our most valuable assets – each of them plays an indispensable role in the company's journey to success. In a workplace that imbibes professionalism, enthusiasm and ownership, our employees are encouraged to put their individual skills, knowledge and experience to use in a collaborative manner to drive growth and productivity. Working as one, these diligent men and women pave the way for a brighter tomorrow – for the company, their own teams and themselves. Above all, all our employees are motivated to deliver the very best to our customers, to the very best of their abilities. It is this culture of teamwork, accountability and ambition that has served to help Satin Finserv Limited grow from one milestone to another and achieve resounding success along the way.

The Company plans to continue its growth journey by opening more branches and further investing in technology to optimize operating costs and improve collection efficiency.



SFL Journey





Products Offered

Loan Product	Purpose	Ticket Size	Tenor	Collateral	Eligibility Criteria
Small Ticket Business Loan	<ul style="list-style-type: none"> Income Generation activities Working Capital- <ul style="list-style-type: none"> - Long term loans (3-5 years) - Short Term Loans(1 to <3 year) 	1.5L to 3.5L	60 Months	Property	<ul style="list-style-type: none"> Minimum age-22 Business stability of minimum 3 years
Small Ticket Business Startup	Income Generation	15k to 1L	36 Months	Property	<ul style="list-style-type: none"> Minimum age-23 Business stability of minimum 3 years
MFI- NBFC (Currently on hold)	<ul style="list-style-type: none"> Term Loans 	Upto 5 Cr	18 Months	Book debts	<ul style="list-style-type: none"> Minimum AUM of 75 crores. Minimum net worth of 10 crores Business stability of minimum 3 years
Large Ticket	<ul style="list-style-type: none"> Term Loans 	Upto 5 Cr	60 Months	Unsecured	<ul style="list-style-type: none"> Business stability of minimum 3 years Company needs to be profitable as per last audited financials

SFL also has partnerships with various entities in which small ticket, unsecured, FLDG backed loans are also given



Target Customer Segment

MSME

Agro

Dairy

Agri Equipment Dealer / manufacturers

Agri Chemicals/ Fertilizers

Cattle Feed

Retail

Kirana /General Store

Chemist

Textiles and Garments

Wood and Plastic

Cement and Steel Traders

Consumer Durables and IT

Cloth Merchents

Foot wear

Hardware, Electrical Sanitary wear

Service

Hardware and Plumbing

Restaurants

Auto Service Centre

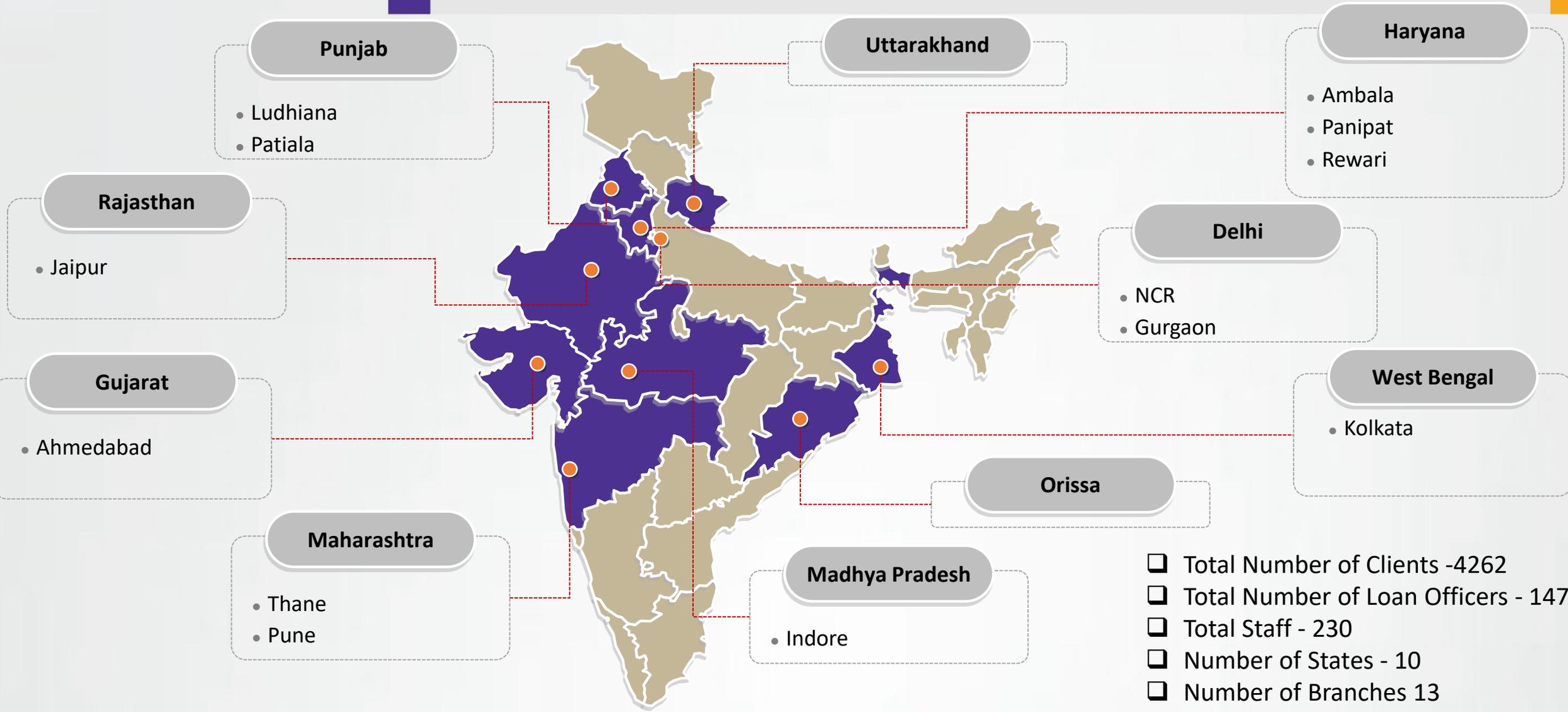
Diagnostic Centres

Tailoring





SFL's Geographic Presence



- ❑ Total Number of Clients -4262
- ❑ Total Number of Loan Officers - 147
- ❑ Total Staff - 230
- ❑ Number of States - 10
- ❑ Number of Branches 13

*Not a branch



Board of Directors



Mr. H P Singh our Director, is a law graduate and a fellow of The Institute of Chartered Accountants of India since 1984. He has over three decades of microfinance experience and pioneered the concept of daily collection of repayments of loans. Besides being an expert in lending (especially microfinance) he has experience in the field of auditing, accounts, project financing, advisory services and company law matters. His financial engineering experience of almost three decades has helped the Company in operational strategy and efficiency.



Ms. Jyoti Ahluwalia is a Independent Director of the Company. She is Ph.D. and Master's in Commerce, CFA from India, PGDBA – Finance from ICFAI Business School. She has taught Finance, Analytics, Strategy, Financial Management, Mergers and Acquisitions, Financial Business Analytics and Data Analytics and Machine Learning. She has held important roles in corporates such as Actuarial Analysts at Milliman India (Actuaries and Consultants), Syndicated Research Analyst at Corporate Executive Board.



Mr. Sundeep Kumar Mehta our Independent Director, is a Science graduate from University of Rajasthan and also holds a Post graduate diploma in Business Administration from Annamalai University. Apart from these, he holds various other certificates, degrees and diplomas in the field of Cyber Law, History, Labour Laws, Auto Engg and Human resources. He has over 33 years of experience. Prior to joining SFL, He has served RKJ group, Escorts Ltd, Panacea Biotech Ltd, Bata India Ltd, and also Eicher Good Earth Ltd at various high capacities respectively



Mr .Sumit Mukherjee our CEO and WTD, has over 29 years of experience in the NBFC space and has managed various roles in Sales, Credit and Collections, has product experience on Sales, Credit and Collections for SME lending, Commercial vehicles, Agri lending, Construction/ Infrastructure lending, Printing and Medical equipment, Car finance. His major stints have been with Ashok Leyland Finance, Citicorp and Magma Fincorp Ltd. In Magma he has managed the ABF business and led a team of 5000 and AUM of 13000 crs across 250 branches.



Mr. Anil Kumar Kalra our Independent Director, has 35 years of experience in Banking and served in the area of Banking, Financial Services, Investment Banking and Infrastructure Financing. He served as Senior Vice President in a leading NBFC engaged in providing financial services including Asset financing, Debt Syndication, Corporate Advisory, Merchant Banking etc. to corporates besides support to sister companies in the Group focussed on Infrastructure Projects financing. He has done MBA in finance and B.com (H) from Shree Ram College of Commerce, Delhi University



Management Team



Mr. Sumit Sharma (Sales Head) has got 20 years of experience handling product line such as Commercial Vehicle, Medical Equipment, Infrastructure lending, SME funding. He has worked with organisations like Citicorp Finance India Ltd, Reliance Capital Ltd. His latest assignment was with Western India Transport Finance India Ltd. He has completed his B.Sc from Bangalore University.



Mr. Puneet Jolly(CS), has overall experience of more than 7 years in NBFC sector, RBI/business policies, Legal, Equity and debt listed compliances. He has worked with SlicePAY (NBFC & Fintech company) as Compliance-Head. Also, worked with Home Credit India in Compliance team and with Era Group as compliance officer. He is qualified CS in first attempt, graduated from Delhi University.



Mr. Saurabh Lall (Credit and Risk Head) has got 25 years of work experience in NBFC space & has worked with companies viz: Ashok Leyland Finance, Tata Finance, GE Capital & Magma Fincorp. His last assignment was with Barota Finance as head credit & risk. He has completed his BSC from Punjab University.



Mr. Arjun Bansal having more than 7 years of experience in Financial Services viz accounting, finance, budgeting and taxation. Prior to Joining Satin, he has worked with IIFL Group. He is a Qualified Chartered Accountant & Commerce graduate from Delhi University.



Mr. Manish Dwivedi (Head HR) has got 16 years of experience in Human Resource Management Function in diverse industries such as Automobile & Manufacturing, Real Estate, FMCD, FMCG & NBFC. He has worked organizations like Honda, DLF, POSCO, Nikon & Kissanandhan Agri Finance. His last assignment was with Almaha Foods International Pvt. Ltd. as Head – HR & Administration. He has done his MBA from Symbiosis, Pune and Graduation from Deshbandhu Gupta College, Delhi University.

**NOTICE OF 4TH ANNUAL GENERAL MEETING
OF SATIN FINSERV LIMITED**

NOTICE is hereby given that the **4th Annual General Meeting** of the shareholders of **Satin Finserv Limited** will be held on Monday, May 02, 2022 at 12:00 P.M. at shorter notice at its registered office at 4th Floor, B wing, Plot No. 492, Udyog Vihar, Phase III, Gurugram – 122016, Haryana, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and the Reports of Board of Directors and Auditors' thereon **and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT the audited financial statements of the Company including the Balance Sheet as at March 31, 2022, the statement of profit and loss, the cash flow statement for the financial year ended on March 31, 2022, notes to financial statements, reports of the Board and Auditors' thereon be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Mr. Sumit Mukherjee (DIN: 08369056), Whole-time Director & CEO who retires by rotation and being eligible, offers himself for re-appointment 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 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Sumit Mukherjee (DIN: 08369056) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

3. To consider, discuss and approve the alteration in the object clause of Memorandum of Association of the Company 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 Sections 4 and 13 of the Companies Act, 2013 (“the Act”) including any modification or re-enactment thereof and other applicable provisions thereof the Main Object clause of the Memorandum of Association of the Company be and is hereby altered and amended in following way:

Clause III (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE, the following points to be added after point no. 5: -

6. To (i) promote and nurture Joint Liability Groups (JLGs), Self Help Groups (SHGs) and other various groups of similar nature and link them to the banks or other institutions, for availing different financial services and to provide capacity building support to JLG's, SHG's and other various groups of similar nature; (ii) tie up with banks or other institutions for engaging in Business Correspondents (BC) with one or more Banks and for distribution of various banking services to disadvantaged and low income segments of society for their overall upliftment and enhance their economic status; (iii) tie up with banks or other institutions

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Gurugram, Haryana - 122016

CIN : U65999HR2018PLC099128 | Landline No : 0124 - 47154000

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

and institutions for advisory, assistance and distribution of various financial products, insurance products, mutual funds or any other products for overall upliftment of beneficiaries and to enhance their economic status either on group mechanism or on individual basis; (iv) provide consultancy for project financing, loan syndication, portfolio management, financial consultancy, legal consultancy and other corporate consultancy services and (v) promote, support, involve, undertake activities relating to SHGs, JLGs and other various groups of similar nature and to improve the livelihood income and creation; (vi) provide training to staff of banks, insurance companies, other institutions and general public on method of distribution of financial products, insurance products, mutual funds or any other products. To create awareness through various means (including distribution of advertisement material) about various financial products, insurance products, mutual funds or any other products offered by banks, insurance companies, mutual funds or any other financial institution.

“RESOLVED FURTHER THAT the Memorandum of Association incorporating the aforesaid alterations placed before the Meeting be and is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

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

**Date: April 27, 2022
Place: Gurugram**

**SD/-
Puneet Jolly
Company Secretary**

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Notes:

1. An explanatory statement as required under section 102 of the Companies Act, 2013 in respect of the business specified under Item No. 3 is annexed hereto.
2. A member who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such 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 carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
3. A blank proxy form is enclosed hereto and if intended to be used, it should be returned duly completed at the registered office of the Company not less than 24 hours before the scheduled time of the Commencement of the Meeting.
4. Members can inspect the register of director and key managerial personnel and their shareholding and register of contracts or arrangements as maintained under section 170 and section 189 of the Companies Act, 2013 during the course of the meeting at the venue.
5. Members holding equity capital shall have one vote per share.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Further, the Company is conducting 4th AGM at shorter notice. The consents in writing from requisite members for shorter notice are received by the Company. Therefore, the Company is not sending request for consents(s) along with notice. Any member, auditors can inspect the shorter notice consents in writing at registered office of the Company. The same is open for inspection.
8. To route map showing direction to reach the venue of 4th Annual General Meeting ("AGM") is annexed.

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

**Date: April 27, 2022
Place: Gurugram**

Sd/-

**Puneet Jolly
Company Secretary**

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Special Business

Item No. 3

In order to include the Business Correspondents in the main object clause of the Memorandum of Association ('MOA') of the Company in addition to existing business of NBFCs, as permitted by RBI in circular Financial Inclusion by Extension of Banking Services – Use of Business Correspondents dated June 24, 2014, it is proposed to modify the main object clause of the Memorandum of Association of the Company to include the business of Taraashna Financial Services Limited (TFSL), due to process of amalgamation of TFSL with the Company.

The Board at its meeting held on April 27, 2022 has approved alteration of the MOA of the Company and the Board now seek Members' approval for the same.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Sections 4 and 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the 4th AGM.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the said Resolution.

The Board recommends the Special Resolution set forth in Item No. 3 of the Notice for approval of the Members.

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ATTENDANCE SLIP

(To be presented at the entrance)

Members are requested to complete this Attendance Slip and hand it over at the Registered Office of the Company. Only Members or their Proxies are entitled to be present at the Annual General Meeting.

Name: Sh. Cert. No. /Folio No. / DP & Client ID:

Address: No. of Shares Held:

I hereby record my presence at the 4th Annual General Meeting held on Monday, May 02, 2022 at 12:00 P.M.at its registered office at 4th Floor, B wing, Plot No. 492 Udyog Vihar, Phase III Gurugram Haryana - 122016

SIGNATURE OF THE SHAREHOLDER/PROXY *

*Strike out whichever is not applicable.

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**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]**

CIN: U65999HR2018PLC099128

Name of the Company: Satin Finserv Limited

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

Name of the Member(s):

Registered Address:

E-mail Id:

Folio No. / Sh. Cert. No. DP & Client ID:

We, being the member of Satin Finserv Limited for__ __Equity shares, hereby appoint

1. Name:

2. Address:.....

3. Email Id:.....

4. Signature:....., or failing him

1. Name:.....

2. Address:.....

3. Email Id:.....

4. Signature:....., or failing him

1. Name:.....

2. Address:.....

3. Email Id:.....

4. Signature:.....

as our proxy to attend and vote by show of hands/ (on a poll) for us and on our behalf at the 4th Annual General Meeting of the Company, to be held on Monday, May 2, 2022 at 12:00 P.M. at its registered office at 4th Floor, B wing, Plot No. 492 Udyog Vihar, Phase III, Gurugram - 122016, Haryana and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.1: To receive, consider and adopt the Audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss for the year ended on that date and the Reports of Board of Directors and Auditors' thereon.

Resolution No.2: To appoint a Director in place of Mr. Sumit Mukherjee (DIN: 08369056), Whole-time Director & CEO who retires by rotation and being eligible, offers himself for re-appointment.

Resolution No. 3 : To consider, discuss and approve the alteration of in the object clause of Memorandum of Association of the Company

Date: _____, 2022

**Affix Re. 1
Revenue
Stamp**

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Signature of the shareholder/Authorized Representative

Note:

- 1.) 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 24 hours before the commencement of the Meeting.
- 2.) Those Members who have multiple folios with different joint holders may use copies of this attendance slip/Proxy form.

