Mr Jugal Kataria  
Chief Financial Officer

Choudhary Runveer Krishanan  
Company Secretary and Compliance Officer

Statutory Auditor  
Walker Chandiolk & Co LLP  
7th Floor, Plot No. 19 A, Sector 16A, Noida - 201 301, Uttar Pradesh, India

Secretarial Auditor  
S. Behera & Co.  
Practicing Company Secretary, S-1/3 & 4, 1st Floor, Near Uphaar Cinema, Green Park Ext., New Delhi - 110 016

Registrar & Share Transfer Agent  
Link Intime India Pvt. Ltd.  
(For Equity and Preference Shares)  
Noble Heights, 1st Floor, Plot NH 2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110 058

Karvy Fintech Private Limited  
Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG - 500 032

Debenture Trustees (Non-Convertible Debentures)  
Axis Trustee Services Limited  
2nd Floor ‘E’, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025

Catalyst Trusteeship Limited  
213, 2nd Floor, Naurang House, 21, Kasturba Gandhi Marg, New Delhi - 110 001

IDBI Trusteeship Services Ltd.  
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001

Banks  
Abu Dhabi Commercial Bank  
Andhra Bank  
Axis Bank Limited  
Bandhan Bank Limited  
Bank of America  
Bank of Bahrain & Kuwait  
Bank of Baroda  
Bank of India  
Bank of Maharashtra  
Bhartiya Mahila Bank  
Canara Bank  
Catholic Syrian Bank Ltd.  
CTBC Bank Co Ltd  
DCB Bank Limited  
Dena Bank  
Doha Bank  
Federal Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited  
IDBI Bank Limited  
IDFC First Bank Limited  
Indian Bank  
IndusInd Bank  
Karnataka Bank Ltd  
Kotak Mahindra Bank Limited  
National Bank for Agricultural and Rural Development (NABARD)  
Oriental Bank of Commerce  
Punjab & Sind Bank  
Punjab National Bank  
RBL Bank Limited  
SBER Bank  
SBM Bank (Mauritius) Ltd  
Shinhan Bank  
Small Industries Development Bank of India  
Standard Chartered Bank  
State Bank of India  
Syndicate Bank  
The Hongkong & Shanghai Banking Corporation Limited (HSBC)  
The Nainital Bank Ltd  
The South Indian Bank Limited  
Union Bank of India  
United Bank of India  
Uttkrash Small Finance Bank  
Vijaya Bank  
Woori Bank  
Yes Bank Limited

Financial Institutions  
Northern Arc Capital Limited  
Fed Bank Financial Services Limited  
Maanaveeyaa Development & Finance private limited  
Mahindra & Mahindra Financial Services Ltd  
Manappuram Finance Limited  
MAS Financial Services Limited  
Hero Fincorp  
NABARD Financial Services Limited  
Nabkisan Finance Limited  
Hinduja Leyland Finance Limited  
Indostar Capital Finance Limited  
Shriram City Union Finance Limited  
Tata Capital Financial Services Pvt. Ltd.  
Urgo Capital Limited

Contact Details  
CIN - L45991DL1990PLC041796  
Registered Office  
5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi - 110 033, India

Corporate Office  
Floor 1 & 3, Plot No. 97, Sector 44, Gurugram, Haryana - 122 003, India  
Website: www.satincreditcare.com  
Contact No. +91 124 4715400/450/499
A Glimpse Into
The Difference

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Visit: http://satincreditcare.com/ to view our report online

Forward-looking statements
This report may contain some statements on the Company’s business or financials which may be construed as forward-looking based on the management’s plans and assumptions. The actual results may be materially different from these forward-looking based statements although we believe we have been prudent in our assumptions.
At SCNL, we believe that ‘reaching out’ is not merely about our growing presence, across India. It is also about extending our reach to the vast number of financially excluded households in the real Bharat.

It is about serving the unmet needs of India’s hinterland, whose aspirations have hitherto remained ignored and unaddressed. It is about that differential which makes us build a difference across every facet of our business value chain. Which, in turn, helps us make a difference in the lives of those excluded masses, while creating an eco-system of value-led growth for each of our stakeholders.
We believe that by building these differentials, we are making a meaningful, long-term and tangible difference. A difference that is redefining the way India looks at the financial needs of the millions whose lives are inexorably linked with the future of the nation.
A DIFFERENCE SHOWCASED BY...

THE 1-BILLION MARK

This differential is also manifest in our faster-than-industry growth in the last five years – we posted CAGR growth of 37.3% from FY15 to FY19, as against industry growth of 25.6%. That we have been able to sustain our growth momentum despite the setback says a lot about the inherent strengths we have successfully leveraged through the years to overcome myriad challenges.

WHEN WE REACHED THE USD 1-BILLION ASSETS UNDER MANAGEMENT MARK AT THE CLOSE OF FY2018-19, WHAT WE NOTCHED WAS MUCH MORE THAN A NUMBER. IT WAS THE MARK OF A DIFFERENCE THAT MADE US DISTINCTIVE AND DOMINANT. IT WAS ALSO, IN SOME WAYS, THE FEATHER IN OUR CAP, WHICH WE CONTINUED TO MAKE BIGGER AND BETTER WITH EXCELLENT NUMBERS ON EVERY PARAMETER THAT DEFINES THE DIFFERENCE BETWEEN THE BETTER AND THE BEST.
7,06,829
Gross Loan Portfolio
(₹ in Lakhs)

1,44,804
Revenue
(₹ in Lakhs)

80,555
NII
(₹ in Lakhs)

3.1%
ROA

19.8%
ROE

99.50%
Collection Efficiency

28.49%
CRAR

40,02,167
No. of Loans

20,150
PAT
Our Differentiated Approach to Business

The excellence of our numbers underlines the success of our business approach, in which we have always striven to be differentiated and distinct. When we started our journey, back in 1990, to reach out to urban shopkeepers with individual micro loans, we were faced with the challenge of adopting a business model that went beyond just giving out loans. We needed a differentiated business approach that could help hand-hold these clients, and at the same time enable us to establish a strong foundation for the future. Today, we stand tall as a differentiated market leader in our business space.
Vision

➢ To be a “one-stop solution for the financially excluded households at the bottom of the pyramid for all their financial requirements”.

➢ To be a “financial service powerhouse with a range of financial products designed and suited for the financially excluded community”.

Mission

➢ To provide financial assistance to a large number of households which are excluded from the ambit of mainstream financial service providers, so as to enhance their livelihood and promote a productive environment.

We remain focused on driving financial inclusion, underlined by our strong commitment to achieving socio-economic progress of low-income communities.

LENDING DIFFERENTIATION

Listed on NSE & BSE, SCNL has a scalable and sustainable business model, which continues to yield a track record of successful replication with industry leading repayments. Our business is based primarily on the Joint Liability Group model, enabling us to provide collateral-free, microcredit facilities to economically active women in rural, semi-urban and urban areas, who otherwise have limited access to mainstream financial service providers. We have successfully transformed our systems to carve a niche for ourselves in order to harness the massive opportunity provided to 35 lakhs low-income adult women in the group’s existing states of operation.

We also offer loans to individual businesses and Micro, Small & Medium Enterprises (MSMEs), housing finance, product financing for the purchase of solar lamps, bicycles, as well as loans for the development of water connections and sanitation facilities.
A BUSINESS MODEL WITH A DIFFERENCE (MICROFINANCE)

- Cashless transaction with minimum documentation
- Risk mitigation through digitization
- Leveraging technology to reduce transaction cost
- Channelizing institutional funding to people at the bottom of the pyramid

- Group Lending with joint liability replaces physical collateral with social collateral
- Joint responsibility instead of collateral security
- Need-based product delivery
- Increased access to financial services

- Promoting socio-economic development at community level
- Women empowerment through economic interventions in rural & semi-urban areas

DIFFERENTIATED STRENGTHS
Our differentiated business model enables us to reach out to our stakeholders more effectively, in many different ways. It makes SCNL India’s one of the largest NBFC-MFI in terms of Gross Loan Portfolio.

THE QUALITY DIFFERENTIAL
We are an ISO 27001:2013 certified company, committed to establishing a Gold Standard of Information Security best practices in the organization. Our robust Information Security Management System (ISMS) is designed to uphold information security and client confidentiality as an integral component of our business. It also ensures a high standard of security by our employees, supported by strong IT systems and processes throughout the organization.
LONG-TERM CREDIT RATING UPDATED TO CARE A- (STABLE); SHORT-TERM RATING AT A1 FROM CRISIL AND CARE; GRADING OF MFI 1

ENDORSED AS THE BEST

Our senior leadership was conferred the ‘Golden Globe Tiger Awards’ at an awards ceremony in Malaysia during FY18. Mr H P Singh, the Chairman and Managing Director of the Company, received the ‘Exemplary Leader’ Award, and Mr Dev Verma, the Chief Operating Officer, was presented the ‘Leader of the Year’ Award. Mr Sanjay Mahajan was conferred with the Top 20 IT Leaders in BFSI by Exito Award in Mumbai and India’s Eminent 100 CIO by VAR India Award in New Delhi during the year.

These prestigious awards aim at recognizing the highest levels of standards and benchmarks amongst individual and organizations.
CHAIRMAN’S MESSAGE

Our technological capabilities and improved processes gives a significant advantage in attaining competitiveness and enhancing the value we deliver.
Dear Shareholders,

FY19 has been an exceptional year for your Company, which crossed the US$1 billion AUM mark to join the Ivy League of Companies in the Billion Dollar Club. This feat is a matter of immense pride and satisfaction for all of us at SCNL, and a clear endorsement of the success of our strategic focus on inclusive financial growth.

A major indicator of the success of our business strategy is our financial performance, which continues to improve year after year. For FY19, the Company’s consolidated GLP stood at ₹ 7,068 Crores, with consolidated PAT at ₹ 201 Crores – an increase of 169.4% over the previous year. Coupled with a collection efficiency level of Pre-demonetization times of ~99.5%, these numbers highlight the performance excellence of our business operations, whose efficiencies we are continuously maximizing through digitization and other initiatives. Going forward, we expect the GLP to rise further at the back of our wide operations, which now span 22 states and union territories, along with our market leading position in some states. As we continue to increase our geographic footprint, we see the growth parameters scaling up significantly in the coming quarters.

SCNL has distinguished itself as a pioneer in bringing new initiatives in its systems and processes, and this year was no exception. Our Risk Management Systems, proactive policies, along with our core values and excellent customer relationships, saw us through. We have brought in differentiated endeavours, such as real-time credit bureau check and real-time bank account verification while disbursing the loans to our clients. We ushered Psychometric Tool as a part of onboarding verification, which is unprecedented in the microfinance industry. SCNL, in close association with a credit bureau, has introduced credit score cards for the customer and center, which is a remarkable innovation in our processes.

A major breakthrough for cost optimization and enhanced efficiency has been the successful completion of pilot for Cashless Collection, which will bring more transparency in operations, reduce time of center meetings, de-risk cash handling challenges and slippages. This will contribute to increased productivity for our Community Service Officers (CSOs), leading to better NIM.

Our foray into the South Indian markets, where we see a multitude of exciting possibilities for growth, is in line with our strategic approach to expand into new markets of greater potential. With this expansion, we shall be able to bring more and more people from low-income groups into the ambit of our inclusive charter. The move has also given a fillip to our ambitions to become a truly pan-India Company, with footprints in the most excluded markets of the country.

We have also, during the year, further diversified our product offerings to make them more encompassing and suited to the diverse needs of our growing customer base. Given the dynamically evolving nature of today’s credit culture, keeping pace with customers’ unique aspirations and needs can be quite challenging. At SCNL, we are continuously expanding the vistas of our business to deliver customized products and services to our customers. Our newly launched digital lending app ‘LoanDost’ seeks to target the new millennial customers and address their need for faster turnaround with simplicity of procedure.

Another exciting development that we would like to share with you here is the receipt of NBFC license for your Company’s MSME arm, Satin Finserv Limited. We see an excellent opportunity for growth in MSME lending and will continue to strengthen our offerings in this domain.

Your Company had entered into Business Correspondent (BC) partnership with IndusInd Bank Ltd, in order to add a new source of raising funds. This relationship has built up over last year and proved very advantageous in terms of on-tap funding, highly capital efficient business, no liquidity cost, as well as validation of our processes by an institution like IndusInd. Another notable achievement noted by your Company during FY19 was the completion of 5 Securitization and 4 Direct Assignment transactions of ₹ 1,710 Crores.

SCNL has also evolved its business model to be a more broad-based financial services provider, and capitalize on its distribution reach built over the years. With this vision, the two subsidiaries of your Company, Housing and MSME, are taking good shape. These subsidiaries have the potential to tap the SCNL customers who have completed multiple cycles with us and now require a loan of higher ticket size. The portfolio of Satin Housing Finance Limited has touched ₹ 79.01 Crores with excellent portfolio quality with no delinquency.

These numbers tell a great story, but more importantly, they are an indicator to the way the future is mapping out for your Company and all its stakeholders. As your Company moves ahead with even greater commitment, in its mission of inclusion, we look ahead at a future that is even more exciting and promising for each one of us.

Thanking you,

With warm regards,

H P Singh
TYPICAL DAY OF
A COMMUNITY SERVICE OFFICER

A typical branch has one Branch Manager (BM), one Branch Credit and Compliance Manager (BCCM), four to six Community Service Officers (CSOs). CSOs are on the ‘front line’, conducting village surveys, open general meetings, center formation, selecting potential members, doing loan utilization checks and collecting loan installments. BCCM is responsible for managing back-end branch administrative, financial and credit underwriting activities whereas BM is responsible for Quality & control of the business.

CSO is also responsible for sourcing of potential new clients as per their eligibility. CSO is also responsible for expanding to newer areas. He/she surveys newer areas where business operations can be started as per pre-defined parameters and onboard new clients as per their eligibility. CSO is also responsible for training and educating new clients about the terms and conditions of the Company, product and industry and also provides them financial literacy. All these activities are covered under the Compulsory Group Training (CGT) module of 2 days conducted at the center.

All the loan disbursements are conducted at the Branch premises. All the members who are to be disbursed loans need to be present at the branch for loan disbursement. Before the disbursements are carried out, the CSO, BCCM and BM carry out a complete credit re-evaluation process, where the documents and eligibility of all the members are re-verified. All the terms and conditions of the loan are explained to the client by the CSO. After that the Loan Application is approved by the CSO, BM and BCCM and loan is disbursed to the client’s account by the BCCM. After disbursements, the Loan Card specifying the repayment schedule is provided.

Branch Composition

Sourcing of New Clients and Business Expansion

In-Branch Loan Disbursements

Center Meetings

A CSO is responsible for conducting regular Collection Center Meetings and maintaining center discipline. A center comprises a group of women who come together under the Joint Responsibility concept to avail the Credit services. All the members are required to attend the center meetings. The agenda of such meetings is to collect the relevant installment applicable to the loan amount taken by the member. CSO also uses the medium of such Center Meetings to announce upcoming new products/services by the Company or to register new clients. CSO uses Tab for client’s attendance and updating the collection. The activities of all these Center Meetings are recorded under the Center Meeting Register and the collection of such installments is also mentioned in the Loan Cards of the members.
THE CSO NEEDS TO FIT IN LOAN UTILIZATION CHECKS FOR THE LOANS DISBURSED IN THE PAST 45 DAYS. THE CHECKS ARE PLANNED BASIS THE ROUTE AND SCHEDULED DAYS, WITH HOUSE VISITS, LOAN PURPOSE AND INTERACTION WITH THE BORROWER’S FAMILY MEMBERS ALL CLOCKED IN.

Following center meetings and at regular intervals between meetings, the CSO conducts due diligence on meetings location’s businesses, through personal site visits and by speaking to family members and doing house visits.

Centers are generally re-shuffled between the CSOs available at the branch within a period of every 9 months.

Due Diligence

Rotating Responsibility

Loan Officer (CSO) Visits-Loan Utilization Checks

CSO visits member’s house/asset place for enquiring about loan utilization.

“IT IS, BY NO ACCOUNT, AN EASY JOB, BUT THE SATISFACTION OF DOING IT WELL AND BEING PART OF THE SCNL GROWTH STORY MAKES IT WORTH EVERY MINUTE SPENT ON IT.”