Registered & Corporate Office:

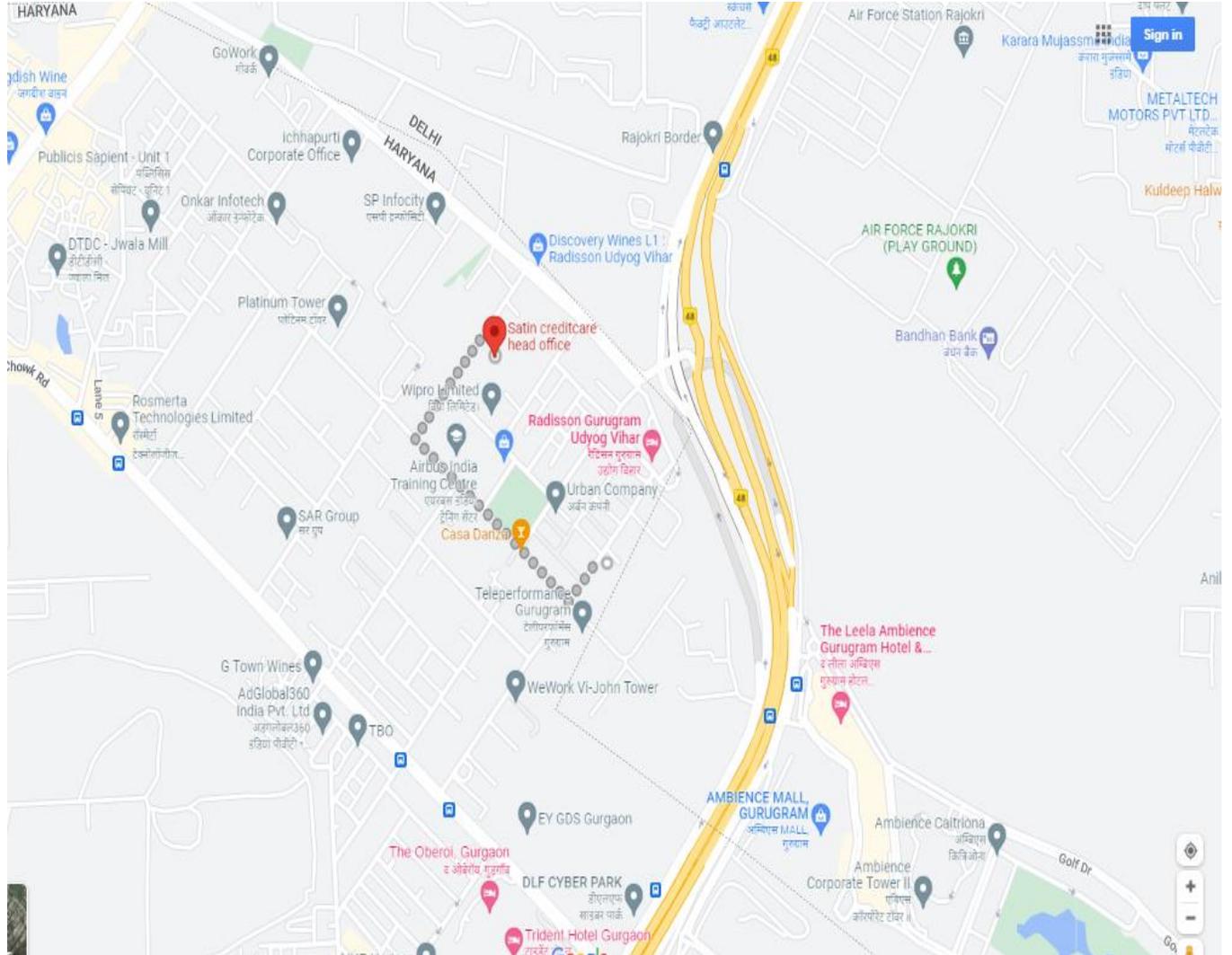
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ROUTE MAP
Venue of 4th Annual General Meeting
4th Floor, B wing, Plot No. 492 Udyog Vihar, Phase III, Gurugram - 122016, Haryana



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Independent Auditors' Report

To the Members of Satin Finserv Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satin Finserv Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note No 41 to the financial statements which explains that, the extent to which COVID-19 pandemic will continue to impact, the Company's operations and financial position and performance are dependent on future developments, which are still highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

Our opinion is not modified in respect of this matter.



Rajeev Bhatia & Associates
Chartered Accountants

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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Chartered Accountants

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(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



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

(c) the financial statements dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;

(e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

(f) we have also audited the internal financial controls over financial reporting of the Company as on March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated April 27, 2022 as per Annexure B expressed unmodified opinion; and

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

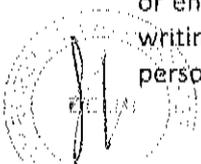
(i) the Company did not have any pending litigations which impacted its financial position as at March 31, 2022;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

(iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party



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("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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




Jatinder Goel

Partner

Membership No.: 553420

UDIN - 22553420AHWUHY2000

Place: Gurugram

Date: April 27, 2022

Annexure A to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date of **Satin Finserv Limited** on the financial statements for the year ended 31 March 2022)

(i) Fixed Assets

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets on the basis of available information.

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

- b) The Property, Plant and Equipment and right-of-use assets of the Company was physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property during the period under audit. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- d) The Company has not revalued any of its Property, Plant & Equipment and intangible assets during the year. Thus, paragraph 3(i) (d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Thus, paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) Inventories

- a) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- b) As per the information and explanation provided to us, the company does not have a working capital limit sanctioned from any bank or financial institution during the year and as on 31-03-2022. Hence, the reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Loans granted by company

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



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- b) In our opinion, the terms and conditions of the grant of loans in nature of loans and advances, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the company, the details of total amount overdue above 90 days are as follows:

No. of cases	Principal Amount Overdue (in Rs.)	Interest Overdue (in Rs.)	Total Overdue (in Rs.)	Remarks
139*	2,74,29,420	89,19,434	3,63,48,854	NIL

* no. of cases includes restructured cases in compliance of guidelines notification issued by RBI from time to time.

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

- e) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC). Hence, reporting under clause 3(iii)(e) of the order is not applicable to the company.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

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

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

(v) Acceptance of Deposits

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

(vi) Maintenance of Cost records

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



(vii) Payment of Applicable Taxes

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

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, provident fund, employees' state insurance, professional taxes and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

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

(viii) Undisclosed Income

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) Dues to a Financial Institution or bank or debenture holder

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

(x) Initial Public Offer

- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.



- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud by the Company or on the Company

- a) According to the information and explanations given to us, We report that one instance of misappropriation of cash collected from customer by an employee involving amount aggregating to Rs. 0.22 Lakhs. The Company has initiated legal action against such employee. The Company has not recovered any amount from that employee.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year. hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) Nidhi Company

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

(xiii) Related Party Transactions

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

(xiv) Internal Audit

- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.



(xv) Non – Cash Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with respect to acquiring any asset for consideration other than cash with directors or persons connected with them or vice versa. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) Registration with RBI

- a) The Company has been registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial Company (NBFC).
- b) The Company has conducted Non-Banking Financial activities during the year having a Certificate of Registration under section 45-IA of the Reserve Bank of India Act 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- d) As per the information and explanation provided to us by the company, 2 companies in the group are in the process of registration as Core Investment Company under the Reserve Bank of India Act.

xvii) Cash Losses

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

(xviii) Resignation of Statutory Auditor

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

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

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors' and Management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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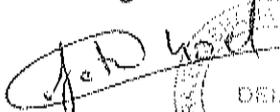
(xx) Corporate Social Responsibility

- a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no ongoing CSR projects as on 31-03-2022 and reporting under clause 3(xx)(b) of the Order is not applicable.

(xxi) Qualification or Adverse Remarks by the respective auditors

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

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


Jatin Goel
Partner
Membership No.: 553420
UDIN - 22553420 AHWUHY2000



Place: Gurugram
Date: April 27, 2022

Annexure B to the Independent Auditors' Report of even date to the members of Satin Finserv Limited on the financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the financial statements of Satin Finserv Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.



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Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that

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

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

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

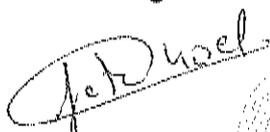
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2022, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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


Jatin Goel
Partner
Membership No.: 553420
UDIN - 22553420AHWUKY2000



Place: Gurugram
Date: April 27, 2022

SATIN FINSERV LIMITED

Balance Sheet as at March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,709.22	830.86
Bank balances other than cash and cash equivalents	5	202.10	-
Loans	6	16,182.79	12,860.83
Other financial assets	7	117.11	86.94
		<u>18,211.22</u>	<u>13,778.63</u>
Non-financial assets			
Current tax assets (net)	8	-	1.16
Deferred tax assets (net)	9	161.66	63.97
Property, plant and equipment	10	119.47	84.37
Intangible assets	11	5.88	7.35
Other non-financial assets	12	227.06	198.51
		<u>514.07</u>	<u>355.36</u>
TOTAL ASSETS		<u>18,725.29</u>	<u>14,133.99</u>
LIABILITIES AND EQUITY			
Financial liabilities			
Payables			
Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	48.34	44.28
Debt securities	14	550.38	550.16
Borrowings (other than debt securities)	15	7,123.59	2,673.14
Other financial liabilities	16	90.20	139.96
		<u>7,812.51</u>	<u>3,407.54</u>
Non-financial Liabilities			
Current Tax Liabilities (Net)	17	8.40	-
Provisions	18	44.14	50.13
Other non-financial liabilities	19	30.92	30.18
		<u>83.46</u>	<u>80.31</u>
Equity			
Equity share capital	20	10,250.00	10,250.00
Other equity	21	579.32	396.14
		<u>10,829.32</u>	<u>10,646.14</u>
TOTAL EQUITY AND LIABILITIES		<u>18,725.29</u>	<u>14,133.99</u>

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No.: 021776N

Jatin Goel
Partner
M No. 553420

Place : Gurugram
Dated: April 27, 2022

For and on behalf of the Board of Directors of

Satin Finserv Limited

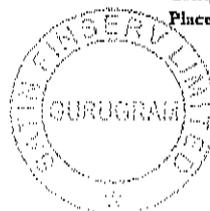
Sumit Mukherjee
DIN: 08369036
WTD & CEO
Place : Gurugram

Arun Bansal
Chief Financial Officer
Place : Gurugram

Dated: April 27, 2022

Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram

Bhanset Jolly
Mem No: 43608
Company Secretary
Place : Gurugram



SATIN FINSERV LIMITED

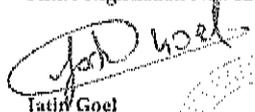
Statement of Profit and Loss for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	Notes	For the period ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations			
Interest income	22	2,623.90	2,393.19
Fees and commission income	23	91.01	30.48
Total Revenue from operations		2,714.91	2,423.67
Other Income	24	43.38	57.21
Total Income		2,758.29	2,480.88
II. Expenses			
Finance costs	25	691.09	438.89
Impairment on financial instruments	26	414.94	333.38
Employee benefit expenses	27	907.65	714.39
Depreciation and amortization expense	28	46.55	24.73
Other expenses	29	428.02	326.92
Total		2,488.25	1,838.31
Profit / (loss) before exceptional items and tax		270.04	642.57
Exceptional items		-	-
Profit / (loss) before tax		270.04	642.57
Tax expense:			
Less: - Current tax		187.64	183.47
Add / (Less) : - Deferred tax charge		98.55	18.72
Profit / (loss) after tax		180.95	477.82
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		3.09	2.50
Income tax relating to above items		(0.86)	(0.63)
Other comprehensive income		2.23	1.87
Total comprehensive income		183.18	479.69
Earnings per equity share			
Basic (₹)	30	0.18	0.47
Diluted (₹)		0.18	0.47

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

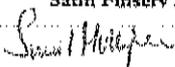
For Rajeev Bhatia & Associates
Chartered Accountants
Firm's Registration No.: 021776N


Jatin Goel
Partner
M No. 553420



Place : Gurugram
Dated: April 27, 2022

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



Sumit Mukherjee
DIN: 08369056
WTD & CEO
Place : Gurugram


Arjun Bansal
Chief Financial Officer
Place : Gurugram



Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram


Puneet Jolly
Mem No: 43608
Company Secretary
Place : Gurugram

Dated: April 27, 2022



SATIN FINSERV LIMITED

Cash flow statement for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit / (loss) before tax	270.04	642.57
Adjustments for:		
Provision for expected credit losses	317.34	87.39
Provision for employee benefits	(5.99)	22.47
Depreciation and amortisation expense	17.90	10.33
Depreciation / disposal of ROU assets	31.80	19.48
Interest expense on lease rental assets	10.98	5.41
Re-measurement gains on defined benefit plans	-	-
Effective interest rate adjustment for financial instruments	32.64	6.28
Operating profit before working capital changes	674.71	793.93
Movements in working capital:		
Increase / (Decrease) in other liabilities and provisions	(41.87)	(125.86)
Decrease in term deposits	-	-
Increase in financial assets	(3,702.11)	(2,083.97)
(Increase) / Decrease in other assets	(28.55)	(47.77)
Cash used in operations	(3,097.82)	(1,463.67)
Income taxes paid (net)	(178.08)	(180.44)
Net cash used in operating activities (A)	(3,275.90)	(1,644.11)
Cash flows from investing activities		
Purchase of property, plant and equipment	(39.67)	(9.43)
Purchase of intangible assets	-	(0.16)
Net cash used in investing activities (B)	(39.67)	(9.59)
Cash flows from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds from borrowings	6,605.29	1,833.40
Repayment of borrowings	(2,209.26)	(1,155.91)
Net cash from financing activities (C)	4,396.03	677.49
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,080.46	(976.21)
Cash and cash equivalents at the beginning of the period	830.86	1,807.07
Cash and cash equivalents at the end of the period	1,911.32	830.86
Components of cash and cash equivalents as at the end of the period		
Cash in hand	0.56	0.50
Balance with banks - on current account	328.17	830.36
Deposits with original maturity of less than or equal to 3 months	1,580.49	-
Bank balances other than cash and cash equivalents	202.10	-
Total cash and cash equivalents	1,911.32	830.86

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

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

Jatin Goel
Partner
M No. 553420



Place : Gurugram
Dated: April 27, 2022

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

Sumit Mukherjee
DIN: 08369056
WTD & CEO
Place : Gurugram

Harvinder Pal Singh
DIN: 00333754
Director
Place : Gurugram

Arjun Bansal
Chief Financial Officer
Place : Gurugram

Puneet Jolly
Mem No: 43608
Company Secretary
Place : Gurugram

Dated: April 27, 2022



SATIN FINSERV LIMITED
Statement of changes in equity for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as April 1, 2021	Changes during the year	Balance as at March 31, 2022
Equity share capital	10,250.00	-	10,250.00	-	10,250.00

March 31, 2021

Particulars	Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as April 1, 2020	Changes during the year	Balance as at March 31, 2021
Equity share capital	10,250.00	-	10,250.00	-	10,250.00

B. Other equity

Particulars	Reserves and surplus					Total				
	Statutory reserves	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account		Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	Money received against share warrants
Balance as at April 1, 2020	12.94	-	-	-	-	(96.49)	-	-	-	(83.55)
Changes in accounting policy/ prior period errors	-	-	-	-	-	(96.49)	-	-	-	(83.55)
Restated balance as April 1, 2020	12.94	-	-	-	-	(96.49)	-	-	-	(83.55)
Profit for the year	-	-	-	-	-	478.89	-	-	-	479.69
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserves	95.94	-	-	-	-	(95.94)	-	-	-	-
Balance as at March 31, 2021	108.88	-	-	-	-	247.26	-	-	-	346.14
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as March 31, 2021	108.88	-	-	-	-	247.26	-	-	-	346.14
Profit for the year	-	-	-	-	-	207.26	-	-	-	207.26
Other comprehensive income (net of tax)	-	-	-	-	-	303.18	-	-	-	303.18
Issue of equity shares (net of share issue expenses)	-	-	-	-	-	-	-	-	-	-
Issue of share warrants	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserves	36.63	-	-	-	-	(36.63)	-	-	-	-
Balance as at March 31, 2022	145.51	-	-	-	-	433.81	-	-	-	579.32

The accompanying notes are an integral part of the financial statements.
As per our review report of even date attached

For Rajeev Bhatia & Associates

Chartered Accountants

Firm's Registration No. (01778)

(Signature)
Jatin Goyal
Partner
M No. 553430



For and on behalf of the Board of Directors of

Satin Finserve Limited

(Signature)
Sunil Mukherjee
DIN: 08269556
WTD & CEO
Place: Gurugram



(Signature)
Hemender Pal Singh
DIN: 00333754
Director
Place: Gurugram

(Signature)
Ajay Jolly
Mem No-43608
Company Secretary
Place: Gurugram

Chief Financial Officer

Place: Gurugram

Date: April 27, 2022

Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

1. Company Overview / Corporate Information

Satin Finserv Limited (‘the Company’) is a public limited company and incorporated on August 10, 2018, under the provisions of Companies Act. The Company is a non-deposit accepting Non-Banking Financial Company (‘NBFC-ND’) and is registered as a Non-Banking Financial Company (‘NBFC’) with the Reserve Bank of India (‘RBI’) in January 09, 2019. The main objective of the Company to carry on the business of Non-Banking Financial Company and to undertake business relating to financing. The Company is domiciled in India and its registered office & corporate office is situated at 4th Floor, B-Wing, Plot No. 492, Udyog Vihar, Phase-III, Gurugram, Haryana - 122016.

2. Basis of preparation

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

These Ind AS financial statements (‘the Financial Statements’) have been prepared in accordance with the Indian Accounting Standards ‘Ind AS’) as notified by Ministry of Corporate Affairs (‘MCA’) under Section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2022 are the financial statements, which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India (‘RBI’).

The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on April 27, 2022.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(iii) Recent accounting pronouncements

Ministry of Corporate Affairs (‘MCA’) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

Ind AS 103 “Business Combination”

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – “Proceeds before intended use”

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 "Financial Instruments"

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

3. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013.

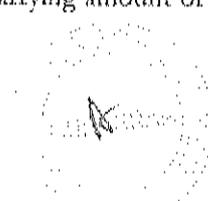
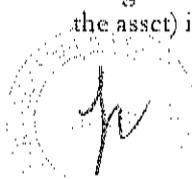
Asset class	Useful life
Office equipment	5 years
Computer and accessories -- end user devices	3 years
Computer and accessories – network equipment	6 years
Furniture and fixtures	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

Capital work-in-progress

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

b) Revenue recognition

Interest, administration and other charges (for loans)

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

Other Charges related to Operation

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

Other Income

The Company recognise the interest income on fixed deposits and other income on accrual basis.

c) Borrowing costs

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

d) Taxation

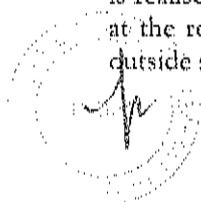
Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

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

Minimum alternate tax ("MAT") credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).



e) **Employee benefits**

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company gratuity as defined benefit where the amount that employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

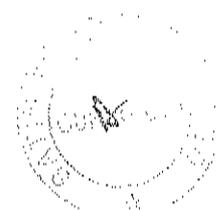
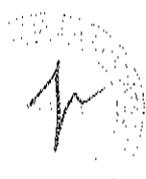
The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to avail after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

f) **Impairment of non-financial assets**

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

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

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



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

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

g) Impairment of financial assets

Loan assets

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

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

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

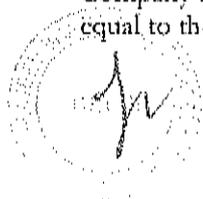
Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

b) Cash and cash equivalents

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

Cash Flow Statement

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

i) Leases

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

The Company as a lessee

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

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

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



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

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

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

The Company as a lessor

The company does not have any leases as a lessor.

Transition

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

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

j) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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



Satin Finserv Limited
Summary of significant accounting policies and other explanatory information for the year ended
March 31, 2022

k) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

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

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

Impairment of financial assets

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

De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

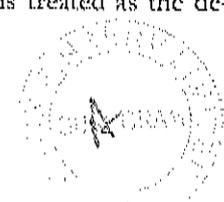
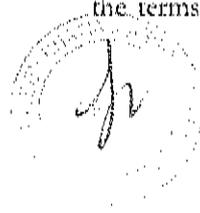
Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Earnings per share

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

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

m) Segment reporting

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

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

n) Significant management judgement in applying accounting policies and estimation uncertainty

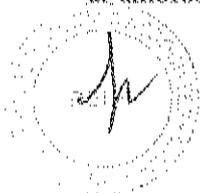
The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions



Satin Finserv Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Note 4: Cash and cash equivalents		
Cash in hand	0.56	0.50
Balance with banks in current accounts	328.17	830.36
Deposits with original maturity of less than 3 months	1,380.49	-
Total of cash and cash equivalents	1,709.22	830.86

Note 5: Bank balances other than cash and cash equivalents

Deposits for remaining maturity of more than 3 months and upto 12 months

Deposits with remaining maturity more than 12 months

Balance with banks and financial institutions to the extent held as margin

money deposits against borrowings and guarantees

202.10	-
202.10	-

Note 6: Loan portfolio (at amortised cost)**Portfolio loans****Secured**

10,693.06

7,611.78

Unsecured

6,045.16

5,487.14

Less: Impairment loss allowance

(555.43)

(238.09)

16,182.79**12,860.83****Total****16,182.79****12,860.83**

(i) Secured by book debts, margin money and property plant and equipments

10,693.06

7,611.78

(ii) Covered by bank/government guarantees

-

-

(iii) Unsecured

6,045.16

5,487.14

Total - Gross

16,738.22

13,098.92

Less: Impairment loss allowance

(555.43)

(238.09)

Total - Net

16,182.79

12,860.83

Loans in India

(i) Public Sector

-

-

(ii) Other

16,738.22

13,098.92

Total - Gross

16,738.22

13,098.92

Less: Impairment loss allowance

(555.43)

(238.09)

Total - Net

16,182.79

12,860.83

The above amount includes the interest accrued and exclude unamortised loan processing fees, as follows:

Particulars	2022.85	161.59
Interest accrued	202.85	161.59
Unamortised loan processing fee	(147.31)	(99.75)

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

Note 7: Other financial assets (at amortised cost)

Security deposit

117.11

86.94

117.11

86.94

Note 8: Current tax assets (net)

Advance Tax (net)

-

1.16

-

1.16

SATIN PINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 9: Deferred tax assets (net)

Deferred tax assets

Provision for employee benefits	12.28	12.62
Preliminary expenses	0.25	0.45
Allowance for expected credit loss	154.52	59.92
Right of use assets & Lease Liability	2.33	-
Difference in written down value as per Companies Act and Income Tax Act	1.19	0.64

Deferred tax liabilities

Provision for 36(1)(viii)	(8.91)	(9.66)
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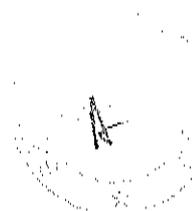
Net deferred tax assets

161.66	63.97
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Movement in deferred tax assets (net)

Particulars	As at March 31, 2021	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2022
Assets				
Provision for employee benefits	12.62	0.52	(0.86)	12.28
Difference in written down value as per Companies Act and Income Tax Act	0.64	0.55	-	1.19
Preliminary expenses	0.45	(0.20)	-	0.25
Allowance for expected credit loss	59.92	94.60	-	154.52
Right of use assets & Lease Liability	-	2.33	-	2.33
Liabilities				
Provision for 36(1)(viii)	9.66	-0.75	-	8.91
Total (net)	63.97	98.55	(0.86)	161.66

Particulars	As at March 31, 2020	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2021
Assets				
Provision for employee benefits	6.92	6.33	(0.63)	12.62
Difference in written down value as per Companies Act and Income Tax Act	0.58	0.06	-	0.64
Preliminary expenses	0.70	(0.25)	-	0.45
Allowance for expected credit loss	37.68	22.24	-	59.92
Liabilities				
Provision for 36(1)(viii)	-	9.66	-	9.66
Total (net)	45.88	18.72	(0.63)	63.97



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Note 10: Property, Plant and Equipment

Particulars	Plant and equipment	Office Equipment	Vehicle	Furniture and fixtures	ROI Assets	Total
Gross carrying value						
At March 31, 2020	12.55	0.91	-	5.77	26.31	45.54
Addition	7.10	2.33	-	-	68.16	77.58
Disposals	-	-	-	-	7.97	7.97
Balance as at March 31, 2021	19.65	3.24	-	5.77	86.49	115.15
Addition	24.51	0.75	14.30	0.11	43.66	83.33
Disposals	0.35	-	-	-	4.41	4.76
As at 31 March 2022	43.81	3.99	14.30	5.88	125.74	193.72
Accumulated depreciation						
At March 31, 2020	3.59	0.32	-	0.94	5.89	10.74
Charge for the year	6.78	0.50	-	1.25	14.40	22.93
Disposals	-	-	-	-	2.69	2.89
Balance as at March 31, 2021	10.37	0.82	-	2.19	17.40	30.78
Addition	11.10	1.20	3.13	1.00	28.65	45.08
Disposals	0.30	-	-	-	1.31	1.61
As at 31 March 2022	21.17	2.02	3.13	3.19	44.74	74.25
Net Carrying value						
At March 31, 2020	8.96	0.59	-	4.83	20.42	34.80
As at March 31, 2021	9.28	2.42	-	3.58	69.09	84.37
As at 31 March 2022	22.64	1.97	11.17	2.69	81.00	119.47

Note 11: Intangible assets

Description	Intangible assets	Total
Gross carrying value		
At March 31, 2020	9.70	9.70
Addition	0.16	0.16
Disposals	-	-
Balance as at March 31, 2021	9.86	9.86
Addition	-	-
Disposals	-	-
As at 31 March 2022	9.86	9.86
Accumulated depreciation		
At March 31, 2020	0.71	0.71
Charge for the year	1.80	1.80
Disposals	-	-
Balance as at March 31, 2021	2.51	2.51
Addition	1.47	1.47
Disposals	-	-
As at 31 March 2022	3.98	3.98
Net Carrying value		
At March 31, 2020	8.99	8.99
As at March 31, 2021	7.35	7.35
As at 31 March 2022	5.88	5.88



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Note 12: Other non-financial assets		
Prepaid expenses	199.64	152.58
GST Input (Net of Liability)	16.80	11.76
Other advances	10.62	34.17
Total	227.06	198.51

Note 13: Other payable

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	48.34	44.28
Total	48.34	44.28

Trade Payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	More than 2 years
(i) MSME	-	-	-
(ii) Others	18.52	-	-
(iii) Disputed dues – MSME	-	-	-
(iv) Disputed dues – Others	-	-	-
(v) Unbilled dues	29.82	-	-
Total	48.34	-	-

Trade Payables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 year	1-2 years	More than 2 years
(i) MSME	-	-	-
(ii) Others	20.97	-	-
(iii) Disputed dues – MSME	-	-	-
(iv) Disputed dues – Others	-	-	-
(v) Unbilled dues	23.31	-	-
Total	44.28	-	-

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

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

Note 14: Debt securities (at amortised cost)

Non-convertible debentures	550.38	550.16
	550.38	550.16
Debt securities in India	550.38	550.16
Debt securities outside India	-	-
	550.38	550.16

Unamortised Processing Fees	2.36	4.05
Accrued Interest	52.74	54.21

Particulars	Terms of Repayment	As at March 31, 2022	As at March 31, 2021
Non-convertible debentures (secured)			
50 (March 31, 2021: 50), @15.50% (Previous year : 15.50%), rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 1,0,00,000 each. The date of allotment is June, 29, 2020. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 110% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on June 29, 2023	950.38	950.16



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

Note 15: Borrowings (other than debt securities)

Term loans from other parties (At amortised Cost)##

Secured	5,104.93	2,600.34
Term loans from bank (At amortised Cost)###		
Secured	1,929.27	-
Lease Liability on Rental assets	89.39	72.80
Total (A)	7,123.59	2,673.14
Borrowings in India	7,123.59	2,673.14
Borrowings outside India	-	-
Total (B)	7,123.59	2,673.14

#Secured by way of of Hypothecation to the extent of 100% to 110% of the value of the loan outstanding.

Secured by way of of Hypothecation to the extent of 125% of the value of the loan outstanding and Secured by way of of Hypothecation of Vehicles

There are no instances where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

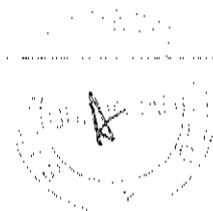
Quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account.

Unamortised Processing Fees	85.25	13.64
Accrued Interest	22.30	22.37

Reconciliation of liabilities arising from financing activities

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

Particulars	Borrowings & Debt securities	Liability against leased assets	Total
March 31, 2020	2,450.43	21.87	2,472.24
Adoption of Ind AS 116	-	68.16	68.16
Cash flows:			
- Repayment	(1,155.91)	(22.57)	(1,178.48)
- Proceeds from overdraft facility	-	-	-
- Proceeds other than overdraft facility	1,800.00	-	1,800.00
- Others	55.37	-	55.37
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	0.60	-	0.60
- Others	-	5.41	5.41
March 31, 2021	3,150.50	72.80	3,223.30
Adoption of Ind AS 116	-	43.66	43.66
Cash flows:			
- Repayment	(2,209.26)	(38.05)	(2,247.31)
- Proceeds from overdraft facility	-	-	-
- Proceeds other than overdraft facility	6,714.80	-	6,714.80
- Others	(1.54)	-	(1.54)
Non cash:			
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-
- Foreign exchange	-	-	-
- Amortisation of upfront fees and others	(69.91)	-	(69.91)
- Others	-	10.98	10.98
March 31, 2022	7,584.58	89.39	7,673.97



SATIN FENSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

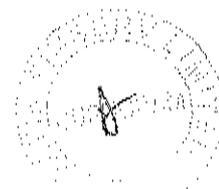
(All amounts in Lakhs, unless otherwise stated)

Note 15A: Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2022

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due beyond 3 Years		Total
		No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	
Monthly	Below 9.00%	12	4.74	12	5.11	6	2.70	-	-	12.55
	9% to 12%	11	458.33	12	500.00	12	500.00	11	458.33	1,916.66
	12.01% to 15%	140	2,279.67	109	1,625.25	58	614.26	13	252.09	4,751.27
Quarterly	12.01% to 15%	4	166.67	4	166.67	2	81.33	-	-	416.67
Bullet	Above 15%	-	-	1	500.00	-	-	-	-	500.00
Total		167	2,909.41	138	2,797.03	78	1,200.29	24	690.42	7,597.15

Terms of principal repayment of Debt Securities & Other Borrowings as at March 31, 2021

Original maturity of loan	Interest rate	Due within 1 year		Due between 1 to 2 Years		Due between 2 to 3 Years		Due beyond 3 Years		Total
		No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	No. of installments	Amount (in Rupees)	
Monthly	12.01% to 15%	95	1,460.09	36	619.14	24	452.76	3	59.62	2,591.61
Bullet	Above 15%	-	-	-	-	1	500.00	-	-	500.00
Total		95	1,460.09	36	619.14	24	952.76	3	59.62	3,091.61



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

Note 16: Other financial liabilities

Security deposit received from customers	62.47	108.56
Insurance Payable	3.90	6.10
Other payable	12.63	14.34
Salary payable	11.20	10.96
Total	90.20	139.96

Note 17: Current Tax Liabilities (net)

Provision for tax (net)	8.40	-
Total	8.40	-

Note 18: Provisions

Provision for compensated absences#	26.55	39.01
Provision for gratuity	17.59	11.12
Total	44.14	50.13

#Company has made provision on account of compensated absences based on opinion and actuarial valuation considering basic salary of employee.

Note 19: Other non-financial liabilities

Deferred income	1.58	4.70
Statutory dues:		
GST payable (net of input)	-	-
TDS payable	18.90	19.33
Other statutory dues payable	10.44	6.15
Total	30.92	30.18



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

Note 20: Equity share capital

	As at 31 March 2022		As at 31 Mar 2021	
	Number	Amount	Number	Amount
Authorised share capital				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	10,30,00,000	10,300.00	10,30,00,000	10,300.00
Additions during the year	-	-	-	-
Total	10,30,00,000	10,300.00	10,30,00,000	10,300.00
Issued, subscribed and paid up capital				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Additions during the year	-	-	-	-
Total	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Reconciliation of number of equity shares outstanding at the beginning and at the end of the period				
Balance at the beginning of the year	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Add: Issued during the year	-	-	-	-
	10,25,00,000	10,250.00	10,25,00,000	10,250.00
Equity shares held by Holding and Promoter Company:				
Satin Creditcare Network Limited	Number	%	Number	%
	10,25,00,000	100	10,25,00,000	100
Total	10,25,00,000	100	10,25,00,000	100

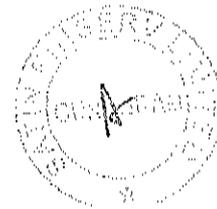
The company has only one class of equity shares having par face value of ₹ 10 per share. Each equity shareholder is eligible for one vote per share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. Dividends are subject to corporate dividend tax. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no change in promoter shareholding during the year.

	As at March 31, 2022	As of March 31, 2021
Note 20: Other equity		
Statutory reserves	145.51	108.89
Retained earnings	433.81	287.26
Total	579.32	396.14

Nature and purpose of other reserve

Statutory reserves

The reserve is created as per the provision of Section 45(1C) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

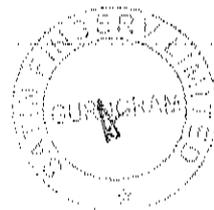


SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Note 22: Interest Income (measured at amortised cost)	On financial assets measured at amortised cost	On financial assets measured at amortised cost
Interest income on loans	2,565.28	2,350.24
Interest income on deposits with banks	58.62	42.95
Total	2,623.90	2,393.19
Note 23: Fees and commission income		
Login Fee Income	41.05	14.54
Documentation charges	49.86	15.94
Total	91.01	30.48
Note 24: Other Income		
Miscellaneous income	27.30	25.44
Foreclosure charges received	16.08	31.77
Total	43.38	57.21
Note 25: Finance cost (on financial liabilities measured at amortised cost)		
Interest on debt securities	77.50	58.60
Interest on borrowings other than debt securities	494.31	340.40
Interest on borrowings from bank	62.92	-
Interest expense on lease rental assets	10.98	5.41
Other interest expenses	45.38	34.48
Total	691.09	438.89
Note 26: Impairment on financial instruments (on financial assets measured at amortised cost)		
Allowance for expected credit loss	317.34	87.39
Portfolio loans written off	97.60	245.99
Total	414.94	333.38
Note 27: Employee benefit expenses		
Salaries, wages and bonus	856.76	676.15
Contribution to funds	47.10	32.78
Staff welfare expenses	3.79	5.46
Total	907.65	714.39
Note 28: Depreciation and amortization expense		
Depreciation on property, plant & equipments	16.43	8.53
Depreciation on right on use assets	28.65	14.40
Amortization on Intangible assets	1.47	1.80
Total	46.55	24.73



SATIN FINSERV LIMITED

Notes to the financial statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

	For the period ended March 31, 2022	For the year ended March 31, 2021
Note 29: Other expenses		
Bank charges	1.69	0.94
Business development expenses	1.33	1.14
Commission expenses	42.06	13.40
Interest on interest to borrowers	-	10.64
Sitting fees paid to directors	4.51	3.58
Corporate social responsibility	4.31	-
Travelling and conveyance	66.18	26.83
Rent expenses	22.77	31.70
Office expenses	74.92	62.84
Software maintenance expenses	73.91	66.81
Payment to auditors	11.38	7.35
Legal and Professional fees	114.39	96.57
Printing and stationery	10.57	5.12
Total	428.02	326.92

*Remuneration to auditors comprises of:

As statutory auditor	4.00	1.50
As tax auditor	2.00	1.00
GST Audit Fees	-	2.40
Other services	5.38	2.45
	11.38	7.35

**Details of Corporate Social Responsibility Expenses

(a) amount required to be spent by the Company during the year	4.30	-
(b) amount of expenditure incurred	4.31	-
(c) shortfall at the end of the year	-	-
(d) total of previous year shortfall	-	-
(e) reason for shortfall	NA	NA

Company has spent CSR expense through implementation agency (S. Amar Singh Educational Charitable Trust) for Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The said agency is not a related party for the company.