Shankul Kumar Sharma
Employee ID: 51995
After her husband suffered health issues, preventing him from earning his livelihood, it was left to Bulu Das of village Jhilikpara in Mangaldoi, Assam, to fend for the family, also comprising two children. She decided to use her skill at pottery-making to start her own business, and a year ago, took a loan of ₹30,000 from SCNL to expand the same. The loan, which she used to purchase raw material in bulk from suppliers in the town, helped her to more than double her daily income – from ₹250-350 to ₹600-800.

Selling her pottery ware at her home and also at the weekly markets in various villages of Mangaldoi area has been the mainstay of her business so far. However, with the confidence boost that SCNL’s loan gave her, she now wants to set up her own shop in front of her house to give a further fillip to her business.

“Our living standard and financial position in the society has gone up,” says an elated Bulu, who encourages other women in her village to follow suit and is grateful to SCNL for not only making her economically empowered but the reason for women in Jhilikpara to smile with pride.

- Bulu Das
A DIFFERENCE MANIFESTED IN...

A PAN-INDIA CUSTOMER BASE

An expanding pan-India reach endorses the success of our business model, which has a growing distribution network to service the unique needs of our 35 lakhs customers. We remain aggressively focused on deepening our presence in the rural, semi-urban and urban areas, particularly those that are not well penetrated by other microfinance institutions, across 22 states and union territories.

A nearly 10,000 strong workforce, backed by a growing distribution network, helps us effectively grow our footprint, which we have now extended to the South, with the addition of Tamil Nadu, Karnataka and Puducherry to the SCNL map in FY19.

GROWING REACH

The banking sector in India today services a mere 18% of the population. SCNL, with its growing reach, is serving the large unserved population which is feed to future banking customers. We are thus effectively nurturing the roots of the banking sector with our expanding presence across the country.

~16 LAKHS

First Cycle Clients added in FY19

168

No. of branches added during FY19
At SCNL, values are the bedrock of our business culture and a key driver of our differential approach. They lend us the cutting-edge to make a difference in the lives of all our stakeholders.

Our core values steer us towards the realization of our vision to become the ultimate leader in our business. These values are pillared on a strong focus on Seeking Excellence, Accountability & Ownership, Teamwork & Collaboration and Integrity, while inspiring us to Nurture lives, in many different ways.

**SEEKING EXCELLENCE**

We strive for perfection and excellence in all that we do and it is this motto that has led to the sustained growth of SCNL, regardless of upheavals in the economic environment. The sincerest efforts of every member of the SCNL family to uphold these values shows in the treatment of customers and employees, while dealing with investors and clients and above all, in the supportive and inspiring environment we work in.

**ACCOUNTABILITY & OWNERSHIP**

Accountability is all about answerability; the willingness to accept a task and be responsible for completing it to the best of one's abilities. Ownership, on the other hand, requires not only taking onus of the task at hand, but responsibility for the outcome of it, whatever that may be. While workloads and responsibilities are often shared at SCNL, each person feels completely accountable for the job they do. Employee diligence and dedication form the very foundation on which happy, successful companies are built.

**TEAMWORK & COLLABORATION**

The SCNL way is to 'do it better together!' We believe in the collaborative approach; each person finds their niche in the company and the best manner in which to serve its needs, rather than chasing individual gains. Teamwork brings out the best in people and at SCNL, we feel that positive, constructive and efficient collaboration can ensure success.

**INTEGRITY**

Strength and stability, both moral and financial, are the backbone of SCNL. Integrity is at the apex of our business and we hold ourselves to the highest financial, intellectual and ethical standards no matter what.

**NURTURING LIVES**

As a company, SCNL aims to create value for all the people associated with it, through its various endeavors and actions. Be our customer, vendor or people we work with, SCNL endeavors to make an impact and difference to all those we interact with.
The success of our business model, which is rooted in our core values and powered by our quality credentials, is enabled, in large measure, by the passion of our people. Our focus on imbuing our employees with our core values has helped us build a great organization, with every team member equipped to understand the difference between right and wrong, acceptable and unacceptable behavior.

TALENT MANAGEMENT
Employee empowerment is at the core of our Human Resource (HR) philosophy, and we remain committed to pursuing the best practices in talent management and growth. During FY19, we took various initiatives in line with this commitment. With our new initiative – Satin Talent Pool, we have embarked on the journey of further empowering our people through identification of their strengths, core skill-sets and areas of development. Based on this understanding, we are evolving individualized development plans for their training interventions and mentoring sessions. The exercise is aimed at helping employees grow in their own roles, while also facilitating their evolution as great leaders and superior human beings.

The Talent Council for Satinates is a Psychometric tool-based exercise to identify the five top strengths of the employees through a set of 177 uniquely crafted questions, required to be answered in 15 seconds each.

Training Intervention – Our training interventions during the year were executed through:

a) Escape Velocity – A 2-day leadership development workshop, organized by SKOPE, was aimed at steering the makers and movers of the Company out of their comfort zone to the next level.

b) Personal Effectiveness – A 1-day workshop comprising a series of training programs for corporate office employees. This was structured to guide them on boosting productivity and thriving in their careers.

c) Lead the Way - The objective of this program was to help the RM's to develop the essential skills to handle, influence and motivate their team members effectively.

d) Winning through People - The objective of this program was to learn the difference between leadership & management, emphasizing upon sharp and effective leadership behaviors, empowering, motivating and inspiring the team members by effectively managing work & personal life.

e) Train the Trainer program - This training workshop was developed for all the zonal trainers to enhance their presentation & facilitation skills. Training delivery practice through several rounds of presentations & training sessions.

f) SCL Leadership Team - NLP assist leaders and management to get ahead of the gain line, is from the advanced language patterns and physiology techniques which reveal the deeper structure of meaning that influences our beliefs, thoughts and behavior.

KEEPING EMPLOYEES ENGAGED
We are cognizant of the importance of employee engagement and welfare to the organization's long-term growth and value accretion. A series of events and celebrations were activated during the year to further nurture our employee relationships.

NEW-AGE HR-MIS SOFTWARE
Our new mobile app, based on a new-age HR-MIS software, has facilitated employees in undertaking various important activities on their mobile phones. The app works as a one-step solution for employees and has also helped in checking the revenue leakages by tracking real-time employees exits and on-boarding through technological interventions.

BETTER WORKPLACE
With the goal of driving greater professionalism at the workplace, we have implemented a system of mandatory carrying of ID card and a dress code in office premises, during office hours. We have also initiated the 5S Audit system for better organization of space to ensure that work can be performed more efficiently, effectively and safely. In an acknowledgement of their commitment and loyalty to the organization, we have added an additional social security cover, free of cost, for our employees in the form of an additional Term Life Insurance.
A DIFFERENCE POWERED BY...
TECHNOLOGICAL PROWESS & PROCESSES

As we surge towards the realization of our Vision, on the back of our core values and our differentiated business model, we continue to embrace and adopt technological advancements to power our growth stratagem.

At SCNL, technology and digitization have, thus, emerged as powerful drivers for transforming business processes, enabling internal/external stakeholders with insightful information at the right time in order to make informed decisions, creating competitive advantages and elevating consumer experience. We are, in particular, focused on taking robust digital technology to the last mile as a strategic initiative. The aim is to overcome the challenges of intense and growing competition, besides increasing productivity and reducing margins by creating a unique competitive advantage to boost profitability.

Business transformation through digitization has powered a major leap in our journey to maximize our reach to the financially excluded population at the bottom of the pyramid and help them enhance their livelihood.

RIDING ON THE LMS SUCCESS
During FY19, we continued to ride on the success of our lending software – LMS, which we introduced in July 2017. In particular, we further enhanced the capability of our technology to be self-sufficient for our Banking correspondence business (Taraashna), evaluating options to be 100% cashless eco environment, in addition to building a multitude of other functionalities for our cross functional teams.

These initiatives are helping us reduce operational costs over a period of time and gain deeper insights through real-time dashboards. It is also helping track business KPIs every 2 minutes, thereby augmenting efficiencies. Investors as well as other stakeholders have responded positivity to this new technological transformation at Satin.

Key LMS initiatives

- Building new mobile technology platform [Online / Offline] to be accessed @ last mile [Tier 4 / Tier 5 Villages] by 7,000+ workforce
- Achieving significant increase in the satisfaction scores of our banking partner(s) / customers by cutting down on customer acquisition to loan disbursement cycle from 18 days to few minutes
- Tracking penetration and identifying untapped geographies
- Event-based mapping of geo location for better control & traceability of workforce
- SMS / E-mail based customer notifications at different touchpoints
- Core accounting and Financial system
- Going cashless in Disbursement & Collection
- Implementing “Go Green” concept, wherein all paper documentation related to loans are digitized [Paperless]
- Real-time credit checks in Tier 4 / Tier 5 villages & Real-time bank account verifications of customers
FUTURE-READY WITH ‘LOAN DOST’

We believe that the future of lending lies in leveraging innovative new technologies that preclude human intervention. ‘Loan Dost’ is a game-changing digital lending platform with the capability to make underwriting decision in 25 minutes, without any human interference. The product launched on November 28, 2018, was built in a record 5 months; despite the derangement caused by honorable Supreme Court about AADHAAR, which led us to change the client on-boarding process end-to-end about E-KYC, and E-NACH in a very short span of time.

A robust and secure platform, Loan Dost can make various checks, such as ability to pay, intention to pay and fraud prevention, seamlessly and objectively, with no human involvement. These checks include verification of KYC documents on real-time basis, use of artificial intelligence for face detection, and optical character reading for helping the clients in KYC autofill, in addition to a psychometric test to assess the client intention to pay back. The platform checks bank e-statement of the client on real-time basis. We use UPI as the medium to collect EMIs and login fee.

NEW INITIATIVE IN DIGITAL LENDING

Amongst the First MFIs to foray in digital lending with no human intervention, tapping the millennials.
When she took a loan of ₹ 25,000 from SCNL on October 18, 2016 to buy a buffalo, 56-year-old Dani Devi of village Begpur, Kaithal (Haryana) probably did not envisage that her life would change so drastically. From being barely able to take care of their large joint family, she now has a well-established Dairy farming business, which her husband helps her run. Their six buffaloes give close to 45-50 liters of milk daily, which they sell at dairies.

So happy was Dani with the success of her business that she opted for another loan from SCNL in January 2018, for arranging for fodder for the animals and to build a shed for their buffaloes. Now Dani is able to save around ₹ 15,000-16,000 a month after incurring all the necessary expenses to take care of the buffaloes.

“I feel proud to have been able to give my family better living conditions, thanks to SCNL, who gave me timely help and support. I wish SCNL comes up with loans up to ₹ 1 lakh to help us and other members to further expand their business,” says Dani, who, along with her husband, has become a symbol of pride and inspiration for other villagers.

- Dani Devi
**KEY OPERATION METRICS**

**DISTRICTS, STATES AND BRANCHES**

<table>
<thead>
<tr>
<th>Districts</th>
<th>States</th>
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**EMPLOYEES & LOAN OFFICERS**

<table>
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<th>Satin Employees</th>
<th>TSL Employees</th>
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</tr>
</tbody>
</table>

**CLIENTS (LAKHS)**

<table>
<thead>
<tr>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
</tr>
<tr>
<td>24.0</td>
</tr>
</tbody>
</table>

**GROSS LOAN PORTFOLIO (₹ IN CRORE)**

<table>
<thead>
<tr>
<th>Gross Loan Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
</tr>
<tr>
<td>3,271</td>
</tr>
<tr>
<td>4,067</td>
</tr>
</tbody>
</table>

**DISBURSEMENT1 (₹ IN CRORE) & NO. OF LOANS1 ('000)**

<table>
<thead>
<tr>
<th>Disbursement</th>
<th>No. of Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>FY17</td>
</tr>
<tr>
<td>1,689</td>
<td>1,566</td>
</tr>
<tr>
<td>3,606</td>
<td>3,594</td>
</tr>
</tbody>
</table>

**SATIN JLG LOANS - AVERAGE TICKET SIZE (₹)**

<table>
<thead>
<tr>
<th>Average Ticket Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
</tr>
<tr>
<td>24,000</td>
</tr>
</tbody>
</table>
Differentiation at SCNL encompasses every facet of our business framework, including our subsidiary companies. SCNL remains focused on imbuing its subsidiaries with the same values and culture that have steered its own journey of growth and progress over the years, so that they can partner us in our efforts to make a difference to all our stakeholders.

TARAASHPNA SERVICES LTD (TSL)

TSL supports the SCNL mission:
- To aid financial security and enable livelihoods
- Huge untapped area waiting for financial services

Acting as a Business Correspondent (BC) for banks & NBFCs, TSL provides services to its clients (similar to SCNL) in rural and urban/semi-urban areas. In partnership with various banks and other financial institutions, Taraashna offers various loans like Joint Liability loans, Dairy loans and Small Business loans. TSL also seeks to enter into arrangements with various other banks and financial institutions to scale the business volumes and the consequent portfolio through BC services in new products as well as newer geographies. TSL believes there is a significant business opportunity and regulatory push in this area, with the RBI actively supporting the BC model, as a means to achieve the objective of financial inclusion for all.

Joint Liability Group (JLG) loans are facilitated by TSL to link the clients for availing services from Banks & other Financial Institutions. This is done by fulfilling the financial needs of the women and empowering them to build capacity, by being an additional bread earner and a support system to their families. TSL also providing BC services for Secured Loans to Small Businesses, through its Principal Partners primarily to facilitate their business requirements, such as purchasing small equipment(s), undertaking business expansion, setting up related business & other working capital requirement. TSL is also engaged in arranging finance for the Dairy & Animal Husbandry industry, through a Tripartite arrangement with the Dairies, by offering a unique package of services to the farmers. This enables the farmers to increase the milk production by providing them small & mid-sized ticket secured loans, which results in Capital Formation in the economy.

GOING DIGITAL & CASHLESS

Aligning itself with SCNL’s strong focus on Digitization and Technological empowerment, TSL initiated technology improvement measures across its operational value chain, right up to the branch network, at the start of FY19.

As part of its efforts to digitize its systems for better operational control and efficiencies, TSL’s operations were migrated to a new system in record time of two months. Guided by structured training and skill upgradation of the field staff, across all the regions and branches, TSL was successful in ensuring a seamless migration to the new technology platform.

In December 2018, Taraashna further scaled its technological edge with “Direct Money Transfer” to the client’s bank account, thus moving towards a platform of “Cashless Disbursement”. The growth in the Cashless Disbursement witnessed a month on month increase, to reach a penetration of 60% of TSL’s disbursement, during a short span of just four months at the end of FY19. The focus on “Digitization and Cashless” has enabled TSL in achieving better controls, till the last business unit, with the resultant increase in the operational efficiencies.

8
No. of States

2,32,124
No. of Loans Disbursed in FY19

3,96,887
No. of Active Loan Clients

180
No. of Branches
(As of March 31, 2019)
SHFL has signed an MoU with NHB for the credit-linked subsidy scheme and actively participated in promoting government mission of housing for all 2022, by promoting Pradhan Mantri AWAS Yojna (PMAY). During FY19, SHFL successfully applied for PMAY subsidy to NHB amounting to ₹ 8.72 crores for 65 customers.

SATIN HOUSING FINANCE LTD (SHFL)

SHFL supports SCNL Mission:

- Over 65% of the nation’s population still lives in rural areas and substantial number of population with correction in property prices in urban are buying houses. SHFL will serve to the blend of both the customers to fulfill their dreams of owning and or renovating houses.
- The SCNL brand-name is trusted across the country, especially rural markets, and SHFL has decided to not just leverage it but also live up to it.

GETTING BETTER

TSL continues to partner with five Sectoral Banks and two NBFCs to provide Joint Liability Loans, Dairy Loans and Small Business Loans, across its network of 180 branches, spread across eight states in India.

SHFL, a professionally managed housing finance company registered with the National Housing Bank (NHB), is a wholly owned subsidiary of SCNL. It is engaged in providing long-term finance for purchase, construction, extension and repair of houses for the retail segment, along with loans against residential property. Its innovative and flexible competitively priced loan products are aligned to the unique needs of customers.

Incorporated in April 2017 and operational since February 2018, SHFL caters mainly to customers belonging to the Middle and Low Income Groups in peripherals of urban India, semi-urban and rural India. Headquartered in Gurugram (Haryana), SHFL has its registered office in Azadpur (Delhi), with branches in Kaushambi (UP), Jaipur (Rajasthan), Rewari (Haryana) and Dwarka (Delhi).

INCLUSIVE APPROACH

With a clear focus on the underserved sections of the society situated at the lowest and mid-level of the income pyramid, SHFL believes that the dream of home ownership should be all-inclusive.