Note 30: Earning per Share

Net profit attributable to equity shareholders

Net profit for the period	180.95	477.82
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares	10,25,00,000.00	10,25,00,000.00
Basic earnings per share (₹)	0.18	0.47
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares used to compute diluted earnings per share	10,25,00,000.00	10,25,00,000.00
Diluted earnings per share (₹)	0.18	0.47

Note 31: Tax expense

Current tax (including taxes earlier years)	187.64	183.47
Deferred tax credit	(98.55)	(18.72)
	89.09	164.75

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 27.82% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	270.04	642.57
At country's statutory income tax rate of 27.82% (31 March 2021: 25%)	75.13	161.73
Adjustments in respect of taxes		
(i) Change in rate	12.24	(0.37)
(ii) Preliminary expenses allowed	0.25	0.89
(v) Others	1.48	2.48
	89.09	164.75

SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

32 Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Financial assets measured at amortised cost			
Cash and cash equivalents	Note - 4	1,709.22	830.86
Bank balances other than cash and cash equivalents	Note - 5	202.10	-
Loans	Note - 6	16,182.79	12,860.83
Security deposits	Note - 7	117.11	86.94
Total		18,211.22	13,778.63
Financial liabilities measured at amortised cost			
Other payables	Note - 12	48.34	44.28
Debt securities	Note - 13	550.38	550.16
Borrowings (other than debt securities)	Note - 14	7,123.59	2,673.14
Other financial liabilities	Note - 15	90.20	139.96
Total		7,812.51	3,407.54

B Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	1,709.22	1,709.22	830.86	830.86
Bank balances other than cash and cash equivalents	202.10	202.10	-	-
Loans	16,182.79	16,868.73	12,860.83	13,469.48
Security deposits	117.11	117.11	86.94	86.94
Total	18,211.22	18,897.16	13,778.63	14,387.28
Financial liabilities				
Other payables	48.34	48.34	44.28	44.28
Borrowings (other than debt securities)	7,123.59	7,123.59	2,673.14	2,637.79
Borrowings (debt securities)	550.38	550.38	550.16	554.61
Other financial liabilities	90.20	90.20	139.96	139.96
Total	7,812.51	7,812.51	3,407.54	3,376.64

The management assessed that fair values of investments, cash and cash equivalents, other bank balances, trade receivables and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

(i) The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant.

(ii) The fair values of the Company fixed rate interest-bearing borrowings are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

33 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Bank balances in current accounts, other bank balances, loans and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Committed borrowing (whenever required)
Market risk - interest rate	Variable or fixed rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities, mutual funds, certificate of deposits and commercial papers	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Period of expected credit loss
Specific valuation techniques used to value financial instruments include:	Bank balances in current accounts, other bank balances, loans and other financial assets	12 months and life time expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Financial assets that expose the entity to credit risk

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Low credit risk		
Cash and cash equivalents	1,709.22	830.36
Bank balances other than cash and cash equivalents	202.10	-
Loans	14,565.37	12,744.20
Security deposits	117.11	86.94
(ii) Moderate credit risk		
Loans	1,080.17	85.47
(iii) High credit risk		
Loans	537.24	31.16

Bank balances in current accounts and bank deposits

Credit risk related to bank balances in current accounts and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

b) **Credit risk exposure**

i) **Expected credit losses for financial assets other than loans**

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For bank balances in current accounts and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of bank balances in current accounts, other bank balances and bank deposits is evaluated as very low.

- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,709.22	-	1,709.22
Bank balances other than cash and cash equivalents	202.10	-	-
Security deposits	117.11	-	117.11

As at March 31, 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Bank balances in current accounts	830.36	-	830.36
Security deposits	86.94	-	86.94

SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(i) Expected credit loss for loans

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

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unwillingness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- (i) The borrower is deceased
- (ii) A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- (iii) A material decrease in the borrower's turnover or the loss of a major customer
- (iv) The borrower requesting emergency funding from the Company

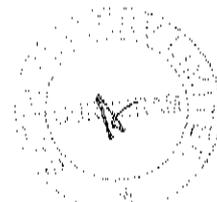
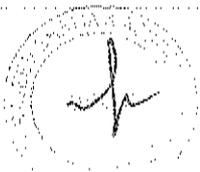
The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Considering, the Company has started business from January 2019 and does not have history and there are no loan balances which has become 90 days past due and hence, provisioning norms are been used to make provision for loan assets, with a background of management overlay.

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	Stage 1 (0-30 days)	Stage 2 (31-90 days)	Stage 3 (More than 90 Days)
Assets originated or purchased	1,130.90	-	-
Net transfer between stages	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-
Write - offs	-	-	-
Gross carrying amount as at March 31, 2019	1,130.90	-	-
Assets originated or purchased	10,277.10	-	-
Net transfer between stages	(189.35)	120.00	69.35
Assets derecognised or repaid (excluding write offs)	(325.90)	-	-
Write - offs	-	-	-
Gross carrying amount as at March 31, 2020	10,901.74	120.00	69.35
Assets originated or purchased	6,129.03	-	-
Net transfer between stages	(468.68)	336.51	132.17
Assets derecognised or repaid (excluding write offs)	(3,875.22)	-	-
Write - offs	(245.99)	-	-
Gross carrying amount as at March 31, 2021	12,440.89	456.51	201.82
Assets originated or purchased	9,561.50	-	-
Net transfer between stages	(1,637.54)	869.72	767.82
Assets derecognised or repaid (excluding write offs)	(5,824.60)	-	-
Write - offs	(97.60)	-	-
Gross carrying amount as at March 31, 2022	14,442.65	1,326.23	969.34



SATIN PINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Loans	Other financial assets
Increase of provision due to assets originated or purchased during the period	4.56	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2019	4.56	-
Increase of provision due to assets originated or purchased during the period	146.14	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2020	150.70	-
Increase of provision due to assets originated or purchased during the period	87.39	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2021	238.09	-
Increase of provision due to assets originated or purchased during the period	317.34	-
Net transfer between stages	-	-
Loss allowance written back	-	-
Write - offs	-	-
Loss allowance on March 31, 2022	555.43	-

e) Concentration of loans

The Company's exposure to credit risk for loans and trade receivables is presented as below. Other financial assets majorly represents loans to employees and deposits given for business purposes.

Particulars	As at March 31, 2022	As at March 31, 2021
Agriculture and allied activities	3,651.13	1,680.87
MSME	4,578.16	2,618.60
Services	2,171.98	1,326.13
Corporate borrowers	6,183.56	7,239.42
Others	153.39	233.90
Total	16,738.22	13,098.92

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(f) Financing arrangements

The Company had access to the following funding facilities:

As at March 31, 2022	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	3,000.00	-	3,000.00
Total	3,000.00	-	3,000.00

As at March 31, 2021	Total facility	Drawn	Undrawn
- Expiring within one year	-	-	-
- Expiring beyond one year	3,000.00	-	3,000.00
Total	3,000.00	-	3,000.00

SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at March 31, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalents	1,709.22	-	-	-	1,709.22
Bank balances other than cash and cash equivalents	-	-	-	202.10	202.10
Loans	4,308.78	4,735.69	5,044.96	2,648.79	16,738.22
Other financial assets	70.80	21.37	24.94	-	117.11
Total undiscounted financial assets	6,088.79	4,757.06	5,069.90	2,850.90	18,766.65
Non-derivatives					
Other payables	48.34	-	-	-	48.34
Debt securities	52.74	497.64	-	-	550.38
Borrowings other than debt securities	2,884.12	2,364.17	1,188.66	686.65	7,123.59
Other financial liabilities	90.20	-	-	-	90.20
Total undiscounted financial liabilities	3,075.40	2,861.81	1,188.66	686.65	7,812.51
Net undiscounted financial assets/(liabilities)	3,013.39	1,895.25	3,881.24	2,164.25	10,954.14

As at March 31, 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Bank balances in current accounts	830.86	-	-	-	830.86
Loans	5,242.04	4,379.07	4,402.84	5,092.80	19,116.75
Other financial assets	46.67	40.27	-	-	86.94
Total undiscounted financial assets	6,119.56	4,419.35	4,402.84	5,092.80	20,034.55
Non-derivatives					
Other payables	44.28	-	-	-	44.28
Debt securities	72.50	72.50	572.50	-	717.50
Borrowings other than debt securities	1,733.85	734.11	498.60	60.55	3,027.11
Other financial liabilities	139.96	-	-	-	139.96
Total undiscounted financial liabilities	1,990.59	806.61	1,071.10	60.55	3,928.85
Net undiscounted financial assets/(liabilities)	4,128.98	3,612.74	3,331.73	5,032.24	16,105.69

C) Market risk

a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2022, the Company is exposed to changes in market interest rates through other borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate liabilities		
Borrowings other than debt securities	4,855.44	1,300.05
Fixed rate liabilities		
Debt Securities	550.38	550.16
Borrowings other than debt securities	2,978.76	1,300.29
Total	7,584.58	3,150.50

Sensitivity

Sensitivity, of profit or loss in borrowing having fixed interest rates, is not applicable.

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

34 Capital management

The Company's capital management objectives are:

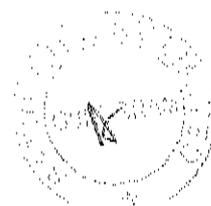
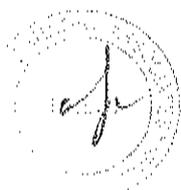
- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at March 31, 2022	As at March 31, 2021
Net debt*	5,762.65	2,392.44
Total equity	10,829.32	10,646.14
Net debt to equity ratio	0.53	0.22

* Net debt includes debt securities + borrowing other than debt securities + sub-ordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash & cash equivalents.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

35 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	1,709.22	-	830.86	-
Bank balances other than cash and cash equivalents	-	202.10	-	-
Trade receivables	-	-	-	-
Loans	3,390.84	12,791.95	2,951.98	9,908.85
Other financial assets	95.74	21.37	46.67	40.27
	5,195.79	13,015.43	3,829.51	9,949.12
Non-financial assets				
Current tax assets (net)	-	-	1.16	-
Deferred tax assets (net)	161.66	-	63.97	-
Property, plant and equipment	-	119.47	-	84.37
Intangible assets under development	-	5.88	-	7.35
Other non-financial assets	227.06	-	198.51	-
	388.72	125.35	263.64	91.72
TOTAL ASSETS	5,584.51	13,140.78	4,093.15	10,040.85
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	48.34	-	44.28	-
Debt securities	52.74	497.64	72.50	477.66
Borrowings (other than debt securities)	2,884.12	4,239.47	1,733.85	939.29
Other financial liabilities	90.20	-	139.96	-
	3,075.40	4,737.11	1,990.59	1,416.95
Non-financial liabilities				
Current Tax Liabilities (Net)	8.40	-	-	-
Provisions	26.55	17.59	39.01	11.12
Other non-financial liabilities	29.34	1.88	25.48	4.70
	64.29	19.17	64.49	15.82
TOTAL LIABILITIES	3,139.69	4,756.28	2,055.08	1,432.77
Net equity	2,444.82	8,384.50	2,038.07	8,608.08



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

36 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

**A Defined contribution plans
Provident and other funds**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Employers contribution to provident and other fund*	47.10	79.03

B Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	17.59	11.12
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	17.59	11.12

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Current service cost	8.81	7.24
Past service cost including curtailment gains/losses	-	-
Interest cost on defined benefit obligation	0.75	0.40
Interest income on plan assets	-	-
Net impact on profit (before tax)	9.57	7.64

Amount recognised in the other comprehensive income:

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Actuarial gain/(loss) unrecognised during the year	3.09	2.50

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Present value of defined benefit obligation as at the beginning of year	11.12	3.98
Current service cost	8.81	7.24
Interest cost	0.75	0.40
Past service cost including curtailment gains/losses	(3.09)	(2.50)
Benefits paid	-	-
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	-	-
Actuarial loss on arising from experience adjustment	-	-
Present value of defined benefit obligation as at the end of the year	17.59	11.12



(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	As at March 31, 2022	As at March 31, 2021
Total	-	-

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Expected return on plan assets	-	-
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Discounting rate	7.26%	6.70%
Future salary increase	4.00%	4.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 years	5%	5%
From 31 to 44 years	3%	3%
Above 44 years	2%	2%
Weighted average duration	18.00	17.58

Mortality rates inclusive of provision for disability -100% of IAM (2006-08)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	17.59	11.12
- Impact due to increase of 0.50 %	(1.03)	(0.69)
- Impact due to decrease of 0.50 %	1.09	0.75
Impact of the change in salary increase		
Present value of obligation at the end of the year	17.59	11.12
- Impact due to increase of 0.50 %	1.12	0.77
- Impact due to decrease of 0.50 %	(1.03)	(0.71)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(viii) Maturity profile of defined benefit obligation (discounted)

year	As at March 31, 2022	As at March 31, 2021
	Amount	Amount
0 to 1 year	0.08	0.04
1 to 2 year	0.12	0.06
2 to 3 year	0.37	0.09
3 to 4 year	0.42	0.28
4 to 5 year	0.47	0.29
5 to 6 year	1.72	0.28
6 year onwards	14.42	10.06
Total	17.59	11.12

C. Compensated absences (non-funded)

(i) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	26.55	39.01
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	26.55	39.01

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Total service cost	14.84	25.92
Net interest cost on defined benefit obligation	2.64	1.47
Net actuarial (gain)/loss recognised during the year	(24.29)	(10.05)
Amount recognised in the statement of profit and loss	(8.81)	17.33



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

37 Related party disclosures

A List of related parties and disclosures

Holding Company:

Satin Creditcare Network Limited

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Satin Neo Dimensions Pvt. Ltd.

Key managerial personnel and their relatives:

Name of key managerial personnel	Designation	Relatives
Mr. H P Singh	Director	Mr. Satvinder Singh Mrs. Anureet H P Singh
Mr. Sumit Mukherjee	Director & CEO	-
Mr. Jitendra Jain*	Chief Financial Officer	-
Mr. Arjun Bansal*	Chief Financial Officer	-
Mrs. Bhonu Priya**	Company Secretary	-
Mr. Puneet Jolly	Company Secretary	-

* Mr. Jitendra Jain resigned from Chief Financial Officer w.e.f May 31, 2021 and Mr. Arjun Bansal joined w.e.f June 16, 2021

** resigned from company secretary w.e.f March 30, 2021

B Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	Nature of transaction	For the period ended March 31, 2022	For the period ended March 31, 2021
Mr. H P Singh	Personal Guarantee given	2,000.00	-
	Facilitation charges Income	5.00	-
Satin Creditcare Network Limited	Technology sharing services expense	63.00	39.29
	Fees for corporate guarantee	-	9.44
	Payment of rent for office space sharing	21.52	24.86
Tarashna Financial Services Limited	DSA Commission expenses	18.03	23.49
	Payment of rent for office space sharing	1.26	-
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan given	-	150.00
	Interest income on loan	20.16	9.20
	Repayment received against loan	43.94	14.27
Mr. Sumit Mukherjee	Remuneration	96.92	70.00
Mr. Arjun Bansal	Remuneration	16.63	-
Mr. Puneet Jolly	Remuneration	13.00	0.84
Mr. Jitendra Jain	Remuneration	5.26	23.56
Mrs. Bhonu Priya	Remuneration	-	7.31

C Outstanding balances with related parties in ordinary course of business:

Name of related party	Nature of balance	March 31, 2022	As at March 31, 2021
Satin Neo Dimensions Pvt. Ltd.	Inter corporate loan Receivable	91.79	135.73
	Accrued Interest Receivable	1.28	1.90
Tarashna Financial Services Limited	DSA Commission Payable	-	(1.52)
Satin Creditcare Network Limited	Fees for corporate guarantee	6.12	8.01

Note:

1. Mr. H. P Singh, director of the company has given personal guarantee for term loan taken from bank. Outstanding as of March 31, 2022 is Rs. 19,16.67 Lakh (Previous Year: Nil)

D Key management personnel remuneration includes the following expenses:

Particulars	For the period ended March 31, 2022	For the period ended March 31, 2021
Short-term employee benefits	131.81	101.71
Post employment benefits	1.64	3.14
Other long-term benefits	(4.41)	10.11

SATIN PINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

38 Segment Information

The Company operates in a single business segment i.e. lending to customers who have similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

39 Leases

The Company has taken various office premises under lease arrangements. Generally, the lease term varies from 33 months to 60 months and is renewable under mutually agreed terms between lessee and lessor and there is no exclusive right to the company. The company has considered leases having initial lease term of upto 12 months as short term leases as per para 6 of Ind AS 116 and their expenses have been recognised as Rent under note 31. For all other leases having lease term of more than 12 months a right of use asset is recognised with a corresponding lease liability. The right of use asset is disclosed under Property, Plant and Equipment and lease liability is disclosed under Borrowings. Further disclosures as on March 31, 2022 are as follows:

1 The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	Right of use asset Office Premises as on 31-03-2022	Right of use asset Office Premises as on 31-03-2021
Total number of leases	13	11
Number of leases considered as short term leases	5	4
No. of right-of use assets leased	8	7
Range of remaining term	From 7 Months to 46 months	From 17 Months to 54 months
Average remaining lease term	26 months	35 months
No. of leases with extension options	8	7
No. of leases with purchase options	0	0
No. of leases with variable payments linked to an index	0	0
No. of leases with termination options	0	0

2 Additional information on the right-of-use assets by class of assets is as follows:

Particulars	Right of use asset Office Premises as on 31-03-2022	Right of use asset Office Premises as on 31-03-2021
Carrying amount as on March 31, 2021	69.10	20.42
Reclassified on account of adoption of Ind AS 116	-	-
Addition	43.66	68.16
Depreciation	27.34	14.40
Deletion	4.42	5.08
Carrying amount as on March 31, 2022	81.00	69.10

3 Lease liabilities are presented in the statement of financial position as follows:

Particulars	As at March 31, 2022	For the year ended March 31, 2021
Current	23.56	18.55
Non-current	65.83	54.24
Total	89.39	72.80

4 At 31 March 2022 the Company do not have any committed leases which had not commenced.

5 The undiscounted maturity analysis of lease liabilities at 31 March 2022 is as follows:

Particulars	Lease payments	Finance charges	Net present value
Within 1 year	32.21	8.65	23.56
1-2 years	28.78	6.09	22.69
2-5 years	47.93	4.79	43.14
Total	108.93	19.53	89.39

The undiscounted maturity analysis of lease liabilities at 31 March 2021 is as follows:

Particulars	Lease payments	Finance charges	Net present value
Within 1 year	25.70	7.15	18.55
1-2 years	23.07	5.02	18.06
2-5 years	41.08	4.90	36.18
Total	89.85	17.06	72.80

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



SATIN PINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

6 Operating leases

The Company has taken on lease certain assets under operating lease arrangements. The contractual future minimum lease payment obligation in respect of these leases are as under:

Office premises

Particulars	March 31, 2022	March 31, 2021
Short term leases	22.77	31.70
Leases of low value assets	-	-
Variable lease payments	-	-
Total	22.77	31.70

7 The Company had total cash outflows for leases of Rs. 57.48 Lakhs in financial year ended on 31 March 2022 (Rs. 40.49 Lakhs in 31 March 2021).

8 The following are the amounts recognized in profit or loss:

Particulars	March 31, 2022	March 31, 2021
Depreciation expense of right-of-use assets	27.34	14.40
Interest expense on lease liabilities	10.98	5.41
Expense relating to short-term leases (included in other expenses)	22.77	31.70
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognized in profit or loss	61.09	51.51

9

The Company has lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 11 months and 5 years years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

10 The Company does not have any lease contracts that contains variable payments.

11 Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included by the lease term:

	Within five years	More than five years	Total
Extension options expected not to be exercised (Count)	-	-	-
Termination options expected to be exercised (Count)	-	-	-
Extension options expected not to be exercised (Amount in Lakhs)	-	-	-
Termination options expected to be exercised (Amount in Lakhs)	-	-	-
	-	-	-

Since the company has adopted Ind AS 116 w.e.f. April 1, 2019 prospectively, comparative figures are not required to be disclosed in accordance with standard.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

40 Contingent liability and Capital & other commitments

No contingent liabilities as on 31st March 2022 (previous year Nil). Estimated amount of contracts remaining to be executed on capital account is Nil (previous year Nil). Other commitments is Nil as on 31st March 2022 (previous year Nil).

40.1 Estimates

a) Impairment of financial assets based on expected credit loss model

40.2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets is measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

41 Impact of COVID-19 Pandemic

The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the all the three waves of Covid, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

41A Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of loan receivables & other receivables, property plant & equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

41B Impact of Covid-19 on loan receivables and Revenue from Operations

The Company has evaluated the impact of COVID - 19. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company holds provisions as at March 31, 2022 against the potential impact of COVID-19 based on the information available at this point in time. The provisions held by the Company are in excess of the RBI prescribed norms.

41C Impact of Covid-19 on Loan allowance for loan receivables and other receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions. In calculating expected credit loss on loan receivables and other receivables, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

41D Impairment assessment of Property plant and equipment, Intangible assets

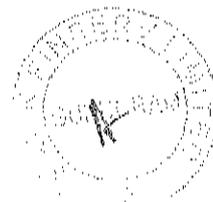
The Company is engaged primarily in providing Loan to the middle and lower end of the pyramid income customer for their business need. Considering the nature of business the Company does not have major PPE assets. As at March 31, 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to Covid 19 is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

41E Credit risk on cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks. Company also invests in mutual funds and reviews the portfolio on regular basis. Mutual Funds with high quality portfolio are preferred. Company has considered the latest available credit ratings in view of COVID - 19 as at the date of approval of these financial statements.

41F Contingencies

The economic consequences and uncertainties resulting from the Coronavirus itself or from actions taken by governments and the company to respond to the outbreak may have an impact on contingent liability. Liabilities previously meeting or not meeting the definition of a contingent liability may need to be reconsidered for the purpose of disclosure in financial statement. Same has been duly considered by the management.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

42. Additional disclosures as required by the Reserve Bank of India:-

(i) Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2022	As at March 31, 2021
CRAR (%)	64.04	80.23
CRAR - Tier I Capital (%)	63.63	79.32
CRAR - Tier II Capital (%)	0.41	0.91
Liquidity Coverage Ratio	1427%	1181%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by Issue of Perpetual Debt Instruments	-	-

(ii) Disclosure of investments:-

Particulars	As at March 31, 2022	As at March 31, 2021
Value of Investments		
Gross Value of Investments		
(a) In India	-	-
(b) Outside India	-	-
Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
Net Value of Investments		
(a) In India	-	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

(iii) Derivatives:-

The Company has no transactions/exposure in derivatives in the current period and previous period.

(iv) Disclosure relating to securitization:-

The Company has no transactions/exposure in securitization in the current period and previous period.

(v) Details of assignment transactions undertaken:-

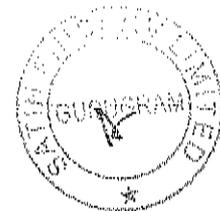
The Company has no transactions/exposure in assignment transactions in the current period and previous period.

(vi) Details of financial asset sold to Securitisation / Reconstruction Company for asset reconstruction:-

The Company has not sold financial assets to Securitisation / Reconstruction Companies for asset reconstruction in the current period and previous period.

(vii) Details of non-performing financial assets purchased / sold:-

The Company has not purchased/sold non-performing financial asset in the current period and previous period.



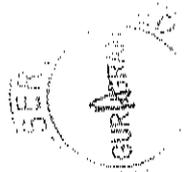
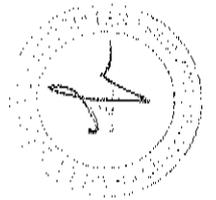
SATIN FINISERY LIMITED
Notes to the Financial Statements for the period ended March 31, 2022
(All amounts in Lakhs, unless otherwise stated)

(vii) Asset Liabilities Management Maturity pattern of certain items of assets and liabilities:-
As at March 31, 2022

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt Securities	-	-	-	-	-	52.74	-	497.64	-	-	550.38
Borrowings from Banks	0.38	-	-	42.05	-	126.17	252.42	1,007.81	438.38	-	1,929.27
Market Borrowings (other than Banks)	66.88	27.78	156.88	230.22	254.36	604.10	1,400.71	2,455.62	238.26	-	5,104.93
Assets											
Advances	141.67	53.22	293.62	257.68	-	87.13	1,732.45	10,343.16	2,079.85	568.94	16,738.22
Cash and cash equivalents	627.17	529.00	0.56	552.49	-	-	-	-	-	-	1,709.22
Bank balances other than cash and cash equivalents	-	-	-	-	-	-	-	-	202.19	-	202.19

As at March 31, 2021

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one Month to 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities											
Debt Securities	-	-	-	-	-	50.35	-	500.00	-	-	550.35
Market Borrowings (other than Banks)	26.08	27.78	87.32	136.32	133.33	395.82	664.96	1,007.18	59.63	-	2,600.34
Assets											
Advances	122.41	61.69	254.65	261.93	250.24	819.64	1,419.28	5,982.09	3,236.54	600.23	13,098.92
Cash and cash equivalents	830.36	-	0.50	-	-	-	-	-	-	-	830.86



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(vii) **Exposure to real estate sector:-**

The Company has no exposure to real estate sector during the current period and previous period.

(ix) **Exposure to capital market:-**

The Company has no exposure to capital market during the current period and previous period.

(x) **Information on instances of fraud:-**

Nature of fraud (cash embezzlement by employee)	For the year ended	
	March 31, 2022	March 31, 2021
Number of Cases	-	1
Amount of Fraud	0.22	-
Recovery	-	-
Amount written off	0.22	-

Nature of fraud (Borrower)	For the year ended	
	March 31, 2022	March 31, 2021
Number of Cases	-	1
Amount of Fraud	-	222.24
Recovery	-	-
Amount written off	-	222.24

(xi) **Details of single borrower limit exceeded by applicable NBFC:-**

The Company does not have single borrower exceeding the limits during the current period and previous period.

(xii) **Details of financing of parent Company product:-**

The Company does not have such transaction during the current period and previous period.

(xiii) **Registration obtained from other financial sector regulators:-**

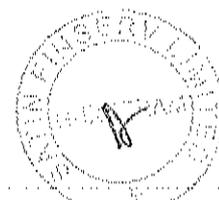
The Company is registered with the 'Ministry of Corporate Affairs' (Financial regulators as described by Ministry of Finance).

(xiv) **Disclosure of Penalties imposed by RBI & other regulators:-**

No penalties imposed by RBI and other regulators during the current period and previous period.

(xv) **Concentration of Advances, Exposures and NPAs**

Particulars	As at	
	March 31, 2022	As at March 31, 2021
Concentration of Advances		
Total advances to twenty largest borrowers	7,621.59	7,255.80
(%) of advances to twenty largest borrowers to total advances	47.10%	56.42%
Concentration of Exposures		
Total exposure to twenty largest borrowers	7,621.59	7,255.80
(%) of exposure to twenty largest borrowers to total exposure	47.10%	56.42%
Concentration of NPAs		
Total exposure to top four NPA accounts	288.10	38.93
(%) of exposure to top four NPA accounts	1.78%	0.90%



SATIN FINISERY LIMITED

Notes to the Financial Statements for the period ended March 31, 2022

(All amounts in Lakhs, unless otherwise stated)

(xvi) Movement of NPAs:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Net NPAs to net advance (%)	3.32%	0.89%
ii) Movement of NPAs (Gross)		
a) Opening balance	201.52	69.35
b) Addition during the year	796.08	378.16
c) Reduction/ write off during the year	97.60	245.99
d) Closing balance	899.99	201.52
iii) Movement of NPAs (Net)		
a) Opening balance	92.66	31.16
b) Addition during the year	542.18	307.49
c) Reduction/ write off during the year	97.60	245.99
d) Closing balance	537.24	92.66
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	108.86	38.19
b) Addition during the year	253.89	70.67
c) Reduction/ write off during the year	-	-
d) Closing balance	362.75	108.86

(xvii) Unsecured advances - refer note 6 of Balance Sheet Notes

(xviii) Provisions & contingencies (shown under Expenses head in statement of profit & loss)

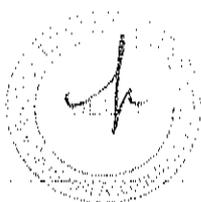
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provision for standard and non performing assets	317.34	87.39
Provision for gratuity	9.57	7.64
Provision for compensation absences	(8.81)	23.83

(xix) Un-hedged foreign currency

The Company does not have any foreign currency transaction during the current and previous period.

(xx) Customer complaints:-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Number of complaints pending at the beginning of the year	-	-
b) Number of complaint received during the year	8	10
c) Number of complaint redressed during the year	8	10
d) Number of complaint pending at the end of the year	-	-



SATIN FINISERY LIMITED
 Notes to the Financial Statements for the period ended March 31, 2022
 (All amounts in Lakhs, unless otherwise stated)

(xvii) Disclosure of details as required under notification issued by RBI dated March 13, 2020, RBI/2019-20/170, DOR (SBFC) CC.FD.No.109/ZI.00.106/2019-20

Asset Classification as per RBI Norms	(1)	(2)	(3)	(4)	(5) = (3) + (4)	(6)	(7) = (5) - (6)
Asset Classification as per Ind AS 109							
Performing Assets							
Standard		Stage 1	14,632.00	66.63	14,565.37	58.53	8.10
Subtotal		Stage 2	1,206.23	126.05	1,080.17	4.82	121.23
Non-Performing Assets (NPA)		Stage 3	759.13	305.73	453.40	75.91	229.82
Substandard		Stage 3	140.06	57.82	82.24	28.17	28.85
Doubtful - up to 1 year		Stage 3	Nil	Nil	Nil	Nil	Nil
1 to 3 years		Stage 3	Nil	Nil	Nil	Nil	Nil
More than 3 years		Stage 3	140.86	57.02	83.84	28.17	28.85
Subtotal for doubtful		Stage 3	Nil	Nil	Nil	Nil	Nil
Loss		Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal for NPA		Stage 3	Nil	Nil	Nil	Nil	Nil
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms		Stage 1	Nil	Nil	Nil	Nil	Nil
		Stage 2	Nil	Nil	Nil	Nil	Nil
		Stage 3	Nil	Nil	Nil	Nil	Nil
Subtotal		Stage 3	Nil	Nil	Nil	Nil	Nil
Total		Total	16,738.22	555.43	16,182.79	139.27	359.15

(xviii) Disclosure of stress assets as required under notification issued by RBI dated August 06, 2020, RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 read with notification issued by RBI dated and May 05, 2021, RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 (INR in Lakhs)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal					
Loans					
Corporate					
Partners*	355.15				328.93
Others -					
ALMEX					
Others -	1,608.46	288.20			1,154.15
MSME					
Total	1,963.61	288.20		182.33	1,483.08

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.



SATIN FINSERV LIMITED

Notes to the Financial Statements for the period ended March 31, 2022.

(All amounts in Lakhs, unless otherwise stated)

43 The Board of Directors of the Company in their meeting held on August 03, 2021, has approved the Scheme of Arrangement for Amalgamation between Taraashna Financial Services Limited (Transferor Company) and Satin Finserv Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application has been filed before Hon'ble NCLT Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors. The said first motion application is reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022.

44 Previous year figures have been re-grouped/re-classified wherever necessary to make it comparable with the figure presented for the year ended 31st March 2022.

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

As per our report of even date attached

For Rajeev Bhatia & Associates
Chartered Accountants

Firm's Registration No.: 021776N

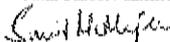


Jatin Gbel
Partner
M No. 553420



Place : Gurugram
Dated: April 27, 2022

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



Sumit Mukherjee
DIN: 08369056

WTD & CEO
Place : Gurugram



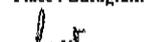
Arjun Bansal
Chief Financial Officer
Place : Gurugram

Dated: April 27, 2022



Harvinder Pal Singh
DIN: 00333754

Director
Place : Gurugram



Pooja Jolly
Mem No: 43608
Company Secretary
Place : Gurugram



BOARD'S REPORT

Dear Members,

Your Board of Directors takes pleasure in presenting the 4th Board's Report of Satin Finserv Limited ("SFL" or "Company"), along with the Audited Financial Statements for the financial year ended March 31, 2022.

BACKGROUND

SFL is a Non-Deposit taking Systematically Important Non- Banking Finance Company holding certificate of Registration from the Reserve Bank of India ("RBI") dated January 09, 2019. SFL is wholly owned subsidiary of Satin Creditcare Network Limited. The Company is engaged in the business to provide finance i.e. short term or long term to micro, small and medium scale enterprises and to individuals. Further, also engaged in providing corporate loans.

FINANCIAL HIGHLIGHTS

The Financial Highlights of your Company are as follows:

Particulars	(In Rs. Lakhs)	
	March 31, 2022	March 31, 2021
Revenue from Operations	2,714.91	2,423.67
Other Income	43.38	57.21
Total revenue	2,758.29	2,480.88
Expenses		
Employee Benefit expenses	907.65	714.39
Impairment on financial instruments	414.94	333.38
Finance cost	691.09	438.89
Depreciation and amortization expenses	46.55	24.73
Other expenses	428.02	326.92
Total expenses	2,488.25	1,838.31
Profit before Tax	270.04	642.57
Earnings per share		
Basic	0.18	0.47
Diluted	0.18	0.47

During the period under review, your Company has disbursed Rs. 9,561.50 Lakhs and has ended the year with the AUM of Rs. 16,633.08 Lakhs.