SHFL, which has so far disbursed loans to more than 600 customers, provides personal, door-step services to its customers. Customers (mainly salaried and self-employed) are educated on the need to maintain proper documentation by SHFL, which works hard to gain insights into customer needs. At present, 85% of the Company’s loan disbursements are in Home Loans (HL) category, with the remaining 15% as Loans Against Property (LAP), and the large majority (85%) of the funding goes to first-time buyers.

QUALITY DIFFERENTIAL

In pursuit of its business goal, SHFL follows the principles of People, Process and Technology and, with the vision of highest transparency, has put in place a robust system and processes for Credit, Operations and IT, along with strong Corporate Governance systems and best ethical practices. It has adopted an integrated IT Software for Loan Maintenance and Accounting. Its quality portfolio and nil delinquency, till date, underscore SHFL’s strong and distinctive focus on excellence, which is endorsed by BBB+ Stable rating from CARE.

TECHNOLOGY MATTERS

Use of contemporary technology and digitization to continuously improve customer delivery is central to SHFL’s execution methodology. SHFL is implementing a state-of-the-art software and building an excellent technological framework for enabling a paperless environment.

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Success stories are all about hope, and there can be no better example of such a story than a woman who is striving to shape her destiny with modest means. Soni Verma, a native of Ekbal Nagar-Joya–Moradabad, is a story of hope and a matter of pride for the local community. It was in FY 10 when she took a loan of ₹10,000 from SCNL for the first time, to start a small Kirana shop. From convincing her spouse, a wage laborer, to going against societal diktats – it was a tough entrepreneurial journey towards fulfilling her dreams.

Self-reliance and financial freedom being the key to empowerment, Soni invested all her time and effort into empowering herself and progressing in her journey of hope. Over the years, she availed more credit from SCNL and her income improved and, as she gained confidence, she started supporting her four children’s education and nurturing their future. In the process, she also became an opinion leader of the society.

“One of my sons has become a government teacher and another is running a small dhaba now. My Kirana shop (which I call Lucky Kirana) has brought me luck,” she says with pride, coupled with a streak of determination.

- Soni Verma
SATIN FINSERV LIMITED (SFL)

SFL supports SCNL Mission:
- To address the growing unmet demand
- To facilitate inclusive growth

Despite being pivotal to employment generation and rural development, MSMEs do not find favour with banks and FIs for access to finance. Cognizant of the huge potential and latent opportunity in this segment, SCNL has decided to target it, through SFL, with specific focus on small business owners in manufacturing, trading and services posting an annual turnover of less than ₹200 lakhs. The aim is to “serve the small business owners (MSMEs) in a manner that is mutually beneficial”.

SFL has adopted a unique credit underwriting and assessment model to understand the income source and derive eligibility of the potential customers, most of whom do not maintain standard books of accounts or even warrant financial auditing. The customized processes are designed to deliver speed, flexibility and simplicity to the customers, while ensuring adequate control.

DIFFERENTIAL APPROACH

SFL’s product offerings include MSME – LAP. Loans in the range of ₹1 lakh to ₹15 lakhs are offered to customers falling under the category defined in the Business model and against an “immovable property”. Eligibility is measured across multiple parameters, with loan amount depending on the type, quality and market value of the collateral security a customer is able to offer. SFL considers a wide range of properties for this purpose and the customers can repay the loan in easy equated monthly installments over a chosen period of time.

Non-individuals, self-employed non-professionals / professionals, businesses (registered or otherwise), lower and middle income groups are the key SFL target. SHFL also looks at SCNL’s existing microfinance customers with excellent repayment tracks & completed multiple loan cycles.

SFL is reaching out to customers in Category A, B & C cities, which are District places, and the surrounding areas covering Gram Panchayats closer to the District boundaries.

STRONG CREDENTIALS

SFL has a state-of-the-art Loan Management System (LMS) and Loan Origination System (LOS). SFL is working on improving the customer journey and experience significantly, and thereby making this key differentiator vis-à-vis competition.

SFL, WHICH STARTED DISBURSEMENT AT THE END OF MARCH 2019, WANTS TO BECOME A SIGNIFICANT CONTRIBUTOR TO THE MSME SPACE WITH A DIVERSE RANGE OF FINANCIAL SERVICES PRODUCTS AND PLAY ITS ROLE IN STRENGTHENING THE INDIAN ECONOMY.
At SCNL, we have made social charter an integral part of our corporate culture, with community enrichment central to our business growth. As a responsible corporate citizen, we believe in creating a differentiated organization by making a difference not just in the lives of our employees, partners and investors but also the society in which we operate and thrive.

Our financial services improve the lives of financially excluded clients and their families to widen the range of opportunities for communities. We also engage in various other socially relevant services to reach out to, and empower, the most disadvantaged sections of the society.

**WOMEN LEADERSHIP EMPOWERMENT WORKSHOPS**

Our center leader workshops, leadership empowerment workshops, financial literacy trainings and similar initiatives help our clients showcase their finished products, dispel information about various government social schemes, bring about financial literacy and open windows of discussion on social issues affecting them.

During FY19, with support from Nordic Microfinance Initiative (NMI) – a Public-Private partnership between Government of Norway and a leading Norwegian financial institution – we organized eight ‘Women Leadership Empowerment Workshops’ across our operational network. More than 250 center leaders participated in each of these workshops, where representatives from district administration, RBI, NABARD, District Lead Bank interacted with the center leaders. The center leaders displayed their handicrafts, artefacts and other products, besides sharing stories of their inspirational journey.

**HEALTH CHECK-UP CAMPS**

We regularly organize health check-up camps along with campaigns focusing on health and hygiene concerns of the community within which we work. During the year gone by, we organized five health check-up camps for our clients and their families. On an average, around 300-350 villagers attended each of these camps and benefitted from free health examination and medical care provided by expert doctors.

**FLOOD RELIEF CAMPS**

We organized relief activities and distribution of ration to flood-hit villages in Assam and Bihar during the monsoons. The field team at the affected locations performed a need analysis, and alerted the Company to the specific requirements for victims and flood relief plans to enable us to reach out to as many affected families as possible. Apart from ration distribution at our branch offices, our relief teams also went to flood-hit areas in jeeps and boats to distribute ration packages and blankets.

**EMBARKING ON A NEW JOURNEY**

We joined hands with Hero Cycles to embark on a new journey in April 2018 to take sustainable and affordable mobility solution to every rural family. The journey started with 15 branches in Tezpur, Assam, and expanded to Katihar, Bihar with another 21 branches.

As part of its CSR efforts, SCNL has been supporting Maharaja Agrasen Hospital Charitable Trust (MAHCT). During FY19, the Company contributed ₹ 85.75 Lakhs to the Trust for setting up of Maharaja Agrasen Medical University at Bahadurgarh (Hajjar, Haryana). The construction work of Phase I and Phase II has been completed to the extent of 87.62% and 40.42% respectively.
LOAN PRODUCTS TO ENHANCE CLIENTS’ QUALITY OF LIFE

In our quest to make a difference in the quality of the lives of our clients, we have developed and are offering customised loans to facilitate access to clean energy, better mobility, safe water and sanitation facilities, in addition to the business loans.

**Clean Energy Loans:** Launched last year, these loans have considerably reduced the dependence of women’s households and businesses on kerosene oil for lighting purposes. Loan to facilitate access to solar-powered home lighting systems is currently being offered to our clients in eight states (Assam, Bihar, Haryana, Odisha, Punjab, Rajasthan, Uttar Pradesh and West Bengal). During FY19, we disbursed a total of 35,550 clean energy loans in these regions. We are working with several Solar Home lighting distribution companies to distribute solar lights to empower rural households in these states.

**SatinEmpowers**

Vegetable seller Hira Hazarika, our client from Behali branch of Tezpur region, took a loan from SCNL to buy a solar lantern which she uses to light up her stall at night market. “The vegetables look better by this light, and it’s cheaper than kerosene and doesn’t smell. If we can use the sun to save some money, why not?” shared Hira, who estimates she makes about ₹200 more each evening with her solar lantern through saving on kerosene and selling vegetables till late.

**Water and Sanitation (WASH) Loans:** During FY19, we supported a total of 68,941 families in securing safe water or sanitation facility at their homes through WASH loans, which we offer in Bihar and Assam. The increased demand for such loans suggests a growing awareness on this count.

**SatinEmpowers**

Rinki Devi has been associated with SCNL since FY14. She resides in Baderwa Gadhi village in Chapra, Bihar. She took a loan of ₹15,000 in FY18 to construct a household level twin leach pit toilet. She shared “All of us including my 4 children now use the toilet at home and have completely stopped open defecation. Even our medical expenditure has decreased considerably as my family member do not fall ill as frequently as earlier.” She thanks SCNL and her center’s loan officer for giving her an opportunity to improve her family’s living standard and health through WASH loan.

**Bicycle Loans:** A total of 17,355 bicycle loans were disbursed to women clients in Assam and Bihar during the year, facilitating them to travel independently to markets, production centers, banks etc. An added advantage is the freedom the bicycles give to their daughters to continue with their studies by commuting safely to school.

**SatinEmpowers**

Sarita Devi lives in Gorakhpur with her family. She used to walk daily or wait for public transport to commute to her shop which was time-consuming and expensive. When she heard about bicycle loans offered by Satin, she availed the loan to buy a bicycle for daily commuting. She started saving time, and money which resulted in enhancement in her earning. She also uses the bicycle to commute to local markets to explore more business opportunity and sourcing of material for sale. She is happy with the progressive change in her life brought by a simple bicycle loan.
Mr H P Singh  
Chairman cum Managing Director

Mr Satvinder Singh  
Director

Mr Rakesh Sachdeva  
Independent Director

Mr Sundeep Kumar Mehta  
Independent Director

Mrs Sangeeta Khorana  
Independent Director

Mr Goh Colin  
Independent Director

Mr Sanjay Kumar Bhatia  
Independent Director

Mr Anil Kumar Kalra  
Independent Director

Mr Davis Frederick Golding  
Independent Director  
(Resigned on April 12, 2019)

Mr Arthur Sletteberg  
Nominee Director

Mr Suramya Gupta  
Nominee Director  
(Resigned on January 07, 2019)

Mr Sanjaya Gupta  
Nominee Director  
(Resigned on October 15, 2018)

Mr Daniel Simpson Jacobs  
Nominee Director
MANAGEMENT TEAM

Mr H P Singh  
Chairman cum Managing Director

Mr Dev Verma  
Chief Operating Officer

Mr Subir Roy Chowdhury  
Chief Human Resource Officer

Mr Runveer Krishnan  
Company Secretary and Compliance Officer

Mr Sanjeev Vij  
WTD & CEO, Taraashna Services Limited

Mr Sumit Mukherjee  
WTD & CEO, Satin Finserv Ltd.

Mr Jugal Kataria  
Chief Financial Officer

Mr Sanjay Mahajan  
Chief Information Officer

Mr Partha Sengupta  
Chief Process and Risk Officer

Mr Amit Sharma  
WTD & CEO, Satin Housing Finance Limited
SATINEmpowers

Gnana Adaikalam F started her journey with SCNL with her first loan in March 2019 to set up a readymade garments shop in village Govindapuram, Trichy, Kerala. The 38-year-old woman, who was earlier helping her husband in his business, decided to venture out on her own in order to become self-dependent.

The loan helped her realize her dream, enabling her to become a successful entrepreneur. It also helped boost her respect in the family and society, as she became an independent earner.

“I thank the team at SCNL for helping my self-growth and making my dream come true,” says Gnana, who is now an inspiration for other women in her village.

- Gnana Adaikalam F
DETAILS OF COMMITTEE
(As on March 31, 2019)

Audit Committee
Mr Sanjay Kumar Bhatia (Chairman)
Mr Satvinder Singh (Member)
Mr Davis Frederick Golding (Member)
Mr Sundeep Kumar Mehta (Member)

Nomination & Remuneration Committee
Mr Sundeep Kumar Mehta (Chairman)
Mr H P Singh (Member)
Mr Arthur Sletteberg (Member)
Mrs. Sangeeta Khorana (Member)
Mr Davis Fredrick Golding (Member)

Corporate Social Responsibility (CSR)
Mr H P Singh (Chairman)
Mr Goh Colin (Member)
Mrs Sangeeta Khorana (Member)

Risk Management Committee
Mr Davis Frederick Golding (Chairman)
Mr Satvinder Singh (Member)
Mr Rakesh Sachdeva (Member)

Stakeholders’ Relationship Committee
Mr Sundeep Kumar Mehta (Chairman)
Mr Sanjay Kumar Bhatia (Member)
Mr Anil Kumar Kalra (Member)

Working Committee
Mr H P Singh (Chairman)
Mr Satvinder Singh (Member)
Mr Jugal Kataria (Member)
Mr Amit Kumar Gupta (Member)
Mr Ashish Gupta (Member)

Asset Liability Management Committee
Mr H P Singh (Chairman)
Mr Jugal Kataria (Member)
Mr Amit Kumar Gupta (Member)
Mr Ashish Gupta (Member)

IT Strategy Committee
Mr Rakesh Sachdeva (Chairman)
Mr H P Singh (Member)
Mr Daniel Simpson Jacobs (Member)
Mr Jugal Kataria (Member)
Mr Sanjay Mahajan (Member)
DEAR MEMBERS,
The Directors are pleased to present the Twenty Ninth Annual Report along with the Audited Financial Statement of your Company for Fiscal 2019.

FINANCIAL SUMMARY/HIGHLIGHTS, STATE OF AFFAIRS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Standalone Mar-19</th>
<th>Mar-18</th>
<th>Consolidated Mar-19</th>
<th>Mar-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,37,304.32</td>
<td>97,674.58</td>
<td>1,44,803.66</td>
<td>1,03,124.23</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>1,05,610.73</td>
<td>83,606.74</td>
<td>1,11,971.60</td>
<td>90,063.84</td>
</tr>
<tr>
<td>Profit before Depreciation and tax</td>
<td>31,693.59</td>
<td>14,067.84</td>
<td>32,832.06</td>
<td>13,060.39</td>
</tr>
<tr>
<td>Depreciation and amortization expenses</td>
<td>1,131.89</td>
<td>1,406.00</td>
<td>1,251.12</td>
<td>1,474.27</td>
</tr>
<tr>
<td><strong>Profit Before Tax</strong></td>
<td><strong>30,561.70</strong></td>
<td><strong>12,661.84</strong></td>
<td><strong>31,580.94</strong></td>
<td><strong>11,586.12</strong></td>
</tr>
<tr>
<td>Tax Expense</td>
<td>11,067.42</td>
<td>4,447.09</td>
<td>11,631.30</td>
<td>4,105.69</td>
</tr>
<tr>
<td><strong>Profit After Tax</strong></td>
<td><strong>19,494.28</strong></td>
<td><strong>8,214.75</strong></td>
<td><strong>20,149.64</strong></td>
<td><strong>7,480.43</strong></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>2,509.87</td>
<td>0.96</td>
<td>2,516.19</td>
<td>10.67</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td><strong>22,004.15</strong></td>
<td><strong>8,215.71</strong></td>
<td><strong>22,665.83</strong></td>
<td><strong>7,491.10</strong></td>
</tr>
</tbody>
</table>

OPERATIONS, FUND RAISE, PROSPECTS AND FUTURE PLANS

Operational Highlights in brief (Standalone basis)
- The aggregate gross loan portfolio (GLP) of the Company stood at ₹ 6,37,366.71 Lakhs as on March 31, 2019. This represents a year on year (YoY) growth of 25.35% as compared to March 31, 2018.
- Loan amount of ₹ 6,25,192.24 Lakhs was disbursed in FY 18-19, representing an increase of 12.21 % as compared to FY 17-18.
- The Company disbursed 23.39 Lakhs during FY 18-19, an increase of 28.80 % over FY 17-18.
- Average loan amount disbursed per account during FY 18-19 was ₹ 0.27 Lakhs, an decrease of 12.88% from FY 17-18.
- The Company has operations spread across 22 states/ union territories.