Your Company's total Income during the period ended March 31, 2022 are Rs. 2,758.29 Lakhs and net profit after tax of Rs. 180.95 lakhs.

REVIEW OF OPERATIONS OF THE COMPANY/STATE OF AFFAIRS

The Company offers small ticket business Loans against collateral of property. As at March 31, 2022, SFL had 4,262 loans and 14 branches across 8 states. The Company plans to continue its growth journey by opening more branches and further investing in technology to optimize operating costs and improve collection efficiency.

During the year under review, the Company has reported profit before tax of Rs. 270.04 Lakhs as compared to profit before tax of Rs. 642.57 Lakhs for the previous year.

COVID PANDEMIC

The coronavirus pandemic is the most serious challenge to Banks and NBFCs in nearly a century as they will be coping with a long-term slowdown in the coming time. At the backdrop the economic fallout being witnessed by the global/domestic economy, the Company continues to believe that its overall financial profile, capitalization levels, promoter support and optimised risk management systems should maintain a well managed ALM and remain compliant with statutory ratios.

- ✓ During the Second lockdown, we took an initiative to provide support to our customers through regular interaction.
- ✓ In line with the guidance issued by RBI, moratorium option was provided to all eligible customers.
- ✓ The wellbeing of our people is always our utmost priority. We undertook several initiatives for their safety and awareness during the COVID outbreak. The Company has initiated vaccination drive for all employees at its own cost.
- ✓ In addition to above, the Company has provided insurance cover for COVID for all employees. Also, the Company has not laid off any employees on compassionate ground during COVID crisis.
- ✓ Whereas COVID was real and unfortunate which took death of people across the world. However, to support the family of employees who unfortunately died from COVID, the Company has introduced SATIN Sahyog, wherein the benefit regarding term life insurance, PF EDLI and pension or jobs to family members and educational supports were provided to employees who unfortunately died from COVID.
- ✓ Engaging all business partners digitally and through Work from Home (WFH) protocol for business continuity.

Further, the Company also taken pride in the submitting that it was able to implement the Business Continuity Plan within very small time after the outbreak of pandemic and announcement of lock down. This ensured that Company was able to maintain the constant connect with its customers and vendors even during the lock down.

OPERATIONAL HIGHLIGHTS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Number of Branches	14	12
Number of Active Borrowers	4,262	1,725
Gross Loan Portfolio (in Lakhs)	16,633.08	13,073.49
Number of Employees	230	138
Total Disbursement (in Lakhs)	9,561.50	5,968.40
No. of States (in Operation)	8	7

The whole industry was impacted on account of COVID -19. Due to the Pandemic SFL'S gross non-performing asset ratio increased to 4.90% (GNPA - FY21: 1.50%) and net non-performing asset is 2.72% (NNPA - FY21: 0.67%) as at March-2022.

RESERVES

The Company is required to create a statutory reserve under Section of 45IC of RBI Act, 1934 and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss and before any dividend is declared. In view of the same during FY 21-22 an amount of Rs. 36.64 Lakhs has been transferred to such reserve.

DIVIDEND

Keeping in mind, the future business expansion and consequent need to maintain the fund requirements for the same, the directors have decided not to recommend any dividend for financial year 2021-22.

CAPITAL STRUCTURE

Authorized Share Capital

During the period under review, there is no change in Authorised Share Capital of the Company. As at March 31, 2022, the Authorized Share Capital of your Company is Rs. 1,030,000,000/- (Rupees One Hundred and Three Crores) divided into 103,000,000 (Ten Crore Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each.

Paid-up Share Capital

During the period under review, there was no equity infusion in the Company. As at March 31, 2022, the Paid up Share Capital of the Company stood at Rs. 1,025,000,000 (Rupees One Hundred Two Crores and Fifty Lakhs) divided into 102,500,000 (Ten Crores and Twenty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten) each.

BORROWINGS

During FY 2021-22, the Company met its funding requirements through debts, from Financial Institutions and Banks. The details of borrowings availed or outstanding as on March 31, 2022 are listed below:

Name of the lender	Type of facility (Term Loan/CC/Bank Guarantee etc.)	Outstanding Amount as on Mar-21 (In Rs. Lakhs)	Outstanding Amount as on Mar-22 (In Rs. Lakhs)
CSB Bank Limited	Non-convertible debentures	500	500.00
MAS Financial Services Limited	Term Loan	1,500.00	1,494.44
Vivriti Capital Private Limited	Term Loan	0	0
Northern Arc Capital Limited	Term Loan	0	903.74
Caspian Impact Investments Pvt Ltd	Term Loan	500.00	388.89
Eclear Leasing & Finance Pvt Ltd	Term Loan	500.00	406.99
Maanaveeya Development & Finance Pvt Ltd	Term Loan	1,000.00	857.20
Nabkisan Finance Ltd	Term Loan	500.00	416.67
Netafim Agricultural Financing Agency Pvt Ltd	Term Loan	700.00	700.00
State Bank of India	Term Loan	2,000.00	1,916.67
HDFC Bank Ltd	Term Loan	14.80	12.56
	Total	6,714.8	7,597.16

The Company has been regular in servicing all its debt obligations.

DEPOSITS

The Company has not accepted/received any deposit during the year under review falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Your Company is registered with the Reserve Bank of India (RBI), as a Non-Deposit accepting NBFC under Section 45-1A of the RBI Act, 1934. Your Directors hereby report that the Company has not accepted any public deposits during the year under review and it continues to be a non-deposit taking non-banking financial company in conformity with the guidelines of the RBI. As such no amount of principal and interest was outstanding during the year .

RBI NORMS AND STANDARDS

The Company is in compliance of the regulatory requirement of Net Owned Funds (NOF) as defined under Section 45-IA of the RBI Act, 1934, to carry on the business of a NBFC-NDSI.

The Company has complied and continues to comply with all the applicable regulations and guidelines issued by RBI such as Capital Adequacy, Net Owned Funds, provisioning for Non-Performing Assets and for Standard Assets, Concentration of Credit and Investment, filings, etc. The Capital to Risk Assets Ratio ("CRAR") of the Company is as follow as on March 31, 2022.

Particulars	As at March 31, 2022	As at March 31, 2021
CRAR (%)	64.30	80.23
CRAR - Tier I Capital (%)	63.89	79.32
CRAR - Tier II Capital (%)	0.41	0.91
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

In line with the RBI guidelines for Asset Liability Management (ALM) system for NBFCs, the Company has an Asset Liability Management Committee which meets periodically to review its ALM risks and opportunities. The Company is also in compliance with the NBFC – Corporate Governance Norms.

FAIR PRACTICE CODE

Your Company has adhered to Board approved Fair practice code in terms of applicable RBI guidelines. The Board approved Fair Practice Code is disclosed on the website of the Company at www.satinfinserv.com.

COMPLIANCE OF INFORMATION TECHNOLOGY FRAMEWORK FOR THE NBFC SECTOR

Pursuant to RBI Master Direction-Information Technology Framework for the NBFC sector, the Company has constituted an IT Strategy Committee to review the IT strategies in line with its corporate strategies, cyber security arrangements and any other matter related to IT governance. The IT Strategy Committee is constituted with requisite composition, terms of reference and meet regularly to discuss the requirements as specified under RBI Guidelines.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 and SS-2 on Meetings of the Board of Directors and General Meetings, respectively.

CHANGE IN NATURE OF BUSINESS

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

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The Board of Directors of the your Company in their meeting held on August 03, 2021, has approved the Scheme of Arrangement for Amalgamation between Taraashna Financial Services Limited (Transferor Company) and Satin Finserv Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application has been filed before Hon'ble NCLT Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors of respective companies. The said first motion application was reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022. The amalgamation is under process as on date.

CHANGE OF REGISTERED OFFICE OF THE COMPANY

The Board of Directors and members of the Company in their meetings held on August 03, 2021 and August 06, 2021, respectively, had approved the shifting of Registered Office of the Company from “NCT of Delhi” to “State of Haryana”. The Regional Director, Northern Region, Ministry of Corporate Affairs has approved/confirmed the said shifting of Registered Office vide order dated October 26, 2021. The concerned ROC has issued revised Certificate of Registration of Regional Director order for Change of State dated November 11, 2021. Accordingly, as on March 31, 2022, the registered office of the Company was 4th Floor, 'B' Wing Plot No. 492, Udyog Vihar Phase- III, Gurugram – 122016, Haryana and consequently CIN of the Company revised as U65999HR2018PLC099128.

PARTICULARS OF LOAN, INVESTMENT, GUARANTEE

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

Since the Company is Non- Banking Financial Company, the disclosures regarding particulars of the loans given, guarantees given and security provided is exempt under the provisions of Section 186(11) of the Companies Act, 2013. Further, the details of investments made by the Company are given in the Notes to the Financial Statements.

HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company is wholly-owned subsidiary of Satin Creditcare Network Limited. Your Company does not have any subsidiary, joint venture and associate Company within the meaning of clause (6) Section 2 of the Companies Act, 2013 at any time during the year ended March 31, 2022.

ANNUAL RETURN

Pursuant to the provision of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 and rules made thereunder, the Annual Return, after filling with concerned ROC as on March 31, 2022 will be available at the website of the Company at www.satinfinserv.com.

RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPTs) entered by the Company during the year under review, were on arms' length basis and in the ordinary course of business.

During the FY 2021-22, as required under section 177 of the Act, all RPTs were approved by the Audit Committee and Board of Directors of the Company. A statement on “Related Party Disclosures” showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS 24) issued by The Institute of Chartered Accountants of India, read with the Companies (Indian Accounting standards) Rules, 2015, are given in the Notes to the Financial Statements.

There was no material significant related party transaction made by your Company with its Promoters, Directors, Key Managerial Personnel's or other related party which might have a potential conflict with the interest of the Company at large. All the RPTs arrangement are done on arm lengths basis and ordinary course of business during the FY 2021-22. Pursuant to Section 134(3)(h) and Section 188(2) of the Companies Act, 2013 and rules made thereunder (any modification, amendment thereunder), form AOC-2 is attached to as **Annexure - I** to Board's Report.

CSR EXPENDITURE

The provisions of Section 135 of the Companies Act, 2013 and rules made thereunder, are applicable on the Company. Hence, the Company has incurred expense of Rs. 4.30 Lakhs on CSR Activities i.e. through Implementing Agency [S. Amar Singh Educational Charitable Trust] to support Educational Initiatives for Less

Privileged Students during the FY 2021-22. The details of CSR plan and activities are disclosed on Company's website at www.satinfinserv.com.

DIRECTORS AND KEY MANAGERIAL PERSONEL (KMP)

a. Board of Directors

As on March 31, 2022, the Board of Directors comprises of 5 (Five) Directors, consisting 3 (Three) independent directors, 1 (one) non-executive director and 1 (one) whole time director. The details are as follows:

S. No.	Name of Director(s)	Category of Director(s)
1.	Mr. Harvinder Pal Singh	Non-executive Director
2.	Mr. Sumit Mukherjee	Whole-time Director
3.	Mr. Anil Kumar Kalra	Independent Director
4.	Mr. Sundeep Kumar Mehta	Independent Director
5.	Ms. Jyoti Ahluwalia	Independent Director

In compliance with applicable statutory provisions, Ms. Jyoti Ahluwalia (DIN: 09112407) was appointed as Independent Director by members of the Company in their annual general meeting held on June 14, 2021 for five consecutive years starting from March 30, 2021 to March 29, 2026.

The composition of the Board is in conformity with the Act and other applicable laws

b. Key Managerial Personnel

During the year under review, Mr. Arjun Bansal was appointed as Chief Financial Officer of the Company w.e.f. August 3, 2021 in place of Mr. Jitendra Jain who had resigned w.e.f. May 31, 2021 (close of business hours).

As on March 31, 2022, Mr. Sumit Mukherjee, Whole-time Director, Mr. Arjun Bansal, Chief Financial Officer and Mr. Puneet Jolly, Company Secretary, are Key Managerial Personnel of the Company.

c. Retire by Rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sumit Mukherjee (DIN: 08369056), Director of the Company is liable to retire by rotation and being eligible offers himself for reappointment at ensuing Annual General Meeting. Your Board of Directors recommends his re-appointment as a Director liable to retire by rotation.

The appointment of directors and senior management are as per recommendation of the Nomination & Remuneration Committee of the Company, Fit and proper criteria of Company's policy and applicable RBI guidelines.

BOARD MEETINGS

The Board of Directors, along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company.

the Board met 6 (Six) times during the year under review. The meetings were held on following dates May 15, 2021, August 03, 2021, August 30, 2021, October 25, 2021, January 29, 2022 and March 30, 2022.

Attendance of Directors who attended Board Meetings held during the period under review are as follows.

Name of the Director	Nature of Directorship	No. of Board Meeting during the year
----------------------	------------------------	--------------------------------------

		Held during their tenure	Attended
Mr. Harvinder Pal Singh	Director	6	6
Mr. Sumit Mukherjee	CEO & Whole-time Director	6	6
Mr. Sundeep Kumar Mehta	Independent & Non-executive Director	6	6
Mr. Anil Kumar Kalra	Independent & Non-executive Director	6	6
Ms. Jyoti Ahluwalia	Independent & Non-executive Director	6	6

COMMITTEES OF THE BOARD

As at year end, the Board of Directors of the Company has following statutory committees:

1. Audit Committee

The Audit Committee constituted in terms of section 177 of the Companies Act, 2013 and in terms of RBI guidelines. The Committee comprises of 3 (Three) members including 2 (Two) Independent Directors.

The Audit Committee oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the law. The Audit Committee also reviews performance of the Statutory Auditors, the Internal Auditors, adequacy of the internal control system.

During the year under review, the Audit Committee met 4 (Four) times on May 05, 2021, August 03, 2021, October 25, 2021 and January 29, 2022. The details of the attendance of the Directors at the Audit Committee meetings are given below.

Name of the Audit Committee Members	Nature of Directorship	No. of Committee Meeting during the year	
		Held during their tenure	Attended
Mr. Sundeep Kumar Mehta	Independent & Non-executive director (Chairperson)	4	4
Mr. Harvinder Pal Singh	Non Independent & Non Executive director	4	4
Mr. Anil Kumar Kalra	Independent & Non-executive director	4	4

2. Nomination & Remuneration Committee

The Nomination and Remuneration Committee ("NRC") constituted in terms of section 178 of the Companies Act, 2013 and in terms of applicable guidelines issue by RBI. Currently NRC comprises of 3 (Three) members including 2 (Two) Independent Directors.

The Nomination and Remuneration Committee is to assist the Board of Directors in matters related to the appointment and to recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other senior employees.

During the year under review, the NRC met 4 (four) times on May 15, 2021, August 03, 2021, August 30, 2021 and March 30, 2022. The details of the attendance of the Directors at the NRC meetings are given below.

	Nature of Directorship	No. of Committee Meeting during the year
--	------------------------	--

Name of the Nomination & Remuneration Committee Members		Held during their tenure	Attended
Mr. Sundeeep Kumar Mehta	Independent & Non-executive director (Chairperson)	4	4
Mr. Harvinder Pal Singh	Non Independent & Non Executive director	4	4
Mr. Anil Kumar Kalra	Independent & Non-executive director	4	4

3. Asset Liability Management Committee

The Asset Liability Management Committee (“ALCO Committee”) constituted in terms of the RBI guidelines as applicable on NBFC- NDSI. The Committee comprises with 3 (Three) members. The functions of the ALCO Committee include addressing concerns regarding asset liability mismatches, interest rate risk exposure and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulation.

During the year under review, the ALCO Committee met 3 (Three) times on April 02, 2021, October 01, 2021 and March 24, 2022. The details of the attendance of the Directors at the ALCO Committee meetings are given below:

Name of the Asset Liability Management Committee Members	Designation	No. of Committee Meeting during the year	
		Held during their tenure	Attended
Mr. Harvinder Pal Singh	Non- Independent & Non-executive director	3	3
Mr. Jitendra Jain*	Chief Financial Officer	1	1
Mr. Sumit Mukherjee	Non- Independent & executive director	3	2
Mr. Arjun Bansal*	Chief Financial Officer	2	2

* Mr. Jitendra Jain has resigned from the post of Chief Financial Officer w.e.f. May 31, 2021 (after closing of business hours) and Mr. Arjun Bansal was appointed as Chief Financial Officer w.e.f. August 03, 2021 and consequently appointed as member of Asset Liability Management Committee w.e.f. August 03, 2021.

4. IT Strategy Committee

The Committee was constituted in terms of RBI prescribed IT framework. The IT Strategy Committee comprises with 4 (Four) members. Chairperson of the IT Strategy Committee is Independent Director as required under applicable RBI IT framework.

The functions of the IT Strategy Committee include approval of IT strategies and policy documents to ascertain whether the company’s management has implemented processes / practices which ensure that IT delivers value to business, that the budgets allocated vis-à-vis IT investments are commensurate, monitor methods adopted to ascertain the IT resources needed to achieve strategic goals of the Company and to provide high-level directions for the sourcing and use of IT resources.