During the Financial Year under review, Company saw 137.31% increase in its profitability with a net profit of ₹ 19,494.28 Lakhs for the year ended March 31, 2019 as compared to ₹ 8,214.75 Lakhs for the year ended March 31, 2018. Profit before tax increased by 141.37% to ₹ 30,561.70 Lakhs. Total Income has increased from 97,674.58 Lakhs for the year ended March 31, 2018 to 1,37,304.32 Lakhs for the year ended March 31, 2019 which is mainly due to increase in 25.35% of AUM in the Company. Interest income of the Company increased to ₹ 1,17,950.47 Lakhs from previous year’s interest income of 95,731.20 Lakhs. Loan Assets Portfolio of the Company increased by ₹ 1,28,887.01 Lakhs during the year reaching 6,37,366.71 Lakhs as on March 31, 2019 as against ₹5,08,479.70 Lakhs as on March 31, 2018. The Return on Average Loan Assets increased to 3.40% in FY 2018-19 as compared to 1.89% in FY 2017-18. The cost of funds declined to 12.53% in 2018-19 compared to 12.56% in fiscal 2017-18. On account of the above, the Net Interest Margin improved to 9.45% as against 8.34% in FY 2017-18. Company’s Strong liquidity position provides significant headroom for growth. Company has Long term Credit Rating CARE A- (Upgraded from CARE BBB+); Short term rating CRISIL A1 (Assigned) & and CARE A1 (upgraded from CARE A2); Grading MFI 1 (MFI One).

Operation’s highlights are hereunder

<table>
<thead>
<tr>
<th>Particulars</th>
<th>March 2019</th>
<th>March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of branches</td>
<td>977</td>
<td>809</td>
</tr>
<tr>
<td>Amount disbursed (₹ in Lakhs)</td>
<td>6,25,192.24</td>
<td>5,57,165.75</td>
</tr>
<tr>
<td>Number of active Clients</td>
<td>31,49,607</td>
<td>24,01,701</td>
</tr>
<tr>
<td>Total Assets under management (₹ In Lakhs)</td>
<td>6,37,366.71</td>
<td>5,08,479.70</td>
</tr>
</tbody>
</table>

Fund raise during FY 2018-19

During the year under review, your Company has continued to diversify the sources of funds and raised a sum of ₹ 5,40,873.98 Lakhs by way of short-term loans, long-term loans, issue of Non-Convertible Debentures, Securitization & Assignments and Commercial Paper, which has helped the Company to achieve higher Assets under management. Out of overall borrowings, Company has raised funds through issuance of Non-Convertible Debentures amounting to ₹ 40,370.00 Lakhs. Subordinated liabilities represents long term source of funds for the Company and the amount outstanding as on March 31, 2019 was ₹ 53,919.68 Lakhs. Further, during the period under review, your company has successfully raised funds through Direct Assignment is ₹ 1,61,458.78 Lakhs.
Please refer the Management Discussion and Analysis Report for more information.

**Company’s Prospects, Future Plans and Business Overview:**
The business of your Company scaled up through increase in number of branches with new initiatives taken by the Company. Your Company became the first Micro finance Institutions (MFI) to foray into digital lending with no human intervention, thus tapping the millennials with the launch of “Loan Dost” in November 2018, a fintech venture that aims to provide short to medium term personal loans to salaried individuals. This is an app-based platform, which provides instant loans from ₹ 10,000 to ₹ 1,50,000 expand user base. The app is backed by strong evaluation processes including psychometric test and fetching bank and tax details with borrower consent. Managed portfolio under the tie-up with IndusInd Bank stood at ₹ 63,261 Lakhs as on March 31, 2019. Your Company intends to step up efforts to diversify revenue sources by increasing the share of cross-sell income. Your Company will continue to expand its geographical footprint in newer regions and will also deepen its reach in the existing states. The Company has enabled 100% branches for cashless disbursement through digital lending initiatives in FY 2018-19, which is a big step towards ensuring client protection. Technology will continue to be at the helm of operations and will be leveraged to enhance business effectiveness and impact.

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

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**
The Company has duly complied with the provision of Section 186 of the Companies Act, 2013 and Rules made thereunder. Details on loans or investment are mentioned in financial statements of this Annual Report. The Company has not given any guarantees to any body corporate on behalf of a third party.

**DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**
The policies and procedures adopted by your Company take into account the design, implementation and maintenance of adequate internal financial controls, keeping in view the size and nature of the business. The internal financial controls ensure the orderly and efficient conduct of its business. The controls encompass safeguarding of your Company’s assets, strict adherence to policies, and prevention and detection of frauds and errors against any unauthorized use or disposition of assets and misappropriation of funds. These controls help to keep a check on the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Audit Committee ensures that all procedures are properly authorized, documented, described and monitored. Job rotation is mandatory across departments to ensure high level of correctness and accuracy. Your Company has in place technologically advanced infrastructure with computerization in all its operations, including accounts and MIS.

Your Company has in place strong internal audit processes and systems which design an annual audit plan to ensure optimum portfolio quality and keep risks at bay. There is a full-fledged in-house Internal Audit department. The Regional Office Audit and Social Audit takes place on a quarterly basis, while Compliance Audit is done on the basis of feedback from other audits.

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

High standards of your Company’s internal control systems is adequately reflected in it receiving ISO 27001:2013 Certification post qualifying two stages of audit by third party certification body - Documentation audit and Control Testing audit. This indicates your Company has an integrated and robust Information Security Management System (ISMS) in its business processes & exemplifies that information security and client confidentiality are part of the cornerstones of your Company’s strategic objectives. This approach also ensures that employees supported by IT systems and processes throughout the organization maintain a high standard of security.

Your Company has also introduced “Centralized Shared Services Center” within its subsidiary businesses to create a unified support model across the group. This has also enabled to provide more structured, effective & efficient services across Business reporting, end user application support and in Management of Infrastructure support, security & new requirements centrally. This has enabled a professional support model within the organization and has helped restructuring the teams at different level and brought in significant cost optimization.

**MATERIAL EVENT RECORDED SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS**
There are no material changes and commitments affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors’ Report.

**SUBLIARY AND ASSOCIATES COMPANIES**
During the year under review 2018-19, Company has acquired 11,05,493 equity shares of Tarashna Services Limited (TSL) from its existing shareholder MV Mauritius Limited. By virtue of this TSL has become Wholly owned subsidiary of your Company w.e.f . July 27, 2018. Your Company has infused more equity fund of ₹ 2,000 Lakhs in order to expand the business operations of TSL.
In order to comply with the RBI guidelines to maintain qualifying asset and to have more focus on MSME lending, your Company has incorporated Satin Finserv limited (SFL) on August 10, 2018 with an Authorized Share Capital of ₹ 300 Lakhs and Paid-up share capital of ₹ 250 Lakhs. SFL is incorporated with the objective of providing Business loans to SME & MSME borrowers. SFL got the Certificate of Registration (COR) from Reserve Bank of India (RBI) on January 09, 2019 to commence business operations as Non- Banking Finance Company. Your Company has further infused ₹ 2,000 Lakhs to enable it to expand its business and operations.

Business Highlights of Taraasha Services Limited
Taraasha Services Limited (TSL) wholly owned subsidiary’s net worth stood at ₹5,179.45 Lakhs as at March 31, 2019. TSL is engaged in Business Correspondent activity and has achieved a gross turnover of ₹6,828.44 Lakhs during the year mainly from this activity (against gross turnover of ₹5,385.79 Lakhs during previous year). TSL has a net profit after tax of ₹841.88 Lakhs (previous year net loss after tax ₹684.06 Lakhs). TSL is looking for various business opportunities and is hopeful of getting some Business Correspondent arrangements with new Principal partners to have a sustainable growth going forward and achieving desired results.

The present AUM of TSL is spread across 8 states which includes Madhya Pradesh, Gujrat, Rajasthan, Punjab, Maharashtra, Bihar, Uttar Pradesh and Chhattisgarh.

Business Highlights of Satin Housing Finance Limited
Satin Housing Finance Limited (SHFL) wholly owned subsidiary’s net worth stood at ₹4,826.52 Lakhs as at March 31, 2019. As on that date Capital to Risk Assets Ratio (CRAR) was 111.10% which is well above the regulatory requirement of 12%. SHFL’s total income during the year ended March 31, 2019 is ₹707.08 Lakhs as compared to previous period ended March 31, 2018 of ₹63.85 Lakhs and net loss after tax during the year ended March 31, 2019 is ₹123.36 Lakhs as compared to previous period ended March 31, 2018 of ₹50.25 Lakhs.

Business Highlights of Satin Finserv Limited
Satin Finserv Limited, (SFL) wholly owned subsidiary’s net worth stood at ₹2,186.83 Lakhs as at March 31, 2019. As on that date Capital to Risk Assets ratio in terms of regulatory requirement is 187.36%, which is well above the regulatory requirement of 15.00%. SFL recently got the certificate of registration from and completed other formalities and statutory registrations to be fully operational. SFLs Total Income during the period ended March 31, 2019 is ₹10.38 Lakhs and net loss after tax of ₹63.17 Lakhs.

Within a span of two months, SFL has shown decent growth in terms of Sanctions & disbursements of loans. During the period under review, SFL has sanctioned loans of ₹1,150.00 Lakhs and has disbursed all the loans. First loan was disbursed on February 27, 2019 and March 18, 2019. Details on Board and its Committees are erstwhile mentioned in Corporate Governance section of this Annual Report.}

**Consolidated Financial Statements**
In accordance with Section 129(3) of the Companies Act, 2013 and Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Consolidated Financial Statements of the Company including the financial details of all the subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India. Further, a statement containing salient features of the financial statements of the Company’s subsidiaries in Form AOC-1 also form part of the Annual Report. Further, Company has neither any Associates nor any Joint Ventures as on March 31, 2019.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**
As per the provisions of the Companies Act, 2013, Mr Satinder Singh (DIN: 00332521) retires by rotation at the ensuing 29th AGM and being eligible, seeks his appointment. The Board and Nomination & remuneration Committee of the Board recommends his appointment.

Mr Sanjaya Gupta (DIN:02939128), Nominee director of “Asian Development Bank” and Mr Suramya Gupta (DIN- 06816354) Nominee Director of SBI FMO Emerging Asia Financial Sector Fund Pte. Ltd., have resigned from the position of director of the Company with effect from October 15, 2018 and January 07, 2019 respectively. Further Mr Davis Frederick Golding (DIN: 00440024) Independent director of the Company has resigned from the Company w.e.f. April 12, 2019.

The Board wish to place on record its appreciation for the valuable contribution of Mr Sanjaya Gupta, Mr Suramya Gupta and Mr Davis Frederick Golding in the sustained growth of the Company during their tenure as Directors of the Company.

Based on the recommendation of the Board of directors and Nomination and Remuneration Committee of the Company, a proposal for re-appointment of Mr Sundeep Kumar Mehta (DIN-00840544), Mr Rakesh Sachdeva (DIN-00333715) Mr Sanjay Kumar Bhatia (DIN-07033027), Mrs. Sangeeta Khorana (DIN: 06674198) and Mr Goh Colin (DIN: 06963178) for second term of 5 (five) years in the capacity of Independent Director of the Company is being included in the Notice of the ensuing AGM to seek your approval.

There were no change in the Key Managerial Personnel during the year under review.

During the year, 7 (seven) Board Meetings were held. These Board Meetings were held on May 30, 2018, July 11, 2018, August 13, 2018, November 14, 2018, February 04, 2019, February 27, 2019 and March 18, 2019. Details on Board and its Committees are erstwhile mentioned in Corporate Governance section of this Annual Report.

**PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS**
The Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015 stipulates the performance evaluation of the Directors including Chairperson, Board and its Committees. Further, SEBI vide its circular dated
January 5, 2017 issued a guidance note on Board Evaluation for listed companies. In view of the same and in terms of Board approved Nominations and Remuneration policy, the annual evaluation of Directors of their own performance, Board Committees and individual directors (including Independent Directors) based on criteria for the Directors and the Board are done through separate structured questionnaires. The performance of Board and its Committees, individual Directors, and Chairpersons were found satisfactory.

**STATEMENT ON DECLARATION “CERTIFICATE OF INDEPENDENCE” U/S 149 (6) FROM INDEPENDENT DIRECTORS**

The Board has independent directors and there is appropriate balance of skills, experience and knowledge in the Board to enable the Board to discharge its functions and duties effectively. The Independent Directors have submitted disclosure that they meet the criteria of independence as provided under Section 149(6) of Companies Act, 2013 and SEBI Regulations.

**DIRECTORS’ RESPONSIBILITY STATEMENT**

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

1. That in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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

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

4. That they have prepared the annual accounts for financial year ended March 31, 2019 on a going concern basis;

5. That the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the financial year ended March 31, 2019; and

6. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2019.

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

There is no material order passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

**RELATED PARTY TRANSACTIONS**

During the financial year 2018-19, there is no materially significant related party transaction with the Company’s promoters, directors, the management or their relatives, which may have potential conflict with the interest of the Company at large. The Company has also formulated a policy on dealing with the Related Party Transactions (including for material related party transactions) and necessary approval of the Audit Committee and Board of Directors were taken, wherever required in accordance with the Policy. The details of such policies for dealing with all related party transactions are disseminated on the website of the Company www.satincreditcare.com.

In compliance with section 188(1) of the Companies Act, 2013, AOC-2 enclosed as Annexure-I. Further, details of Related Party Transactions as required to be disclosed as per Indian Accounting Standard 24 “Related Party Disclosures” specified under section 133 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**Justification for entering into related party transactions**

All Related Party Transactions were placed before the Audit Committee for review and approval. Related Party Transactions were entered at Arm’s Length basis. All Related Party Transactions are subjected to independent review w.r.t. compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations.

Furtherance to this, the remuneration paid to Mr H P Singh, Chairman cum Managing Director and the sitting fee payment to non-executive directors (other than Investor’s nominee) for each Board/Committee meeting(s) attended and professional fees was paid to Mr Davis Frederick Golding, Independent director in addition to sitting fee, shown under Related party disclosures segment under “Notes to the account” of Balance Sheet in terms of Indian Accounting Standard 24 issued by The Institute of Chartered Accountants of India.

**AUDITORS & THEIR REPORTS**

Statutory Auditors & their Report

M/s Walker Chandiok & Co LLP, Chartered Accountants, bearing Registration No. 001076N/N500013 have been appointed on the recommendation of Audit Committee and Board of Director’s (in conformity with the provisions of sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (includes amendments thereto), as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the twenty seventh AGM (for FY 2017-18) till the conclusion of the thirty second AGM (for FY 2021-22) subject to the provisions of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time. Your Company has also received their written consent and a certificate that they satisfy the criteria provided under section 141 of the Companies Act 2013 (includes amendments thereto), and the said appointment is in effect during the financial year ended March 31, 2019.
accordance with the applicable provisions of the Act and rules framed thereunder.

During the year under review, the Auditors had not reported any matter under section 143 (12) of the Act, therefore no details are required to be disclosed under section 134 (3)(ca) of the Act. The Auditors’ Report is unmodified and does not contain any qualification, reservation, adverse remark or disclaimer.

The Board has placed on record its sincere appreciation for the services rendered by M/s Walker Chandiok & Co LLP, as Statutory Auditors of the Company.

Secretarial Auditors & their Report
In terms of section 204 of the Companies Act, 2013 and Rules framed thereunder and on the recommendation of the Audit Committee, the Board of Directors of the Company had appointed M/s S. Behera & Co, Company Secretaries (ICSI PCS Registration No. 5980) as the Secretarial Auditor of the Company for the financial year 2018-19. Secretarial audit report as provided by M/s S. Behera & Co. Company Secretaries is also annexed to this Report, in the prescribed Form MR-3, as Annexure-II. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

The report confirms that the Company has complied with the provisions of the act, rules, regulations and guidelines and there were no deviations/non-compliance.

Any member interested in hard copy of the Secretarial Audit Report may inspect the same at the Corporate Office of the Company or write to the Company Secretary for a copy. The Board has placed on record its sincere appreciation for the services rendered by M/s S. Behera & Co, Company Secretaries, as Secretarial Auditors of the Company.

DIVIDEND
Directors of your Company have recommended a final dividend (excluding dividend distribution tax) on Preference shares as stated below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Preference Shares</th>
<th>Period of dividend</th>
<th>Recommended amount of Dividend per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>12.10% Rated, Cumulative, Non-Convertible and Compulsorily Redeemable Preference Shares</td>
<td>April 01, 2018 to March 31, 2019</td>
<td>₹ 1.2100</td>
</tr>
<tr>
<td>2.</td>
<td>0.01 % Optionally Convertible Cumulative Redeemable Preference Shares</td>
<td>April 01, 2018 to March 31, 2019</td>
<td>₹ 0.0010</td>
</tr>
</tbody>
</table>

*Amount of dividend is excluding of dividend distribution tax

In order to undertake and carry on future plans, it is necessary to conserve the resources. Your directors are of the opinion of retaining the profits for the year within the Company, and thus have not recommended any dividend on equity shares for the year ended March 31, 2019.

CORPORATE SOCIAL RESPONSIBILITY (CSR)
Your Company has a vision to drive ‘holistic empowerment’ of the community and carries CSR initiatives through a trust, qualified to undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 (includes amendments thereto). Sustainability and social responsibility are an integral element of corporate strategy of the Company. In compliance with section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established the Corporate Social Responsibility Committee (CSR Committee) and the composition, function and details of meetings attended by the Committee Members are provided in the Corporate Governance Report.

The Board adopted the CSR Policy, formulated and recommended by the CSR Committee, and the same is available on the Company’s website i.e. www.satincreditcare.com.
During the year under review, your Company has spent approx. ₹ 85.75 Lakhs on CSR projects/programs. Your Company is in compliance with the statutory requirements in this regard. As per the requirement of Rule 8(I) of The Companies (Corporate Social Responsibilities) Rules, 2014 the Annual Report on CSR is annexed as Annexure III to this report and the same is posted on the website of the Company i.e. www.satincreditcare.com. The Company has carried out the CSR initiatives through Maharaja Agrasen Charitable Hospital Trust (MAHCT), an eligible trust qualified to undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013, MAHCT is in process of establishment of Maharaja Agrasen Medical College, Maharaja Agrasen Nursing Institute, Maharaja Agrasen Paramedical Institute and Maharaja Agrasen Management Institute. The medical college will have a separate section for economically weaker section category patients from across country, wherein patients will be treated free of cost including provision of free medicines and diet. This section will run through CSR funds.

E-VOTING

To widen the participation of shareholders in Company’s decisions pursuant to provisions of Section 108 of Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended and in terms of Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the Company has provided e-voting facility to its members, in respect of all member’s resolutions to be passed at General Meeting(s) of the Company. The Company is providing this facility to enable them to cast their votes electronically on all resolutions set forth in the Notice. The instruction(s) for e-voting for ensuing Annual General Meeting is provided with Notice to members of this Annual Report. The Company has signed necessary agreements with National Securities Depository Limited and Central Depository Services Limited to facilitate e-voting for members approval in their general meetings or through postal ballots.

REGISTER E-MAIL ADDRESS

To contribute towards greener environment, the Company again proposes to send documents like members meeting notice/other notices, audited financial statements, boards' report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/or available to the Company by the Depositories. Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their depository participants or by writing to the Company/ RTA.

Details of Options Granted, Vested and Exercise of Options

I. ESOS 2009

<table>
<thead>
<tr>
<th>Date of Grant of Options</th>
<th>No of Options Granted</th>
<th>Vesting Date</th>
<th>Vesting out of 1,50,000 Options Exercised</th>
<th>No of Options Exercised</th>
<th>Vesting out of 98,300 Options (11,000 Lapsed)</th>
<th>No of Options Exercised</th>
<th>Vesting out of 87,900 Options (9,300 Lapsed)</th>
<th>No of Options Exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 12, 2010</td>
<td>1,50,000</td>
<td>January 12, 2011</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>January 12, 2012</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>January 12, 2013</td>
<td>50,000</td>
<td>50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 2, 2013</td>
<td>98,300</td>
<td>December 2, 2014</td>
<td>-</td>
<td>-</td>
<td>29,090</td>
<td>2,5824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>December 2, 2015</td>
<td>-</td>
<td>-</td>
<td>29,100</td>
<td>2,633</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>December 2, 2016</td>
<td>-</td>
<td>-</td>
<td>29,110</td>
<td>2,7243</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December 2, 2016</td>
<td>87,900</td>
<td>December 2, 2017</td>
<td>-</td>
<td>-</td>
<td></td>
<td>22,300</td>
<td>21,100</td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>December 2, 2018</td>
<td>-</td>
<td>-</td>
<td></td>
<td>19,300</td>
<td>19,300</td>
<td></td>
</tr>
</tbody>
</table>

EMPLOYEES STOCK OPTION PLAN

The shareholders of the Company at their Annual General Meeting held on July 6, 2017 the Nomination and Remuneration Committee of the Company approved a new scheme “Satin Employee Stock Option Scheme 2017” (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding promoters of the Company.

The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion.

Vesting of the options shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant provided the vesting period. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

Presently, stock options have been granted or shares have been issued under the following scheme:

A. Satin Employee Stock Option Scheme 2009 (ESOS 2009)
B. Satin Employee Stock Option Scheme 2017 (ESOS 2017)
II. **ESOS 2017**

<table>
<thead>
<tr>
<th>Date of Grant of Options</th>
<th>No of Options Granted</th>
<th>Vesting Date</th>
<th>Vesting out of 145200 Options (67800 Lapsed)</th>
<th>No of Options Exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 14, 2017</td>
<td>1,45,200</td>
<td>August 14, 2018*</td>
<td>21400</td>
<td>12200</td>
</tr>
<tr>
<td>May 30, 2018</td>
<td>2,26,600</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

*These options are available for exercise till August 13, 2019*

A. Disclosures as per Indian Accounting Standard 102 Share Based Payment issued by ICAI.

1. The Company had ‘nil’ share-based payment arrangements during the year ended March 31, 2019.
2. The estimated fair value of each stock option granted in the general employee stock option plan is ₹ 420.75, ₹ 166.98 and ₹ 414.54. This was calculated by applying Black Scholes pricing model. The model inputs were as follows:

<table>
<thead>
<tr>
<th>Inputs</th>
<th>ESOS 2009 Grant 3</th>
<th>ESOS 2017 Grant 1</th>
<th>ESOS 2017 Grant 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Grant</td>
<td>December 2, 2016</td>
<td>August 14, 2017</td>
<td>August 14, 2017</td>
</tr>
<tr>
<td>Share Price at grant Date (In ₹)</td>
<td>438.40</td>
<td>267.38</td>
<td>267.38</td>
</tr>
<tr>
<td>Exercise price (In ₹)</td>
<td>20.00</td>
<td>160.00</td>
<td>160.00</td>
</tr>
<tr>
<td>Expected Volatility (%)</td>
<td>60.39</td>
<td>55.86</td>
<td>62.90</td>
</tr>
<tr>
<td>Contractual Life (in years)</td>
<td>3.08</td>
<td>1.50</td>
<td>2.50</td>
</tr>
<tr>
<td>Risk Free Interest Rate (%)</td>
<td>6.03</td>
<td>6.35</td>
<td>6.40</td>
</tr>
</tbody>
</table>

3. Other information regarding employee share-based payment plans is as below:

<table>
<thead>
<tr>
<th>Particular</th>
<th>Year ended March 31, 2019</th>
<th>Year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense arising from employee share-based payment plans</td>
<td>₹ 317.86</td>
<td>₹ 189.08</td>
</tr>
</tbody>
</table>

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting Standard 33 - Earnings per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time. Diluted EPS is ₹ 40.09.

**Effects of Share Options on Diluted Earnings per Share**  
(Accounting year April 01, 2018 to March 31, 2019)

<table>
<thead>
<tr>
<th>Particulars:</th>
<th>₹ in Lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit for the year ended 2019</td>
<td>₹ 19,494.28</td>
</tr>
<tr>
<td>Weighted average number of equity shares outstanding during the year ended 2019</td>
<td>48,287,570 Shares</td>
</tr>
<tr>
<td>Average fair value of one equity share during the year ended 2019</td>
<td>420.75, 166.98 &amp; 414.54</td>
</tr>
<tr>
<td>Weighted average number of shares under option during the year ended 2019</td>
<td>297,369 Shares</td>
</tr>
<tr>
<td>Weighted average number of shares under Conversion during the year ended 2019</td>
<td>198,838 Shares</td>
</tr>
<tr>
<td>Exercise price for shares under option during the year ended 2019</td>
<td>20.00 &amp; 160.00</td>
</tr>
</tbody>
</table>

**Computation of earnings per share**

<table>
<thead>
<tr>
<th>Particulars:</th>
<th>Earnings</th>
<th>Shares</th>
<th>Earnings Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit for the year ended 2019</td>
<td>₹ 19,494.28</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average number of shares outstanding during year ended 2019</td>
<td>-</td>
<td>48,287,570</td>
<td>-</td>
</tr>
<tr>
<td>Basic earnings per share (₹)</td>
<td>-</td>
<td>-</td>
<td>40.37</td>
</tr>
<tr>
<td>Dilutive impact of optionally convertible preference shares</td>
<td>64.47</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Number of shares under option</td>
<td>-</td>
<td>297,369</td>
<td>-</td>
</tr>
<tr>
<td>Number of shares under conversion</td>
<td>-</td>
<td>198,838</td>
<td>-</td>
</tr>
<tr>
<td>Diluted earnings per share (₹)</td>
<td>₹ 19,558.75</td>
<td>48,783,777</td>
<td>40.09</td>
</tr>
</tbody>
</table>
C. Details related to ESOS

(i) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Date of shareholders’ approval</td>
<td>June 01, 2009</td>
<td>March 26, 2010</td>
<td>December 15, 2010</td>
<td>July 6, 2018</td>
</tr>
<tr>
<td>2</td>
<td>Total number of options approved under ESOS</td>
<td>4,25,000</td>
<td>1,00,000</td>
<td>1,50,000</td>
<td>3,61,400 and such other unvested options under existing ESOP Schemes</td>
</tr>
<tr>
<td>3</td>
<td>Vesting requirements/Conditions</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Scheme.</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOP Scheme.</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017. Nomination and Remuneration Committee is free to determine the exercise price based on Market Price 3 years and 2 years or as the Committee may deem fit.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Exercise price or pricing formula</td>
<td>₹ 20/- being the Fair Value of the shares of the Company. (Computed on the basis of Audited result FY 2008-09).</td>
<td>₹ 22/- being the Fair Value of the shares of the Company. (Computed on the basis of Audited result FY 2009-10)</td>
<td>₹ 25/- being the Fair Value of the shares of the Company. (Computed on the basis of Audited result FY 2009-10)</td>
<td>Nomination and Remuneration Committee is free to determine the exercise price based on Market Price.</td>
</tr>
<tr>
<td>5</td>
<td>Maximum term of options granted</td>
<td>3 Years</td>
<td>3 Years</td>
<td>3 Years</td>
<td>3 years and 2 years or as the Committee may deem fit.</td>
</tr>
<tr>
<td>6</td>
<td>Source of shares (primary, secondary or combination)</td>
<td>Primary</td>
<td>Primary</td>
<td>Primary</td>
<td>Primary</td>
</tr>
<tr>
<td>7</td>
<td>Variation in terms of options</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Variations in Terms of Grants can be done by the Nomination and Remuneration Committee</td>
</tr>
</tbody>
</table>

(ii) Method used to account for ESOS – Fair Value (Black Scholes Model).

(iii) Option movement during the year (For each ESOS):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Satin ESOP 2009</th>
<th>Satin ESOS Scheme 2017*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of options outstanding at the beginning of the period</td>
<td>-</td>
<td>3,06,200</td>
</tr>
<tr>
<td>Number of options granted during the year</td>
<td>NA</td>
<td>2,26,600</td>
</tr>
<tr>
<td>Number of options forfeited / lapsed during the year</td>
<td>6,000</td>
<td>40,100</td>
</tr>
<tr>
<td>Number of options vested during the year</td>
<td>19,300</td>
<td>21,400</td>
</tr>
<tr>
<td>Number of options exercised during the year</td>
<td>19,300</td>
<td>12,200</td>
</tr>
<tr>
<td>Exercise Price (₹ options)</td>
<td>20.00</td>
<td>160.00</td>
</tr>
<tr>
<td>Number of shares arising as a result of exercise of options</td>
<td>19,300</td>
<td>12,200</td>
</tr>
<tr>
<td>Money realized by exercise of options (₹ in Lakhs), if scheme is implemented directly by the company</td>
<td>6.20</td>
<td>19.42</td>
</tr>
<tr>
<td>Loan repaid (₹ in Lakhs) by the Trust during the year from exercise price received</td>
<td>6.20</td>
<td>19.42</td>
</tr>
<tr>
<td>Number of options Shifted to the New ESOS Scheme, 2017</td>
<td>6,000</td>
<td>-</td>
</tr>
<tr>
<td>Number of options outstanding at the end of the year</td>
<td>-</td>
<td>1,25,700</td>
</tr>
<tr>
<td>Number of options exercisable at the end of the year</td>
<td>19,300</td>
<td>2,51,700</td>
</tr>
</tbody>
</table>

* Figures of Outstanding Options under ESOS Scheme 2017 are reported considering figures of Existing ESOP Scheme and ESOS Scheme 2017.
(iv) Weighted-average exercise prices:
- when the exercise price is equal/exceeds to market price.
- when the exercise price is less than market price
  
  ESOS 2009 - ₹ 213.96  
  ESOS 2017 - ₹ 283.78  

Weighted-average fair values
- when the exercise price is equal/exceeds to market price.
- when the exercise price is less than market price:
  
  ESOS 2009 - ₹ 420.75,  
  ESOS 2017 - ₹ 166.98 and ₹ 254.54  

(v) Employee wise details (name of employee, designation, number of options granted during the year, exercise price)

(a) Senior managerial personnel (of Company & its subsidiaries):

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Employee</th>
<th>Designation</th>
<th>No of Options Granted</th>
<th>Exercise Price (In ₹)</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>24,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>2</td>
<td>Mr Dev Verma</td>
<td>Chief Operating Officer</td>
<td>24,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>3</td>
<td>Mr Subir Roy Chowdhury</td>
<td>Chief Human Resource Officer</td>
<td>24,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>4</td>
<td>Mr Sanjay Mahajan</td>
<td>Chief Information Officer</td>
<td>24,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>5</td>
<td>Mr Amit Kumar Gupta</td>
<td>Head-Accounts</td>
<td>2,500</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>6</td>
<td>Choudhary Runveer Krishanan</td>
<td>Company Secretary &amp; Compliance Officer</td>
<td>2,500</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>7</td>
<td>Mr Ashish Gupta</td>
<td>Head-Finance</td>
<td>4,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>8</td>
<td>Mr Indrajit Kumar</td>
<td>Dy. Chief Operating Officer</td>
<td>3,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>9</td>
<td>Mr Ajay Kumar</td>
<td>Head-Business HR</td>
<td>1,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>10</td>
<td>Mr Manoj Kumar</td>
<td>Dy. Chief Operating Officer</td>
<td>3,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>11</td>
<td>Mr Mukund Madhav</td>
<td>Dy. Chief Operating Officer</td>
<td>4,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>12</td>
<td>Mr Sushil Kumar Menon</td>
<td>Vice President-IT</td>
<td>6,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>13</td>
<td>Mr Lovneet Goyal</td>
<td>Vice President-IT</td>
<td>6,000</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>14</td>
<td>Mr Pranav Prakash</td>
<td>Vice President-Operations</td>
<td>4,500</td>
<td>160.00</td>
<td>Satin Creditcare Network Limited</td>
</tr>
<tr>
<td>15</td>
<td>Mr Amit Sharma</td>
<td>Chief Executive Officer &amp; Whole Time Director</td>
<td>24,000</td>
<td>160.00</td>
<td>Satin Housing Finance Limited</td>
</tr>
<tr>
<td>16</td>
<td>Mr Sachin Sharma</td>
<td>Chief Financial Officer</td>
<td>2,000</td>
<td>160.00</td>
<td>Satin Housing Finance Limited</td>
</tr>
<tr>
<td>17</td>
<td>Mr Sanjeev Vij</td>
<td>Chief Executive Officer &amp; Whole Time Director</td>
<td>24,000</td>
<td>160.00</td>
<td>Taraashna Service Limited</td>
</tr>
<tr>
<td>18</td>
<td>Mr Abhay Thakkar</td>
<td>Chief Financial Officer</td>
<td>1,500</td>
<td>160.00</td>
<td>Taraashna Service Limited</td>
</tr>
<tr>
<td>19</td>
<td>Mr Jitendra Kumar Pandey</td>
<td>Chief Operating Officer</td>
<td>4,000</td>
<td>160.00</td>
<td>Taraashna Service Limited</td>
</tr>
<tr>
<td>20</td>
<td>Mr Milind Govindrao Deshmukh</td>
<td>Chief Operating Officer</td>
<td>4,500</td>
<td>160.00</td>
<td>Taraashna Service Limited</td>
</tr>
<tr>
<td>21</td>
<td>Mr Punit Sharma</td>
<td>Vice President-HR</td>
<td>3,000</td>
<td>160.00</td>
<td>Taraashna Service Limited</td>
</tr>
</tbody>
</table>
Following employees have received a grant in the reporting year of option amounting to 5% or more of option granted during that year:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Employee</th>
<th>Designation</th>
<th>No of Options granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Mr Dev Verma</td>
<td>Chief Operating Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>2.</td>
<td>Mr Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>3.</td>
<td>Mr Sanjay Mahajan</td>
<td>Chief Information Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>4.</td>
<td>Mr Subir Roy Chowdhury</td>
<td>Chief Human Resource Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>5.</td>
<td>Mr Amit Sharma</td>
<td>Chief Executive Officer- Satin Housing Finance Limited</td>
<td>24,000</td>
</tr>
<tr>
<td>6.</td>
<td>Mr Sanjeev Vij</td>
<td>Chief Executive Officer- Taraashna Services Limited</td>
<td>24,000</td>
</tr>
</tbody>
</table>

(c) There is no identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

(vi) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: Requisite details forms part of financial statements. The details pursuant to SEBI (Share Based Employee Benefit) regulations, 2014 has been placed on the website of the Company www.satincreditcare.com.