During the year under review, the committee met 2 (Two) times on May 05, 2021 and November 02, 2021. Details of the attendance along with committee composition given below:

	Designation	No. of Committee Meeting during the year

Name of the IT Strategy Committee Members		Held during their tenure	Attended
Mr. Sundeep Kumar Mehta	Independent director and Non-executive director	2	2
Mr. Sumit Mukherjee	Non Independent & Executive director	2	2
Mr. Jitendra Jain*	Chief Financial officer	1	1
Mr. Sanjay Mahajan*	Chief Information officer (Holding Company- Satin Creditcare Network Limited)	1	1
Mr. Arjun Bansal*	Chief Financial Officer	1	1
Mr. Susheel Kr. Menon*	IT Head (Holding Company- Satin Creditcare Network Limited)	1	1
Mr. Sunil Yadav**	IT Head (Holding Company- Satin Creditcare Network Limited)	NA	NA

*Mr. Arjun Bansal and Mr. Susheel Kr. Menon were appointed as members of IT Strategy Committee in place of Mr. Jitendra Jain and Mr. Sanjay Mahajan respectively.

** Mr. Sunil Yadav has appointed as member of IT Strategy Committee in place of Mr. Susheel Kumar Menon by Board on January 29, 2022.

5. Risk Management Committee

The Company follows well-established and detailed risk assessment and minimization procedures. The Company especially focuses on improving its sensitivity to the assessment of risks and improving methods of computation of risk weights.

During the year under review, the Committee met 2 (Two) times on May 05, 2021 and October 25, 2021. Details of the attendance along with Committee composition given below:

Name of the Risk Management Committee Members	Designation	No. of Committee Meeting during the year	
		Held during their tenure	Attended
Mr. Sundeep Kumar Mehta	Independent director and Non-executive director	2	2
Mr. Anil Kumar Kalra	Independent director and Non-executive director	2	2
Mr. Harvinder Pal Singh	Non- Independent & Non-executive director	2	2
Mr. Sumit Mukherjee	Whole-time Director & CEO	1	1
Mr. Saurabh Lall	Head - Credit & Risk	1	1

STATEMENT ON DECLARATION "CERTIFICATE OF INDEPENDENCE" U/S 149 (6) FROM INDEPENDENT DIRECTORS AND DECLARATION AND UNDERTAKING AS PER APPLICABLE RBI GUIDELINES

Pursuant to section 149(6) read with schedule IV of the Companies Act, 2013, the Board has Independent Directors and there is an appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively. Also, the Company has Board approved Nomination & Remuneration Committee, as per norms of applicable RBI guidelines and provisions of the Companies Act, 2013, which ensures that the person is being appointed as director is fit and qualified to hold the position and evaluate the performance of the directors from time to time.

During the year under review, the Company has received Declaration of Independence from Mr. Sundeep Kumar Mehta, Mr. Anil Kumar Kalra and Ms. Jyoti Ahluwalia, Independent Directors of the Company pursuant to compliance with Section 149(6) of the Companies Act, 2013.

The Company has also received declaration and undertaking from each director on fit and proper criteria in terms of the provisions of Master directions on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time.

PERFORMANCE EVALUATION

Performance appraisal framework was formulated and adopted by the Board. The Board approved Nomination and Remuneration Committee has evaluated the performance of the Board as a whole and the Committees of the Board. The Board in consultation with the NRC has evaluated the performance of the Individual Directors (including Independent Directors and Non-Executive Directors).

Pursuant to the provisions of Sec 134(3)(p) read with Sec 178 of the Act, a formal evaluation of the performance of the Board, it's Committees, Individual Directors and the Chairperson of the meetings was carried out for FY 2021-22. The Independent Directors in their meeting held on March 30, 2022 has evaluated the performance of Board of Directors, Chairperson of the meetings and non-independent directors of the Company. The evaluation was carried out using questionnaire covering, amongst others, composition of board, effective decision making, advice and necessary guidance, open communication, meaningful participation, knowledge & expertise of Directors, contribution at Board meetings etc. Further, Individual Directors (Executive, Non-Executive and Independent) were evaluated in terms of participation in the meetings of Board and Committees, Education & Qualification, effective examination of the financial and other information related to the operations of the Company, raising of valid concerns, impartial & meaningful participation and adequate deliberations in the meeting.

Qualitative comments and suggestions of Directors were taken into consideration by the Board as a whole. The actions emerging from the Board evaluation process were collated and on consolidated basis, the summary of the ratings was prepared, and the report of performance evaluation so arrived at, was then noted and discussed by the Board at their meeting held on March 30, 2022. The entire performance evaluation process was completed to the satisfaction of Board.

INDEPENDENT DIRECTORS MEETING

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on March 30, 2022 inter alia, for the following:

1. To review the performance of Non-Independent Directors and the Board as a whole.
2. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

All Independent Directors i.e. Mr. Anil Kumar Kalra, Mr. Sundeep Kumar Mehta and Ms. Jyoti Ahluwalia were present at the meeting. The Independent Directors present at the meeting deliberated on the above and were satisfy with the performance of non-independent director and the board as a whole.

A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

Your Company has Board approved Nomination & Remuneration Policy (NRC Policy) which specify the fit & proper criteria, as mentioned under RBI guidelines. Appointment of all directors including Independent Directors takes places with the procedures prescribed by NRC Policy and with the recommendation of Nomination & Remuneration Committee and approval of the Board. The appointment of all the directors, took place after satisfying the fit & proper criteria and relevant approval(s). The Company has also received

Declaration cum Undertaking from directors, containing relevant past experience, educational background and knowledge of industry. The directors are registered with data bank and holds relevant experience of the Company's industry. The Independent Directors of the Company contains relevant experience, expertise and integrity.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has aligned its current systems of internal financial control with the requirement of the Companies Act, 2013. The Company is continuing to monitor the efficiency of internal controls through a comprehensive internal control framework which had been designed to ensure transparency and accountability in an organisation's process of designing and implementing a system of internal control. Through this framework risks in the Company are identified and analysed and appropriate responses are managed. Moreover, the Audit Committee reviews the audit reports submitted by internal auditors and statutory auditors of the Company. Suggestions for improvement are considered and the audit committee follows up on corrective action.

The Company's internal controls systems are commensurate with its size and the nature of its operations. These have been designed as well as operating effectively to provide a reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures and ensuring compliance of corporate policies.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company has a Whistle Blower Policy to deal with instances of fraud, unethical behaviour and mismanagement, if any. Whistle Blower Policy ensures that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism. The Whistle Blower Policy provides for adequate safeguards against victimization of persons and ensures that any employee, officer and director who violates the requirements of this policy will be subject to disciplinary action.

AUDITORS AND THEIR REPORTS

STATUTORY AUDITORS AND THEIR REPORT

M/s. Rajeev Bhatia & Associates, Chartered Accountants (ICAI Registration No. 021776N), have been appointed on the recommendation of Audit Committee of the Board of Director's (in conformity with the provisions of section 139 and 141 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including amendments thereto), as the Statutory Auditors of the Company for the period of 5 years from the conclusion of the first annual general meeting of the Company till the conclusion of sixth annual general meeting. The said appointment is in accordance with the applicable provisions of the Act and rules framed thereunder.

Your Company has also received a certificate for FY 2022-23 that they satisfy the eligibility criteria provided under section 141 of the Companies Act 2013 (includes amendments thereto) and took note of the same in audit committee and board meeting of the Company.

Further, as per applicable RBI requirement, the partner of statutory audit firm has rotated for signing of financial statements for the financial year ended March 31, 2022. The Company has received the confirmation by statutory auditors on rotation of partner in their eligibility letter.

AUDITORS' REPORT

The Auditors' Reports for the financial year 2021-22 does not contain any qualification, reservation, adverse remark or disclaimer. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments.

SECRETARIAL AUDITORS AND THEIR REPORT

The Board of Directors has appointed M/s S. Behera & Co., Company Secretaries (ICSI PCS Registration No. 5980), as Secretarial Auditor of the Company for FY 2021-22 for conducting the audit of the secretarial and related records of the Company. The secretarial audit report is annexed to this Board's Report as **Annexure II**. There is no qualification, reservation or adverse remark made in the Secretarial Audit Report.

INTERNAL AUDIT

The Board has appointed Mr. Harmanpreet Singh as Internal Auditors of the Company in their meeting held on October 25, 2021 pursuant to provisions of Section 138 of the Companies Act and rules made thereunder, after resignation of Mr. Rohit Kumar from the post of Internal Auditors. The Internal Auditors prepare audit report every quarter. Based on the reports of internal audit, function process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of Board after closing of every quarter.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the statutory auditor nor the secretarial auditor has reported to the Audit Committee or to the Board, under section 143(12) of the Act, any instances of the fraud committed in the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirm:

1. That in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed, along with proper explanations relating to material departure.
2. That Board has 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 on March 31, 2022 and of the profit and loss of the Company for the year ended on that date.
3. That Board has taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. That Board has prepared the annual accounts for financial year ended March 31, 2022 on a going concern basis and;
5. That the Board had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2022; and
6. The Board had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2022.

DEBENTURE TRUSTEE

During the year under review, the Company has not allotted any debentures. However, non-convertible debentures has been allotted to the CSB Bank Limited vide board resolution dated June 29, 2020. As per the requirement under the Act, the Company had already appointed Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Limited) as the Debenture Trustee for the non-convertible debentures issued by the Company.

CREDIT RATING

As on March 31, 2022, the following is rating of financial instruments of the Company:

Rating Agencies	Long-Term Bank Instruments	Non Convertible Debentures
CARE	CARE BBB- (Unsupported) CARE BBB+ (CE); Negative	CARE A- (CE); Negative

REGULATORY ACTION/APPROVAL

There is no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future during the period under review.

However, the Board of Directors of the Company in their meeting held on August 03, 2021, has approved the Scheme of Arrangement for Amalgamation between Taraashna Financial Services Limited (Transferor Company) and Satin Finserv Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application has been filed before Hon'ble NCLT Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors. The said first motion application is reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022. The amalgamation process is under the process as on date.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of Cost Audit as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable for the business activities carried out by the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION CONSERVATION OF ENERGY AND AND FOREIGN EXCHANGE EARNINGS & OUTGO

Being into the business related to financial services; provisions pertaining to conservation of energy, technology absorption are not applicable. Further, there are no foreign exchange earnings(s) and outgo during the financial year 2021-22.

POLICIES

1. CORPORATE SOCIAL RESPONSIBILITY POLICY

Due to increase in limit of net profits of the Company, the provisions of Section 135 of the Companies Act, 2013 w.r.t. Corporate Social Responsibility (CSR) are being applicable on the Company in FY 2021-22. Accordingly, the Board of Directors in their meeting held on August 03, 2021 has approved the CSR Policy which is also available on website of the Company.

2. RISK MANAGEMENT POLICY

Risk management is an integral part of the Company's business strategy. The risk management process is adopted and reviewed by the Board of Directors of the Company on a regular basis which provides for identification, assessment and control of risks. Risk Management Committee and Board of Directors regularly review compliance with risk policies, monitor risk tolerance limits, review and analyse risk exposure related to specific issues and provides oversight of risk across the organization.

The risk management framework covers integrated risk management mainly comprising Credit Risk, Market Risk, Operational Risk, Fraud Risk and other risks. The Credit Risk management structure includes documented credit policies and procedures for each financial product and service of the business.

Risks associated with frauds are mitigated through Board approved Fraud Monitoring Policy. Fraud risk is monitored through oversight by senior management, who review matters relating to fraud risk, including corrective and remedial actions as regards to people and processes.

3. Sexual harassment policy for women under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company is committed to ensure fair environment for its executive, staff and workers. In compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted Sexual Harassment Policy approved vide Board of Directors meeting held on May 02, 2019 which ensure free and fair enquiry process with clear timelines. The Company have duly constituted internal committee as required under the Sexual Harassment to women at workplace (Prevention, Prohibition and Redressal) Act, 2013 to review the cases related to sexual harassment. Your directors further state that during the year under review, there was no case reported pursuant to the Sexual Harassment to women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Also, in order to comply with applicable laws, the annual report as required under POSH Act for calendar year 2022 was filed with concerned authorities within the prescribed timelines.

4. Policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP) & Senior Management and other Employees

The Company has adopted Nomination and Remuneration policy which looks after the Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director etc. Nomination and remuneration policy of the Company is published on website of the Company. (www.satinfinserv.com)

5. Other Statutory Policies

The Company has all statutory policies as required under applicable provisions of the Companies Act, 2013 and applicable RBI guidelines.

PARTICULARS OF EMPLOYEES

The Company is not listed on any stock exchange, therefore, provisions of Section 197(12) of the Act and rules made thereunder, is not applicable on the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future during the year under review. However, the Board of Directors of the Company in their meeting held on August 03, 2021, has approved the Scheme of Arrangement for Amalgamation between Taraashna Financial Services Limited (Transferor Company) and Satin Finserv Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application has been filed before Hon'ble NCLT Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors. The said first motion application is reserved and allowed by the said Hon'ble NCLT on hearing dated April 06, 2022. The amalgamation process is under the process as on date.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

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

There is no such difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loans from the banks or financial institutions.

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
FOR SATIN FINSERV LIMITED**

Sd/-

Sd/-

**Place: Gurugram
Date: April 27, 2022**

**Sumit Mukherjee
(Whole-time director)
DIN: 08369056**

**Harvinder Pal Singh
(Director)
DIN: 00333754**

Form No. AOC-2
(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies
(Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered during the year ended March 31, 2021, which were not at arm's length basis: **NIL**

- (a) Name(s) of the related party and nature of relationship:
 (b) Nature of contracts/arrangements/transactions:
 (c) Duration of the contracts / arrangements/transactions:
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 (e) Justification for entering into such contracts or arrangements or transactions
 (f) Date(s) of approval by the Board:
 (g) Amount paid as advances, if any:
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

Detail of material contracts or arrangements or transactions at arm's length basis

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Taraashna Financial Service Limited (TFSL), Relationship: covered under clause VIII (b) of Section 2(76) of the Companies Act, 2013, Fellow Subsidiary	The Company has agreement with its related party TFSL for sourcing of clients. The management of the Company had revised the payout under the agreed agreement.	Time to time	Volume Payout : 2.50% of disbursement (no linkage to volume) plus applicable GST	May 15, 2021	Nil
2.	Taraashna Financial Service Limited (TFSL),	To use office spaces/branches of TFSL and allowing TFSL to use office	Time to time	On cost sharing basis	August 03, 2021	Nil

	Relationship: covered under clause VIII (b) of Section 2(76) of the Companies Act, 2013, Fellow Subsidiary	spaces/branches of the Company				
3.	Satin Creditcare Network Limited (Holding Company) (SCNL)	Outsourcing business and providing services to SCNL for SCNL SME/MSME loan portfolio business	Each Month	Service Fee of Rs. 1,00,000 per months, excluding applicable taxes	October 25, 2021	Nil

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2022 (Form No. MR-3)

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members
Satin Finserv Limited
4th Floor, B wing, Plot No. 492 UdyogVihar,
Phase III Gurugram Haryana 122016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by SATIN FINSERV LIMITED (CIN: U65999HR2018PLC099128) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and made available and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, in our opinion we hereby report that, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions stated hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 and made available to us, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not Applicable)**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable)**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable)**
 - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; **(Not Applicable)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable)**
- vi. Employees' Provident Funds & Misc. Provisions Act, 1952;
 - vii. Employees' State Insurance Act, 1948 ;
 - viii. Maternity Benefit Act, 1961;
 - ix. Minimum Wages Act, 1948;
 - x. Payment of Bonus Act, 1965
 - xi. Payment of Gratuity Act, 1972
 - xii. Delhi Shops and Establishments Act, 1954, Punjab Shops and Commercial Establishments Act, 1958, Uttar Pradesh Shops and Commercial Establishment Act, 1962, Rajasthan Shops And Commercial Establishments Acts, 1958
 - xiii. RBI Act, 1934 relating to NBFC's

We have also examined compliance with the applicable clauses of Secretarial Standard Issued by the Institute of Company Secretaries of India.

We report that, during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, and Guidelines mentioned above.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliances report of Company Secretary/Chief Financial Officer/Whole Time Director and respective departmental heads taken on record by the Board of Directors of the Company in their meetings, and thus in our opinion, adequate system and process exist in the Company to monitor and ensure compliances with provisions of various applicable laws including labour laws and environmental laws.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining



further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

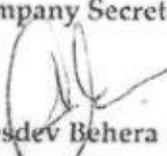
We further report that there are adequate systems and processes in the company, commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

- a. The Board of Directors in their meeting held on August 03, 2021 had approved the Scheme for Amalgamation of Taraashna Financial Services Limited (Transferor Company) with Satin Finserv Limited (Transferee Company/Company) and their respective shareholders and creditors.
- b. The Board of Directors and members of the Company by ways of special resolution in their respective meetings held on August 03, 2021 and August 06, 2021, had approved the shifting of Registered Office of the Company from "NCT of Delhi" to "State of Haryana". The Regional Director, Northern Region, Ministry of Corporate Affairs has approved/confirmed the said shifting of Registered Office vide order dated October 26, 2021. The concerned ROC has issued revised Certificate of Registration of Regional Director order for Change of State dated November 11, 2021. Accordingly, as on March 31, 2022, the registered office of the Company was 4th Floor, 'B' Wing Plot No. 492, Udyog Vihar Phase- III Gurugram 122016 Haryana and consequently CIN of the Company revised as U65999HR2018PLC099128.

For S.Behera & Co.