ESOS Schemes Compliance Status

ESOS 2009 and ESOS 2017 is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI ESOS Regulations) and the Companies Act, 2013. The company small place before upcoming AGM, a certificate from the Statutory Auditors of the Company certifying that ESOS 2009 and ESOS 2017 Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and is in accordance with the resolutions passed by the Members of the Company at a general meeting.

The ESOS Schemes are implemented in accordance with Indian Accounting Standard issued by ICAI and the relevant accounting pronouncements.

Administration of ESOS Schemes

The Nomination and Remuneration Committee of the Board administer the Employee Stock Option Schemes, formulated by the Company from time to time.

POLICIES

Vigil Mechanism/Whistle Blower Policy

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company’s code of conduct or ethics policy and details of the same are explained in the Corporate Governance Report. The Policy is also available on the Company’s website (www.satincreditcare.com).

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

In pursuance of the Company’s policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company, to have diversified Board, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time and Rules/Regulations/Guidelines/Notifications issued by Securities and Exchange Board of India (SEBI) from time to time. The policy on nomination and remuneration was modified and approved by the Board of Directors vide its meeting dated February 04, 2019. The Company periodically conduct familiarization programme for the independent directors, their roles, rights, responsibilities, nature of the industry in which the Company operates and it’s business model, etc. The detail of such familiarization programmes is disclosed on the Company’s website i.e. www.satincreditcare.com.

Risk Management Policy

The Board has adopted the Risk Management Policy based on the recommendation of the Risk Management Committee in order to assess, monitor and manage risk throughout the Company. Risk is an integral part of any business, and sound risk management is critical for the success of any organization. The Audit Committee reviews adequacy and effectiveness of the Company’s internal control environment to monitor and mitigate the risk through internal audit recommendations including those relating to strengthening of the Company’s risk management policies and systems.

Sexual harassment policy for women under The Sexual Harassment of Women at workplace (prevention prohibition and Redressal) Act, 2013

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace. The Company is in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and has adopted a revised policy on Sexual Harassment on August 14, 2017 to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment.

Further, during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
**ECONOMIC OVERVIEW**

India continues to retain its position as the world’s fastest growing major economy. Its GDP is seen growing by 7.3% in FY 2018-19, according to World Bank estimates, supported by continued recovery of investment and robust consumption, amid a more expansionary stance of monetary policy and some positive changes in the key metrics of the Indian economy are now visible. These reforms have integrated more people into the formal financial system, boosted cashless transactions and added more taxpayers. World Bank has projected India’s GDP to grow by an average 7.5% in FY 2019-20 and FY 2020-21, primarily with investment picking up and consumption remaining strong. Continued implementation of structural and financial sector reforms with efforts to reduce public debt remain essential to secure the Indian economy’s growth prospects.

**INDUSTRY OVERVIEW**

**Micro-Finance Industry in India**

The microfinance sector in India emerged in 1982 with the formation of National Bank for Agriculture and Rural Development (NABARD), which operated through the Self Help Group (SHG) model. Currently, three models are prevalent in the microfinance lending sector – SHG, JLG (Joint Liability Group) and SHG Bank Linkage. Different industry players such as Banks, SFBs (Small Finance Banks), NBFC-MFIs (Non-Banking Finance Company-Microfinance Institutions), other NBFCs (Non-Banking Finance Companies) and Non-Profit organization(s) operate through different models. NBFC-MFIs and non-profit MFIs are the only two player groups with loan portfolios primarily focused towards microcredit.

As of December 31, 2018, the microfinance industry was estimated to have a gross loan portfolio (GLP) of ₹ 1,66,284 Crores, up 43% over the previous year, as per the MFIN Micrometer. NBFC-MFIs hold the largest share of portfolio at 36.5% of the micro-credit universe, with an aggregate gross loan outstanding of ₹ 60,631 Crores, representing 43.8% growth over the previous year.

The branch network of NBFC-MFIs was 11,747, up 34% over the previous year. Growth in this segment can be attributed to the growing penetration by MFIs, rise in income and aspiration levels, and ease of lending rules by the Reserve Bank of India (RBI). The segment reported total of 2.94 Crore clients, up 34% over the previous year, while loan accounts grew to 3.87 Crore, registering 27.3% growth over the previous year (YoY).

![Graph showing distribution of clients](Source: MFIN Micrometer – December 31, 2018)

**NBFC- MFI Industry Overview**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Q3 FY 18-19</th>
<th>Q3 FY 17-18</th>
<th>YoY change (%) (FY 18-19 over FY 17-18)</th>
<th>Q2 FY 18-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branches</td>
<td>Dec-18</td>
<td>Dec-17</td>
<td>Sep-18</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>11,747</td>
<td>8,792</td>
<td>34%</td>
<td>11,201</td>
</tr>
<tr>
<td>Clients* (Crores)</td>
<td>1,00,736</td>
<td>73,064</td>
<td>38%</td>
<td>94,599</td>
</tr>
<tr>
<td>Loan accounts (Crores)</td>
<td>2.94</td>
<td>2.2</td>
<td>34%</td>
<td>2.8</td>
</tr>
<tr>
<td>Gross Loan Portfolio (Clients* (₹ Crores))</td>
<td>60,549</td>
<td>39,917</td>
<td>52%</td>
<td>56,785</td>
</tr>
<tr>
<td>Loan disbursed (during the quarter, Crores)</td>
<td>0.77</td>
<td>0.63</td>
<td>23%</td>
<td>0.79</td>
</tr>
<tr>
<td>Loan amount disbursed (during the quarter, ₹ Crores)</td>
<td>19,919</td>
<td>14,147</td>
<td>41%</td>
<td>20,018</td>
</tr>
</tbody>
</table>

*The clients number here is the aggregate of clients of member MFIs. Given some degree of overlaps, it does not reflect the number of ‘unique’ clients
(Source: MFIN Micrometer – December 31, 2018)

**Understanding India’s Microfinance Industry**

### 1. Geographical Mix

While 72% of the NBFC-MFI portfolio is rural, the remaining 28% is urban. In terms of purpose, agricultural loans accounted for 57% of total GLP, while non-agricultural (trade/services and manufacturing) loans accounted for 39%. The balance approx. 4% of GLP was disbursed as household finance loans. The top 5 states in terms of loan amount outstanding, namely Karnataka, Odisha, Bihar,
Tamil Nadu and Maharashtra, accounted for 53% of the total GLP. The top 10 states accounted for 84% of loan amount outstanding. The Company expanded its footprint in Southern India and North East during the year, with the addition of Meghalaya, Tripura, Tamil Nadu, Karnataka and Pondicherry to its presence map. (Source: MFIN Micrometer – December 31, 2018)

2. Market Share
Market share within NBFC-MFIs is clearly concentrated among large MFIs. Top 10 MFIs accounted for 76% of the aggregate industry portfolio. (Source: MFIN Micrometer – December 31, 2018)

3. MFIs as Business Correspondents
In 2006, RBI initiated the Business Correspondent (BC) model to promote financial inclusion. Banks were allowed to use third-party agents as BCs to provide banking and financial services, such as credit and savings, on their behalf. Banks can benefit from the outreach and efficient distribution structures of MFIs. On the other hand, MFIs can exploit the relationship to not only push credit, but also to offer a much wider range of products – savings, credit, insurance, pension and remittances. A higher degree of client satisfaction is expected, if MFIs offer a range of savings, pension and remittance services. This will lead to improved customer loyalty and reduced default risks. The savings history of clients will also enable better credit appraisal and help MFIs address the problem of multiple borrowing. SCNL’s Business Correspondent (BC) business with IndusInd Bank touched Assets Under Management of ₹ 633 Crores, as part of the BC partnership entered into during the previous year.

OPPORTUNITIES FOR MICROFINANCE SECTOR
Microfinance has proved to be a powerful tool for initiating a cyclical process of growth and development. MFIs undercut the local money-lenders by a huge margin. MFIs, with their deep-rooted presence, are in a sweet spot to leverage the growing capabilities of rural India to avail financial loans, and thereby, embark on rising economic growth.

Outlook on NBFC-MFIs
Steady growth is projected for NBFC-MFIs, led by NBFC-MFIs’ ability to customise products, price the risk and manage ultimate credit costs, especially related to small-ticket loans, according to India Ratings and Research.

NBFC-MFIs’ asset quality has been largely resilient to the twin disruption of demonetization and GST implementation. With tightening of interest rates and heightened competition limiting maneuverability on the lending side, margins are expected to come under pressure for NBFCs. Players that have maintained a matched asset-liability profile will be better placed than those that have increased reliance on short-term funding, creating an asset-liability tenor mismatch.

An increased focus on the rural economy could be a boost for NBFCs with a significant portion of the assets in rural areas. As per MFIN, investors’ confidence has been positive post demonetization, which is evident from a 40% YoY growth in equity investments during FY 2017-18. This is largely due to robust and stable growth, including consistent maintenance of Non-Performing Assets (NPAs) at under 1% level. The industry has been able to maintain the client repayment rate of 99%, which allays the fear of risks involved, considering the unsecured nature of loans.

Source: India Ratings, Press Release

CHALLENGES
As it taps further opportunities by entering into new geographical areas, the Company encounters with some fresh key challenges with respect to fulfilling its expansion plans. Considering changes in state laws, the opening of new branches and splitting of existing branches is a challenging task for the management. Training and development for employees and security risks are other potential challenges faced by the management. The Company is also moving towards digitization to achieve better operational efficiency. This may also pose a challenge with regard to adoption of new technologies and for security prospects. However, Company’s senior management possesses the requisite expertise in their respective areas to face these challenges. It has a geographical advantage, time-tested systems and processes, effective internal audit and risk department, association with large number of lenders and clean repayment track record and good credit rating in the sector. Tough competition with other financial institutions will continue to be a challenge, but your Company’s key strategies and business diversification will help to achieve better results and lead to a promising future.

RISK AND CONCERNS
Risks are an integral part of the Company’s business and sound risk management is critical to the success of the organization. As a financial institution, the Company is exposed to risks that are particular to its lending and the environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage these risks. Its risk management processes are constantly improvised and adapted to the changing risk scenario. The agility of its risk management process is monitored and reviewed for its appropriateness in the changing landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. The Company has an elaborate process for risk management, which rests on the three pillars of Business Risk Assessment, Operational Controls Assessment and Policy Compliance Processes.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are periodically discussed with both the Management and the Risk Management Committee. Some of the risks relate to competitive intensity and the changing legal and regulatory environment. However, to mitigate this risk, the Company follows a conservative financial approach through prudent business and risk management practices.
COMPANY OVERVIEW

Brief Profile of the Company

Satin Creditcare Network Limited (hereafter referred to as ‘Your Company’) began operations in 1990 as a provider of individual and small business loans and saving services to urban lenders. With strong commitment and determination, your Company has emerged as one of the largest MFIs in terms of Gross Loan Portfolio in India, with a strong presence in north, east and central India. Your Company was been registered as an NBFC with RBI in 1998 and was converted into an NBFC-MFI in November 2013.

Your Company primarily operates on the Joint Liability Group model, enabling it to provide collateral-free, micro-credit facilities to economically active women in both rural and semi-urban areas. These women otherwise find limited access to mainstream financial service providers generally belonging to Economically weaker section of India. Your company also finances products purchase of solar lamps, bicycles and loans for development of water connections and sanitation facilities. The Company focuses its operations in 22 states and union territories in India has 1,163 branches and 11, 831 employees, as on March 31, 2019. (Consolidated basis)

In 2017, your Company incorporated Satin Housing Finance Limited as its wholly-owned subsidiary, to finance the affordable housing segment. This was a part of the Group Company’s strategy of product diversification and movement from unsecured to secured lending. It enabled your Company to leverage the rural outreach.

Your Company also provides Business Correspondent services under Taraashna Services Ltd (acquired in 2016). Further, the Company has entered into a Business Correspondent partnership with IndusInd Bank in FY 2017-18.

In addition, your Company also offers loans to individual businesses, Micro, Small & Medium Enterprises (MSMEs) and other corporate loans under its wholly-owned subsidiary “Satin Finserv Limited”. In the second half of FY2018-19, the Company received a license for Satin Finserv Limited. The Company started lending to MFI companies as well. It enabled your Company to leverage the rural outreach.

Your Company is also working towards capturing KYC with use of technology and shared services. This will ensure it delivers quality with better efficiency and reduced manpower. It will result in better monitoring, controls and data management with inputs and help improve qualities.

The geo-tagging of branches, centres and customers is aimed at mitigating a huge risk of customer identification and reach, without the need for recruiting a Community Service Officer (CSO). This will automate the complete experience and eliminate dependency on CSOs for customer identification and result in better Centre Management. The handover process will also be streamlined and transparent.

Your Company has moved its customer compliant processes to outsourced inbound calling with 9 language Interactive Voice Response (IVR) and interaction with customers in their language. This improves the understanding of issues faced by customers, resulting into enhanced customer experience and brand stickiness.

Psychometric implementation has enabled 69,36,000 Customer Tests, and made customers filtration process more scientific and transparent, without any human intervention. This results into reduced risk on customers with negative intentions.

2. Information Technology (IT) as an Enabler

Digital transformation technology (Loan Management System) has been our game changer. It has not only made operations quick and easy, but also enabled your Company to turn around its customer acquisition to disbursement journey by bringing it down from the earlier 18 days to a few minutes. This digital transformation has put the Company ahead of the curve to better respond to the ever-changing business scenarios. Its digital platform is completely online with real-time systems, which provide support to the end-to-end lending process. It is equipped with comprehensive reporting capabilities, audit trails and logs, detailed information about loan histories, transaction reports, required decision-making reports and numerous management analysis and
real-time dashboards. Well-run digital services can extend the geographical outreach of your Company.

**Benefits of Technological Advancement**

- Enabled instant bank account verifications. Today, 100% of the branches can do cashless disbursements.

- Advanced processes such as QR Code Scan and other technological advancements have enhanced brand recall value. The *last mile technology* penetration launched through TABS presents real-time visibility of loan status and instantly addresses any customer queries/touch points. Event-based capturing, recording and tracking of geo-location based on business actions is undertaken by the workforce.

- The solution provides instant customer identification and bank account verification, real-time CB checks, and SMS notifications with various real-time integration of APIs.

3. **Centralized Shared Service Centers**

Your Company has also extended its robust technology platform within the BC subsidiary for them to leverage the same benefits and help accelerate business growth. It introduced “Centralized Shared Services Center” within Satin and Taraashna (BC Business) to create a unified support model across the Group. This will provide structured, effective and efficient services across business reporting / end-user application support and centrally manage infrastructure support, security and new requirements. This has not only enabled a professional support model within the organization, but also helped restructuring of teams at different levels and significant cost optimization. For newer subsidiaries (MSME and Housing), the Company has taken a strategic and tactical direction to move ahead with the industry-established technology platform - OMNIFIN.

4. **Loan Dost**

Having taken a big leap, your Company has launched a step changing digital lending platform “Loan Dost”. The objective behind this is to become future ready and leverage rising growth opportunities. The future of lending entails no human intervention and leverages innovative technologies fully integrated through APIs. Loan Dost has the capability to make underwriting decisions in 25 minutes without any human intervention. It is not only robust and secure, it also makes several checks to protect against fraudsters and clients.

5. **Information Security System**

Your Company is the first MFI to be certified with ISO 27001:2013, affirming the prevalence of robust Information Security Management System (ISMS), specifying the requirements for establishing, implementing, maintaining and continually improving management systems. This certification indicates that SCNL has integrated a robust ISMS in its business processes and exemplifies that information security and client confidentiality are part of the cornerstones of its strategic objectives.

**MANAGEMENT OUTLOOK**

Your Company is back on the growth track. Its portfolio quality has improved and it is able to achieve a comfortable liquidity and ALM position. It has enabled 100% cashless disbursement in all its branches through digital lending initiatives in FY 2018-19. Its key focus will continue to be on the quality of its portfolio. It will continue to step up its efforts to diversify revenue sources by increasing the share of cross-sell income. It will keep expanding its geographical footprint in newer regions, besides deepening its reach in the existing states. Its objective is to restrict “per state” exposure to less than 20% by FY 2019-20. Technology will continue to be at the helm of its operations and will be leveraged to enhance business effectiveness and impact.

Your Company is also looking to scale up its operations as a BC of IndusInd Bank. The BC arrangement is likely to assist the Company in scaling up its operations and allowing it to broad base its offerings other than microfinance. On MSME and other corporate loan segments, your Company will continue its strategic focus on enhancing its portfolio quality and expanding operations to newer geographies, having received the NBFC license from RBI for a separate wholly-owned subsidiary. Under housing finance, your Company aspires to become a niche housing finance player in Tier II, III and IV cities and towns, and enrich its portfolio quality. All the efforts taken by the Company have enabled it to successfully overcome the hurdles posed by internal and external factors.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross yield (%)</td>
<td>23.97%</td>
<td>22.45%</td>
</tr>
<tr>
<td>Financial Cost Ratio (%)</td>
<td>11.15%</td>
<td>12.22%</td>
</tr>
<tr>
<td>Net Interest Margin (%)</td>
<td>12.81%</td>
<td>10.23%</td>
</tr>
<tr>
<td>Operating Expense ratio (%)</td>
<td>6.57%</td>
<td>6.30%</td>
</tr>
<tr>
<td>Interest Coverage Ratio (%)</td>
<td>1.40</td>
<td>1.26</td>
</tr>
<tr>
<td>RoA (%)</td>
<td>3.01%</td>
<td>1.49%</td>
</tr>
<tr>
<td>RoE (%)</td>
<td><strong>19.08%</strong></td>
<td><strong>12.24%</strong></td>
</tr>
<tr>
<td>Leverage (Total Debt / Total Net Worth)</td>
<td>4.55</td>
<td>5.78</td>
</tr>
<tr>
<td>Cost to Income Ratio</td>
<td>51.27%</td>
<td>61.56%</td>
</tr>
<tr>
<td>Net Profit Margin (%)</td>
<td><strong>14.20%</strong></td>
<td><strong>8.41%</strong></td>
</tr>
<tr>
<td>PAT</td>
<td>194.94</td>
<td>82.15</td>
</tr>
<tr>
<td>Sales Revenue</td>
<td>1,372.76</td>
<td>976.68</td>
</tr>
</tbody>
</table>
1. Gross Yield represents the ratio of total Income in the relevant period to the average AUM
2. Financial Cost Ratio represents the ratio of interest Expense in the relevant period to the Average AUM
3. Net Interest Margin represents the difference between the Gross Yield and the Financial Cost Ratio
4. Operating Expenses Ratio represents the ratio of the Operating Expenses (expenses including depreciation but excluding Credit Cost and interest Expense) to the Average AUM
5. Finance cost to the EBIT
6. RoA is annualized and represents ratio of PAT to the Average Total Assets
7. Total Debt includes Securitization and preference shares considered as debt in accordance of IndAS
8. RoE is annualized and represents PAT(Post Preference Dividend) to the average equity (i.e., net worth excluding preference share capital)

HUMAN RESOURCE AND DEVELOPMENT

Your Company believes that human resources are the most critical element responsible for growth of a business. The Company continued to show signs of positivity and growth, providing the Management an appetite for enhancing its potential and driving growth and development of its people. Engaging with excellence was the key objective in FY 2018-19, with focus on HR process automations with a vision to build an efficient and error-free function. Your Company’s comprehensive and well-structured HR policies ensure employee growth at both personal and professional levels. The HR team ensures that employee goals are aligned with that of your Company. To channelize employees’ movements, the Company has adopted a geo-fencing technology-based attendance recording system across all its offices to track their attendance on a real-time basis. This has facilitated HR in effective manpower planning and initiate disciplinary actions on-time without human intervention.

Your Company provides regular skill and personnel development trainings to enhance productivity. This also includes creating the first line of leaders, internal job posting, and high level of promotions, ensuring low attrition rates. Your Company emphasizes on good governance and has in place the whistle blower and anti-sexual harassment policies. The arrangement creates an amicable growth scenario for both the employees and organizational goals. The Company’s number of employees as at March 31, 2019 on consolidated basis stood at 11,831 (Previous Year 7,653).

DEPOSITS

The Reserve Bank of India in exercise of its powers under The Reserve Bank of India Act, 1934, has granted NBFC-MFI (Serial No. B-14.01394) status to the Company and the Company is NBFC-NDSI. The Board of Directors of the Company has passed a resolution that the Company has neither accepted Public deposit nor will accept deposit during FY2019-20.

RESERVE BANK OF INDIA-REGISTRATION AND DIRECTIONS

Your Company has been following all relevant guidelines issued by Reserve Bank of India from time to time. Further, your Company has Capital Adequacy Ratio of 28.49% as on March 31, 2019. The Non-Banking Financial Company - Micro Finance Institutions (Reserve Bank) – Directions, 2011 (“NBFC-MFI Directions”) were issued in December 2011 by the Reserve Bank of India (RBI) pursuant to the Reserve Bank of India Act, 1934 (“RBI Act”). The Company satisfies these conditions and was re-classified as a Non-Banking Financial Company - Micro Finance Institution (“NBFCMF”) on November 6, 2013. As a result, the Company is required to comply with the NBFC-MFI Directions. These Directions include guidelines on qualifying assets criteria, asset classification and provisioning, pricing of credit, capital adequacy, multiple lending, over-borrowing, compliances and fair practices. The Company generally complies all conditions and directions issued by RBI from time to time.

CORPORATE GOVERNANCE

The Company has adopted best corporate practices, and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company follows the highest standards of business ethics. A report on Corporate Governance forming part of Directors’ Report also enclosed herewith. During the year under review, the Company has obtained C1 as Code of Conduct Assessment Grade from ICRA, which signifies excellent performance pertaining to Transparency, Client Protection, Governance, Recruitment, Client Education, Feedback & Grievance Redressal and Data Sharing.

Satin is subject to the regulations of the RBI (‘Reserve Bank of India’) and the SEBI (‘Securities and Exchange Board of India’). The Corporate Governance structures and practices at Satin are primarily shaped by the respective regulations. The Compliance Certificate from S. Behra & Co., Company Secretary in Practice regarding compliance of conditions of corporate governance and to certify that none of the director have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Board /Ministry of Corporate affairs or any such authority, under the SEBI LODR Regulations for FY19 is annexed to the Corporate Governance Report which is provided separately in the Annual Report.

PARTICULARS OF EMPLOYEES

In terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5, Sub-Rule (1), (2) & (3) of Companies (Appointment & Remuneration) Rules, 2014, the necessary disclosures are annexed as Annexure IV with this report.

LISTING WITH STOCK EXCHANGES

The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange Limited (NSE).

EXTRACT OF ANNUAL RETURN

In terms of requirement made under Section 92 and Section 134(3)(a) of the Companies Act, 2013 read with applicable rules of The Companies (Accounts) Rules, 2014, extract of annual return forms part of this Directors’ Report and annexed as Annexure V.
OTHER INFORMATION

Information pursuant to section 134 of the Companies Act, 2013 read with Rule 8(3) (a) & (b) of the Companies (Accounts) Rules, 2014 being not applicable and hence not being disclosed.

Further Information pursuant to Rule 8(3) (c) of the above said rule is mentioned below.

(₹ In Lakhs)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>March 31, 2019</th>
<th>March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Professional Fee</td>
<td>46.13</td>
<td>74.31</td>
</tr>
<tr>
<td>3.</td>
<td>Interest Payment – External Commercial Borrowing</td>
<td>381.18</td>
<td>344.49</td>
</tr>
<tr>
<td>4.</td>
<td>Sitting Fees</td>
<td>1.40</td>
<td>1.20</td>
</tr>
<tr>
<td>5.</td>
<td>Investment</td>
<td>331.65</td>
<td>-</td>
</tr>
<tr>
<td>6.</td>
<td>Processing fees</td>
<td>216.11</td>
<td>82.46</td>
</tr>
<tr>
<td>7.</td>
<td>Investment</td>
<td>33,164,790</td>
<td>-</td>
</tr>
<tr>
<td>8.</td>
<td>Processing fees</td>
<td>21,611,479</td>
<td>-</td>
</tr>
</tbody>
</table>

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Place: Delhi
Date : May 08, 2019

 DECLARATION BY CHAIRMAN AND MANAGING DIRECTOR ON CODE OF CONDUCT UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2019.

Place: Delhi
Date : May 08, 2019
Annexure I

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, 2019, which were not at arm’s length basis.

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

There were no material contracts or arrangements or transactions entered during the year ended March 31, 2019.

For and on behalf of the Board of Directors

H P Singh
Chairman cum Managing Director
Place: Delhi
Date: May 08, 2019
DIN: 00333754
SECRETARIAL AUDIT REPORT (FORM MR-3) FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,
The Members,
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex
Azadpur, New Delhi-110 033

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed 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, 2019 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;

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 thereunder 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   c) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
   d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   e) 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;
   f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;


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

xiii. RBI Act, 1934 relating to NBFC’s

We have also examined compliance with the applicable clauses of the following (i) Secretarial Standard Issued by the Institute of Company Secretaries of India. (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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/Managing Director taken on record by the Board of Directors of the Company, in our opinion, adequate system and process exist in the Company to monitor and ensure compliances with provisions of applicable general laws like 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.

For S. Behera & Co.
Company Secretaries

Shesdev Behera
Company Secretary in practice
CP No. 5980
M. No. 8428

Date: April 20, 2019
Place: 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.
Annexure-A

To
The Members,
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex
Azad Pur, New Delhi
PIN – 110033

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 an 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

Date: April 20, 2019
Place: Delhi
THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARDS’ REPORT

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

(A) A brief outline of the company’s CSR policy:

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

- Welfare measures for the community at large, so as to ensure the poorer section of the society deriving the maximum benefits.

- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with 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.

(B) Overview of the CSR projects undertaken in FY 2018-19:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Brief Profile of the Organizations</th>
<th>Project Undertaken</th>
<th>Project Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharaja Agrasen Hospital Charitable Trust (MAHCT)</td>
<td>MAHCT, a society registered under the Societies Act 1860. MAHCT, New Delhi was established in 1980 by some prominent handful of donors of the society with the main objective to give free medical aid to every deserving human being irrespective of caste, creed and religion. It also aims to set up, manage and organize Hospitals, Dispensaries, Charitable Institutions and Medical Institutions and to provide training for Doctors, Nurses and Para-Medical staff for achieving objectives of the Trust.</td>
<td>To set up Maharaja Agrasen Medical College, Maharaja Agrasen Nursing Institute, Maharaja Agrasen Paramedical Institute and Maharaja Agrasen Management Institute, to increase the admission opportunities for students in medical colleges to promote higher education and enhance professional job opportunities for them. This will in turn also result into better medical treatment for needy people.</td>
<td>The project is undertaking establishment of Maharaja Agrasen Medical College, Maharaja Agrasen Nursing Institute, Maharaja Agrasen Paramedical Institute and Maharaja Agrasen Management Institute, to increase the admission opportunities for students in medical colleges to promote higher education and enhance professional job opportunities for them. This will in turn also result into better medical treatment for needy people.</td>
</tr>
</tbody>
</table>

(C) Web-link of CSR Policy

The Corporate Social Responsibility policy is disclosed on the website at the below link:-

2. The Composition of the CSR Committee.(As on March 31, 2019)

<table>
<thead>
<tr>
<th>Name of Committee Member</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr H P Singh</td>
<td>Promoter, Executive &amp; Non Independent Director (Chairman)</td>
</tr>
<tr>
<td>Mr Goh Colin</td>
<td>Independent Director (Member)</td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>Independent Director (Member)</td>
</tr>
</tbody>
</table>

3. Average net profit of the company for last three financial years: ₹ 4,285.02 Lakhs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 85.70 Lakhs
5. Details of CSR spent during the financial year.
   a. Total amount spent for the financial year: ₹ 85.75 Lakhs
   b. Amount unspent, if any; NIL (Entire fund disbursed to project implementation partner)
   c. Manner in which the amount spent during the financial year is detailed below.

<table>
<thead>
<tr>
<th>S. No</th>
<th>CSR project or activity identified</th>
<th>Sector in which the Project is covered</th>
<th>Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken</th>
<th>Amount outlay (budget) Project or Programs wise (₹)</th>
<th>Amount spent on the projects or the programs Sub-heads: (1) Direct expenditure on projects or programs- (2) Overheads (₹)</th>
<th>Cumulative expenditure up to the reporting period (₹)</th>
<th>Amount spent Direct or through implementing agency (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Establishing Maharaja Agrasen Medical University at Jajjar District of Haryana.</td>
<td>Health</td>
<td>The project is undertaking establishment of Maharaja Agrasen Medical College, Maharaja Agrasen Nursing Institute, Maharaja Agrasen Paramedical Institute, Maharaja Agrasen Management Institute Project implementation area: Jajjar District of Haryana.</td>
<td>85,75,000 (Eighty Five Lakhs Seventy Five Thousand only). Entire fund disbursed to project implementation partner.</td>
<td>85,75,000</td>
<td>305,05,000</td>
<td>Amount spent by implementing agency</td>
</tr>
</tbody>
</table>

Details of implementing agency are as follows:

<table>
<thead>
<tr>
<th>Name of Trust</th>
<th>Address of Trust</th>
<th>Contact Person</th>
<th>Contact Info:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharaja Agrasen Hospital Charitable Trust</td>
<td>Maharaja Agrasen Hospital Charitable Trust Maharaja Agrasen Hospital, Punjabi Bagh, New Delhi-110026</td>
<td>CA Ritu Bhatia</td>
<td>011-40777777</td>
</tr>
</tbody>
</table>

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Company has disbursed entire CSR fund of FY 2018-19 to its project implementing partner. The allotted CSR fund has been utilized by Maharaja Agrasen Hospital Charitable Trust.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

We hereby affirm that the CSR policy, as approved by the Board of Directors, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

H P Singh
Chairman cum Managing Director and Chairman of Corporate Social Responsibility Committee
DIN: 00333754

Date: May 08, 2019
Place: Delhi
Details pertaining to section 197(12) of Companies Act, 2013 read with rules 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

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

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Annual Remuneration (in ₹) for FY 2018-19</th>
<th>Median Annual Remuneration of Employees for the Financial Year 2018-19 (in ₹)</th>
<th>Ratio of remuneration of each director of the median remuneration of the employees for Financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H P Singh</td>
<td>187,37,960</td>
<td>4,07,328</td>
<td>46:1</td>
</tr>
</tbody>
</table>

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s) Chief Financial Officer, Company Secretary</th>
<th>Annual Remuneration during financial year 2017-18 (In ₹)</th>
<th>Annual Remuneration during financial year 2018-19 (In ₹)</th>
<th>Percentage increase in remuneration since last financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H P Singh, Chairman cum Managing Director</td>
<td>1,55,38,684</td>
<td>187,37,960</td>
<td>20.59%</td>
</tr>
<tr>
<td>2</td>
<td>Jugal Kataria, Chief Financial Officer</td>
<td>72,00,020</td>
<td>91,84,378</td>
<td>27.56%</td>
</tr>
<tr>
<td>3</td>
<td>Choudhary Runveer Krishanan, Company Secretary &amp; Compliance Officer</td>
<td>26,07,500</td>
<td>31,01,060</td>
<td>18.93%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Median Annual Remuneration (in ₹) of employees for the F/Y 2017-18</th>
<th>Median Annual Remuneration (in ₹) of employees for the F/Y 2018-19</th>
<th>Percentage increase in Median Annual remuneration (in ₹) of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,06,488</td>
<td>4,07,328</td>
<td>0.207</td>
</tr>
</tbody>
</table>