Company Secretaries


Shesdev Behera

Company Secretary in practice

CP.No. 5980

M. No. 8428



UDIN: F008428D000159733

Date: 19/04/2022

Place: New Delhi

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

To,

The Members

Satin Finserv Limited

4th Floor, B wing, Plot No. 492 UdyogVihar,

Phase III Gurugram Haryana 122016

Our 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 as opinion on these secretarial records based on our examination.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, and standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. 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.

For S.Behera & Co.

Company Secretaries


Shesdev Behera

Company Secretary in practice

CP.No. 5980

M. No. 8428



UDIN: F008428D000159733

Date: 19/04/2022

Place: New Delhi



ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company:

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

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

2. Composition of CSR Committee:

Since, the CSR spend is not more than INR 50 Lakhs, the Company is not required to constitute CSR Committee as per applicable laws.

3. Provide the web-link where CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy at : www.satinfinserv.com

CSR projects at : www.satinfin

4. Overview of Project/Programs proposed to be undertaken: Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. More details on www.satinfinserv.com

5. Provide the 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): Not Applicable since as per the Rule 8(3) of the Companies (CSR Policy) Rules, 2014, the Company does not have an average CSR obligation of INR 10 Crores or more in the three immediately preceding financial years.

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1.	NA	NA	NA

6. Average net profit of the Company as per section 135(5) - INR 215.16 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5) – INR 4.30 Lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL
 (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) – INR 4.30 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
INR 4.30 Lakh	NIL	NIL	NIL	NIL	NA

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

(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 (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR account for the project as per Section 135(6) (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - (through implementing agency)

Nil - Your Company has not spent against any ongoing projects during the Financial Year 2021-22, as after reviewing various proposals the Board of the Company on the recommendation of CSR Committee, had approved contribution towards construction for promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects of INR 4.30 Lakhs

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

(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 (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Supporting Educational Initiatives for Less Privileged Students	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Punjab	Kapurt hala	INR 4.31 Lakhs	No	Through Implementing Agency [S. Amar Singh Educational Charitable Trust]	CSR0000 4062

(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) - INR 4.31 Lakhs

(g) Excess amount for set off, if any - NA

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	INR 4.30 Lakhs
(ii)	Total amount spent for the Financial Year	INR 4.31 Lakhs

(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	0					

(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):

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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): Nil

12. A responsible statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: Since CSR Committee is not applicable on the Company, the Board approved and ensured that CSR spend and implementation is with the objectives of CSR Policy.

MANAGEMENT DISCUSSION AND ANALYSIS OF SATIN FINSERV LIMITED (“SFL/the Company”)

Industry Structure and Developments:

The industry is growing from strength to strength by serving the underserved and often ignored retail and MSME segments which are the backbone of India’s growth story.

The Ministry of MSME consists of Small & Medium Enterprises (SME) Division, Agro & Rural Industry (ARI) Division, Administration & Financial Institutions (AFI) Division, Integrated Finance Wing (IFW) and Data Analytics and Technical Co-ordination (DATC) Wing, besides the Office of the Development Commissioner (DC, MSME) as an attached office and other subordinate organizations.

The Micro, Small & Medium Enterprises (MSMEs) have been contributing significantly to the expansion of entrepreneurial endeavors through business innovations. The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets. The MSMEs in India are playing a crucial role by providing large employment opportunities at comparatively lower capital cost than large industries as well as through industrialization of rural & backward areas, inter alia, reducing regional imbalances, assuring more equitable distribution of national income and wealth.

As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16, there were INR 633.88 lakh unincorporated non-agriculture MSMEs in the country engaged in different economic activities (INR 196.65 lakh in Manufacturing, INR 0.03 lakh in Non-captive Electricity Generation and Transmission, INR 230.35 lakh in Trade and INR 206.85 lakh in Other Services) excluding those MSMEs registered under (a) Sections 2m(i) and 2m(ii) of the Factories Act, 1948, (b) Companies Act, 1956 and (c) construction activities falling under Section F of National Industrial Classification (NIC) 2008.

Further, Micro sector with INR 630.52 lakh estimated enterprises accounts for more than 99% of total estimated number of MSMEs. Small sector with INR 3.31 lakh and Medium sector with INR 0.05 lakh estimated MSMEs accounted for 0.52% and 0.01% of total estimated MSMEs, respectively. Out of INR 633.88 estimated number of MSMEs, INR 324.88 lakh MSMEs (51.25%) are in rural area and INR 309 lakh MSMEs (48.75%) are in the urban areas.

Further, as recommended by Expert Committee (Chairperson: Shri U. K. Sinha) on MSMEs, 37 broad recommendations. Out of 21 recommendations pertaining to the Reserve Bank, 13 have been implemented, six have not been found feasible for implementation after examination and two are under consideration by the Reserve Bank and the government. The two major recommendations implemented during the year, include (i) increase in the limit of collateral free loans to self-help groups (SHGs) under Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAYNRLM) from `10 lakh to `20 lakh; and (ii) issuance of guidelines on Scale-Based Regulation (SBR) for Non-Banking Financial Companies (NBFCs).

Further, as per Annual Report 2021-22 of RBI, Reserve Bank introduced several policy measures to support the MSME sector during the pandemic (RBI, 2021a, 2021b). Following the announcement of the emergency credit line guarantee scheme (ECLGS) in May 2020, 9 MSME loan demand increased sharply, particularly credit disbursements to small enterprises with loan sizes of less than INR 10 lakh during Q2:2020-21. In addition to this, there are other policies introduced by RBI to support the MSME sectors, hence, the management is optimized that this Industry has potential to grow as this sector is untouched by banks. The Company has opportunity to serve MSME sector and help this sector by understanding their need and meet their working capital needs to sustain and grow their businesses.

Recent Developments:

Udyam Registration: Recently, the Ministry, vide notification no. S.O.2119 (E) dated 26.06.2020, has notified a composite criteria of classification of MSMEs based on investment in plant & Machinery/equipment and turnover of MSMEs.

As on 10.01.2021 a total number of 65,23,067 were classified, consisting of 21,13,233 enterprises registered under Manufacturing category and 44,09,834 enterprises registered under Service sector.

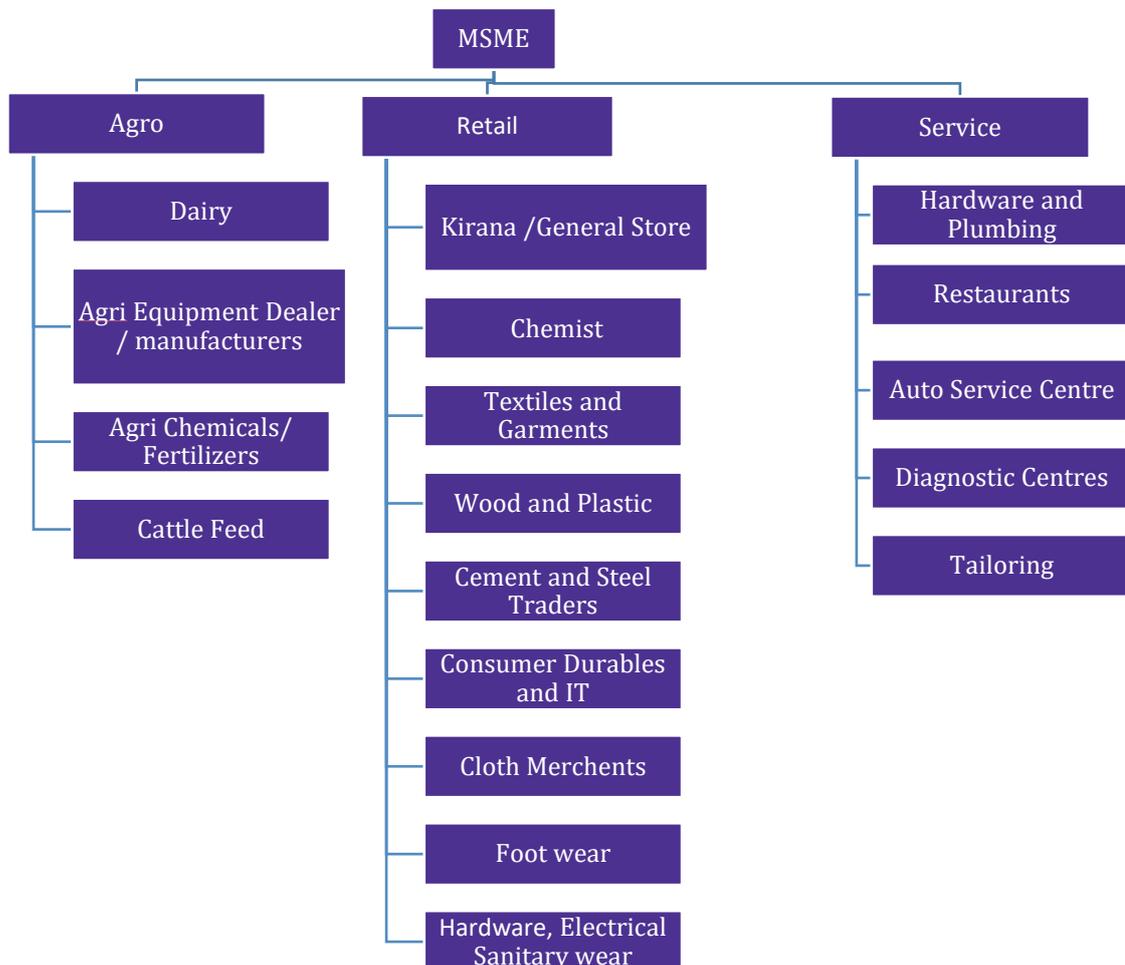
Exemption from requirement of having GSTIN: This Ministry, vide notification No. S.O.1055(E) dated 05.03.2021, has notified that the exemption from the requirement of having GSTIN shall be as per the provisions of the Central Goods and Services Tax Act, 2017 (12 of 2017), which will lead to increase in the registration on Udyam Registration portal.

Inclusion of Retail and Wholesale Trade: With effect from 2nd July, 2021, the Government has included Retail and Wholesale Trades as MSMEs. They are allowed to be registered on Udyam Registration Portal. Benefits to them are restricted to Priority Sector Lending only.

Inclusion of Urban Street Vendors in MSME Category: With effect from 2nd August, 2021, the Government has included Street Vendors as Retail Trades as MSMEs. They are allowed to be registered on Udyam Registration Portal. Benefits to them are restricted to Priority Sector Lending only.

There are around 55-60 million MSME's in India, contributing to about 30 per cent of India's GDP. This sector had a credit demand of about INR 45 lakh crore in 2018 out of which 40 per cent was served by informal credit. As a result, there's a big opportunity in the coming years for NBFCs to capture this unserved population and partner in India's growth story. This is because banks often find it expensive or unviable to serve these segments which new-age NBFCs are serving on the back of advanced technology and better reach in the remote corners of the country. According to Tranunion CIBIL Report on MSME (2016), roughly 40% of India's MSME lending is in informal sector.

From the Company's side, the Company has added sector(s) in last financial year in Customer Target list. The followings are the Customer Target Segment of the Company:



Hence, Management of your Company can see positive outlook of the Company in the years to come.

Nature of Business:

SFL is in the business of lending to small businesses, including individual and corporate business loans, who do not have formal cash flows. Our ticket sizes range from INR 1.5 lakh to INR 3.5 lakh (for the retail business). As on March 31, 2022, gross loan portfolio is INR 166,33.00 lakh. The Company has made disbursement of INR 95,620.00 lakh and active loans of 4,262 as on March 31, 2022.

The Company has an experienced and stable management team of Board of directors. The Company is hopeful of performing well during current financial year.

Opportunities:

The future posits that NBFCs will continue to experience robust growth with minimal instances of delinquencies if the credit flow doesn't stop and the risk mitigation mechanisms improve. As a whole, this calls for wider adoption of technology and adopting unorthodox lending strategies to find the niche of product-market fit. For instance, some of the new-age digital lenders supply credit to small businesses using point-of-sale terminal data as a proxy for the cash flows and the loans are disbursed through an electronic engine which makes the process safer as well as faster. Using such unique models, the firms are able to navigate the turbulent environment successfully.

Further, the management has view that there are following opportunities in MSME space:

a). Macro Environment:

- India is one of the world's fastest-growing economies, boasting the sixth largest GDP.
- It is the third largest economy on PPP.
- There are around 5—60 million MSME's in India, employees the largest workforce except for Agriculture.
- Over the last decade MSME's have contributed to roughly one-third of India's GDP, however it is lower than other countries.
- The Indian Microfinance Market is anticipated to grow at a brisk CAGR of more than 40% through 2025.
- With growing income, significant number of our customers are expected to migrate up the pyramid.

b). MSME Credit Demands:

- Millions of MSMEs lack proper documentation, or cannot offer meaningful collateral to secure a formal loan.
- Majority of MSMEs have resorted to informal financing (friends, family, money lenders) to address their credit needs.
- According to Trans union CIBIL reports on MSME (2016), roughly 40% of India's MSME lending is in the informal sector.

c). Loan Process pain in formal sector:

- Loan processing time/timeliness is by far the largest pain area.
- These pain points are substantial enough to compel many MSMEs to continue to seek out informal sources, often at much higher interest rate.

d), Market Positioning:

- Unmet Demand of 20 lakh Crores.
- 96% of MSMEs having annual revenue of less than INR 1 Crores.

Considering above factors, there is huge opportunity in MSME sector which is vision of the Company to meet the requirement of MSME space.

Threats:

The Company identifies operational and event risks as threats. The operational risks are risk of a loss resulting from inadequate or failed internal process, people and systems. Significant change in regulations or unforeseen events i.e. COVID-19 are also a threat to the company's business model. To prepare for these risks, the Company has detailed process notes, credit manuals and inbuilt maker checker systems. The

various internal and external environments are considered as threats to the Company. However, the Company has various risk mitigation framework and processes at credit level to mitigate the risk associates with internal environment.

Impact of Coronavirus pandemic:

The ongoing Coronavirus crisis has disrupted normal business operations and significantly impacted economic activity across the world. The resultant impact on the cash flow to the end customers, has naturally impacted the NBFC and Banking sector. The revenue stream of all NBFCs will be hugely impacted as there would be a significant drop in loan disbursements and loan repayments.

However, from the second quarter of financial year 2021-22, the Company has started its full operations and seeing growth on quarter to quarter basis. Vaccination drive and recovery of economy are helping the growth in MSME sector.

Sector wise or product wise performance

As above explained in Industry segment, the industry sector is improving and management expects a positive impact on growth of this sector in coming financial years.

The Company has small ticket business loan, MFI-NBFC and large ticket business loans. The small ticket business loans are performing well, having ticket size of INR 3 lakh. The collection efficiency of small ticket business loans up to ticket size of INR 3.5 lakh is 99%. The other products are also performing well. The total collection efficiency of the Company is 98%.

Outlook of the Company - Considering Covid 19 Situation

The Company is addressing this uncertain time through specific actionable. While some of these actionable will undergo change based on the unfolding ground situation directionally they will remain the same.

➤ **People**

Staff is being trained and updated continually on precautions required to protect ones health. All offices of SFL will follow the precautions and regulations as laid out by various government agencies from time to time. Work from home policy for employees have been implemented so that physical presence of staff at the branch location is minimized.

➤ **Cost**

The Company has already implemented a cost cutting initiative of substantial size in the month of April. This exercise is ongoing as our endeavor will be to look at reducing every single cost possible.

➤ **Collection infrastructure**

The Company has redeployed the entire Sales force into collection which will help us to manage costs as well as focus on use of our limited resources into the most important activity and in an efficient way.

Internal Control Systems and Their Adequacy.

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

Risk and Concerns

As discussed above threats, the Company have defined process and strategies to deal with internal and external environment risks, which also review by the Board or Risk Management Committee on periodic basis.

Discussion on financial performance with respect to operational performance

The Company offers small ticket business Loans against collateral of property. As at March 31, 2022, SFL had 4,262 loans and 14 branches across 8 states. The Company plans to continue its growth journey by opening more branches and further investing in technology to optimize operating costs and improve collection efficiency.

During the year under review, the Company has reported profit before tax of Rs. 270.04 Lakhs as compared to profit before tax of Rs. 642.57 Lakhs for the previous year.

Operational Highlights for the financial year 2021-22 are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Number of Branches	14	12
Number of Active Borrowers	4,262	1,725
Gross Loan Portfolio (in Lakhs)	16,633.08	13,073.49
Number of Employees	230	138
Total Disbursement (in Lakhs)	9,561.50	5,968.40
No. of States (in Operation)	8	7

The whole industry was impacted on account of COVID -19. Due to the Pandemic SFL'S gross non-performing asset ratio increased to 4.90% (GNPA - FY21: 1.50%) and net non-performing asset is 2.72% (NNPA - FY21: 0.67%) as at March-2022.

Material Developments in Human Resources

As on March 31, 2022, the Company has 230 number of employees as compared to 138 employees as on March 31, 2021. During the financial year 2021-22, the following material developments took place in Human Resources:

- Manpower strength grown by 68% in comparison with last year closing number 137 manpower in March 31, 2021 to 230 by March 31, 2022.
- Geo tagging based attendance system through application to monitor real time attendance of field staff.
- Successful launch of Sales Motivation and Productivity driven "Pragati Scheme" for front line Sales staff.
- Retained 100% employees during last year COVID 19 pandemic crisis.
- Levitation employee engagement activities for our employees.
- We have controlled good attrition through retention.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the cooperation received from lenders, our valuable 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. The management see positive impact on business and operations of the Company in upcoming years.