(iv) Number of permanent employees on the rolls of the Company – 10,419

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – Not applicable

(vi) Names of the top ten employees in terms of remuneration drawn and the name of every employee, who:

(i) If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one Crores and two Lakhs rupees:

(ii) If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight Lakhs and fifty thousand rupees per month:

(iii) If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company- None
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Employee</th>
<th>Designation</th>
<th>Remuneration received (amount in ₹)</th>
<th>Nature of employment, whether contractual or otherwise</th>
<th>Qualifications and experience of the employee:</th>
<th>Date of commencement of employment</th>
<th>Age</th>
<th>last employment held by such employee before joining the company</th>
<th>Percentage of equity shares held by the employee in the company</th>
<th>Relation with any director or manager of the company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Mr H P Singh</td>
<td>Chairman cum Managing Director</td>
<td>187,37,960.00</td>
<td>Permanent</td>
<td>CA, LLB</td>
<td>October 16, 1990</td>
<td>58</td>
<td>N.A.</td>
<td>0.85%</td>
<td>Brother of Mr Satvinder Singh</td>
</tr>
<tr>
<td>2.</td>
<td>Mr Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>91,84,378.00</td>
<td>Permanent</td>
<td>ICWA, CS, CA, 28 Years</td>
<td>April 01, 2000</td>
<td>51</td>
<td>Berger Paints Ltd – Rajdoot Division</td>
<td>0.13</td>
<td>None</td>
</tr>
<tr>
<td>3.</td>
<td>Mr Dev Verma</td>
<td>Chief Operating Officer</td>
<td>92,57,700.00</td>
<td>Permanent</td>
<td>PGDBM, 22 Years</td>
<td>September 14, 2016</td>
<td>47</td>
<td>SKS Microfinance</td>
<td>0.02</td>
<td>None</td>
</tr>
<tr>
<td>4.</td>
<td>Mr Sanjay Mahajan</td>
<td>Chief Information Officer</td>
<td>93,65,604.00</td>
<td>Permanent</td>
<td>PGDCA-IT, 26 Years</td>
<td>January 06, 2016</td>
<td>50</td>
<td>Bata India Limited</td>
<td>0.01</td>
<td>None</td>
</tr>
<tr>
<td>5.</td>
<td>Mr Subir Roy Chowdhury</td>
<td>Chief Human Resource Officer</td>
<td>83,90,967.00</td>
<td>Permanent</td>
<td>PGDM-HR, 22 Years</td>
<td>April 04, 2016</td>
<td>46</td>
<td>Magma Fincorp Limited</td>
<td>0.01</td>
<td>None</td>
</tr>
<tr>
<td>6.</td>
<td>Mr Partha Sen Gupta</td>
<td>Chief Process &amp; Risk Officer</td>
<td>36,37,271.00</td>
<td>Permanent</td>
<td>Executive – MBA, 23 Years</td>
<td>July 20, 2018</td>
<td>47</td>
<td>ALPIC Finance</td>
<td>-</td>
<td>None</td>
</tr>
<tr>
<td>7.</td>
<td>Mr Ashish Gupta</td>
<td>Head- Finance</td>
<td>42,77,984.00</td>
<td>Permanent</td>
<td>CA, MBF, 12 Years</td>
<td>September 25, 2015</td>
<td>36</td>
<td>New Habitat Housing Finance &amp; Development Limited</td>
<td>0.01</td>
<td>None</td>
</tr>
<tr>
<td>8.</td>
<td>Mr Amit Kumar Gupta</td>
<td>Vice President - Account</td>
<td>41,56,367.00</td>
<td>Permanent</td>
<td>CA, LLB, 14 Years</td>
<td>May 12, 2008</td>
<td>40</td>
<td>Lea Associate South Asia Pvt. Ltd</td>
<td>0.01</td>
<td>None</td>
</tr>
<tr>
<td>9.</td>
<td>Sushil Kumar Menon</td>
<td>Vice-President-IT</td>
<td>35,12,500.00</td>
<td>Permanent</td>
<td>Political Science, Graduate 23 Years</td>
<td>Feb 01, 2016</td>
<td>43</td>
<td>Bata India Limited</td>
<td>-</td>
<td>None</td>
</tr>
<tr>
<td>10.</td>
<td>Surender Kumar</td>
<td>Vice-President-IT</td>
<td>35,11,573.00</td>
<td>Permanent</td>
<td>MCA, 16 Years</td>
<td>Jan 18, 2018</td>
<td>35</td>
<td>Sapient Corporation</td>
<td>-</td>
<td>None</td>
</tr>
</tbody>
</table>

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

Date: May 08, 2019
Place: Delhi

H P Singh
Chairman cum Managing Director
DIN: 00333754
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1. Corporate Identification Number (CIN) L65991DL1990PLC041796
2. Registration Date October 16, 1990
3. Name of the Company Satin Creditcare Network Limited
4. Category/Sub-category Public Limited Company/Limited by Shares
5. Address of the Registered office & contact details
   5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi-110033
   Phone: 011-47545000
   Fax: 011-23328351
6. Address of the Corporate office & contact details
   1st & 3rd Floor, Plot No. 97, Sector -44, Gurugram 122003
   Phone: 0124-4715400
7. Whether listed company Listed Company
8. Name, Address & contact details of the Registrar & Transfer Agent, if any.
   a) Equity Shares and Preference Shares:
      Link Intime India Pvt. Ltd.
      Noble Heights, 1st floor,
      Plot No. NH 2, LSC, C-1 Block
      Near Savitri Market, Janakpuri
      New Delhi-110058
      Tel No: +91 11 49411000
      E-mail id: rnt.helpdesk@linkintime.co.in
      Website: www.linkintime.co.in
   b) Non-Convertible Debentures:
      Karvy Fintech Private Limited
      Karvy Selenium, Tower B, Plot No- 31 & 32,
      Financial District, Nanakramguda,
      Serilingampally Hyderabad Rangareddi TG 500032
      Phone: +91 40 33211500
      E-mail id: bandr@karvy.com
      Website: www.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name and Description of main products / services</th>
<th>NIC Code of the Product/service</th>
<th>% to total turnover of the company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Non-Banking Financial activities (Microfinance)</td>
<td>64,990</td>
<td>95.95%</td>
<td></td>
</tr>
</tbody>
</table>

III. Particulars of Holding, Subsidiary and Associate Companies

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name &amp; Address of the Company</th>
<th>CIN/GLN</th>
<th>Holding/Subsidiary/Associate</th>
<th>% of Shares held</th>
<th>Applicable Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>TARAASHNA SERVICES LIMITED 504, 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi-110033</td>
<td>U74140DL2012PTC236314</td>
<td>Wholly owned Subsidiary of Satin Creditcare Network Limited</td>
<td>100.00%</td>
<td>Section 2(87)</td>
</tr>
<tr>
<td>2.</td>
<td>SATIN HOUSING FINANCE LIMITED 505, 5th Floor, Kundan Bhawan Azadpur Commercial Complex Delhi North Delhi -110033</td>
<td>U65929DL2017PLC316143</td>
<td>Wholly owned Subsidiary of Satin Creditcare Network Limited</td>
<td>100.00%</td>
<td>Section 2(87)</td>
</tr>
<tr>
<td>3.</td>
<td>SATIN FINSERV LIMITED 503, 5th Floor, Kundan Bhawan Azadpur Commercial Complex Delhi North Delhi -110033</td>
<td>U65999DL2018PLC337435</td>
<td>Wholly owned Subsidiary of Satin Creditcare Network Limited</td>
<td>100.00%</td>
<td>Section 2(87)</td>
</tr>
</tbody>
</table>
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Category of Shareholders</th>
<th>Shareholding at the beginning of the year - 2018</th>
<th>Shareholding at the end of the year - 2019</th>
<th>% Change during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Demat</td>
<td>Physical</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(A) Shareholding of Promoter and Promoter Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1] Indian</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Individuals / Hindu Undivided Family</td>
<td>17,01,603</td>
<td>17,01,603</td>
<td>3.57</td>
<td>17,01,603</td>
</tr>
<tr>
<td>(b) Central Government / State Government(s)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c) Financial Institutions / Banks</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d) Any Other (Specify) Bodies Corporate</td>
<td>1,13,71,068</td>
<td>1,13,71,068</td>
<td>23.85</td>
<td>1,19,63,415</td>
</tr>
<tr>
<td>Sub Total (A)(1)</td>
<td>1,30,72,671</td>
<td>1,3072671</td>
<td>27.42</td>
<td>1,36,65,018</td>
</tr>
<tr>
<td>[2] Foreign</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Individuals (Non-Resident Individuals / Foreign Individuals)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(b) Government</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c) Institutions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d) Foreign Portfolio Investor</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(e) Any Other (Specify)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sub Total (A)(2)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</td>
<td>1,30,72,671</td>
<td>1,3072671</td>
<td>27.42</td>
<td>1,36,65,018</td>
</tr>
<tr>
<td>(B) Public Shareholding</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1] Institutions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Mutual Funds / UTI</td>
<td>72,88,798</td>
<td>72,88,798</td>
<td>15.29</td>
<td>93,67,455</td>
</tr>
<tr>
<td>(b) Venture Capital Funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c) Alternate Investment Funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>S. No</td>
<td>Category of Shareholders</td>
<td>Shareholding at the beginning of the year - 2018</td>
<td>Shareholding at the end of the year - 2019</td>
<td>% Change during the year</td>
</tr>
<tr>
<td>-------</td>
<td>---------------------------</td>
<td>---------------------------------------------</td>
<td>---------------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Demat</td>
<td>Physical</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d)</td>
<td>Foreign Venture Capital Investors</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(e)</td>
<td>Foreign Portfolio Investor</td>
<td>78,54,505</td>
<td>-</td>
<td>78,54,505</td>
</tr>
<tr>
<td>(f)</td>
<td>Financial Institutions / Banks</td>
<td>15,61,305</td>
<td>-</td>
<td>15,61,305</td>
</tr>
<tr>
<td>(g)</td>
<td>Insurance Companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(h)</td>
<td>Provident Funds/ Pension Funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(i)</td>
<td>Any Other (Specify)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Foreign Bank</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Sub Total (B)(1)</td>
<td>1,67,04,608</td>
<td>-</td>
<td>1,67,04,608</td>
</tr>
<tr>
<td>[2]</td>
<td>Central Government/ State Government(s)/ President of India</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Sub Total (B)(2)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>[3]</td>
<td>Non-Institutions</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(a)</td>
<td>Individuals</td>
<td>19,92,889</td>
<td>1,90,548</td>
<td>21,83,437</td>
</tr>
<tr>
<td>(i)</td>
<td>Individual shareholders holding nominal share capital upto ₹ 1 Lakhs.</td>
<td>6,26,319</td>
<td>10,300</td>
<td>6,36,619</td>
</tr>
<tr>
<td>(b)</td>
<td>NBFCs registered with RBI</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c)</td>
<td>Overseas Depositories (holding) (balancing figure)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(d)</td>
<td>Any Other (Specify) Trusts</td>
<td>300</td>
<td>-</td>
<td>300</td>
</tr>
</tbody>
</table>
### Shareholding at the beginning of the year - 2018

<table>
<thead>
<tr>
<th>Category of Shareholders</th>
<th>Demat</th>
<th>Physical</th>
<th>Total</th>
<th>% of Total Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Nationals</td>
<td>-</td>
<td>3,200</td>
<td>3,200</td>
<td>0.01</td>
</tr>
<tr>
<td>Hindu Undivided Family</td>
<td>1,26,087</td>
<td>-</td>
<td>1,26,087</td>
<td>0.26</td>
</tr>
<tr>
<td>Foreign Companies</td>
<td>1,13,73,741</td>
<td>-</td>
<td>1,13,73,741</td>
<td>23.86</td>
</tr>
<tr>
<td>Non Resident Indians (Non Repat)</td>
<td>1,51,788</td>
<td>-</td>
<td>1,51,788</td>
<td>0.32</td>
</tr>
<tr>
<td>Non Resident Indians (Rep)</td>
<td>1,65,665</td>
<td>-</td>
<td>1,65,665</td>
<td>0.35</td>
</tr>
<tr>
<td>Clearing Member</td>
<td>95,801</td>
<td>-</td>
<td>95,801</td>
<td>0.20</td>
</tr>
<tr>
<td>Bodies Corporate</td>
<td>26,95,177</td>
<td>36,475</td>
<td>27,31,652</td>
<td>5.73</td>
</tr>
<tr>
<td><strong>Sub Total (B)(3)</strong></td>
<td>1,72,27,767</td>
<td>2,40,523</td>
<td>1,74,68,290</td>
<td>36.64</td>
</tr>
<tr>
<td><strong>Total Public Shareholding (B)</strong></td>
<td>3,39,32,375</td>
<td>2,40,523</td>
<td>3,41,72,898</td>
<td>71.68</td>
</tr>
</tbody>
</table>

### Shareholding at the end of the year - 2019

<table>
<thead>
<tr>
<th>Category of Shareholders</th>
<th>Demat</th>
<th>Physical</th>
<th>Total</th>
<th>% of Total Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Nationals</td>
<td>-</td>
<td>3,200</td>
<td>3,200</td>
<td>0.01</td>
</tr>
<tr>
<td>Hindu Undivided Family</td>
<td>1,39,999</td>
<td>-</td>
<td>1,39,999</td>
<td>0.29</td>
</tr>
<tr>
<td>Foreign Companies</td>
<td>90,70,986</td>
<td>-</td>
<td>90,70,986</td>
<td>18.55</td>
</tr>
<tr>
<td>Non Resident Indians (Non Repat)</td>
<td>1,27,053</td>
<td>-</td>
<td>1,27,053</td>
<td>0.26</td>
</tr>
<tr>
<td>Non Resident Indians (Rep)</td>
<td>1,95,160</td>
<td>-</td>
<td>1,95,160</td>
<td>0.40</td>
</tr>
<tr>
<td>Clearing Member</td>
<td>48,908</td>
<td>-</td>
<td>48,908</td>
<td>0.10</td>
</tr>
<tr>
<td>Bodies Corporate</td>
<td>27,14,109</td>
<td>11,300</td>
<td>27,31,652</td>
<td>5.55</td>
</tr>
<tr>
<td><strong>Sub Total (B)(3)</strong></td>
<td>1,54,64,588</td>
<td>1,79,246</td>
<td>1,55,43,834</td>
<td>31.58</td>
</tr>
</tbody>
</table>

### % Change during the year

<table>
<thead>
<tr>
<th>Category of Shareholders</th>
<th>% Change during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Nationals</td>
<td>-</td>
</tr>
<tr>
<td>Hindu Undivided Family</td>
<td>0.02</td>
</tr>
<tr>
<td>Foreign Companies</td>
<td>18.55 (5.31)</td>
</tr>
<tr>
<td>Non Resident Indians (Non Repat)</td>
<td>0.02</td>
</tr>
<tr>
<td>Non Resident Indians (Rep)</td>
<td>0.05</td>
</tr>
<tr>
<td>Clearing Member</td>
<td>(0.10)</td>
</tr>
<tr>
<td>Bodies Corporate</td>
<td>(0.18)</td>
</tr>
<tr>
<td><strong>Sub Total (B)(3)</strong></td>
<td><strong>(5.06)</strong></td>
</tr>
<tr>
<td><strong>Total Public Shareholding (B)</strong></td>
<td><strong>(0.43)</strong></td>
</tr>
</tbody>
</table>

### Non Promoter - Non Public

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Shareholding at the beginning of the year - 2018</th>
<th>Shareholding at the end of the year - 2019</th>
<th>% change in shareholding during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Shares Held</td>
<td>% of total shares of the company</td>
<td>% of shares pledged/encumbered to total shares</td>
<td>No. of Shares Held</td>
</tr>
<tr>
<td>1. Parishek Finance Private Limited</td>
<td>21,50,880</td>
<td>4.51</td>
<td>4.51</td>
</tr>
<tr>
<td>2. Parinita Investments Private Limited</td>
<td>17,65,720</td>
<td>3.70</td>
<td>0.52</td>
</tr>
<tr>
<td>3. Satin (India) Limited</td>
<td>16,69,209</td>
<td>3.50</td>
<td>0.31</td>
</tr>
<tr>
<td>4. Niryas Food Products Private Limited</td>
<td>14,68,420</td>
<td>3.08</td>
<td>0.62</td>
</tr>
<tr>
<td>5. Satin Media Solutions Limited</td>
<td>13,19,669</td>
<td>2.77</td>
<td>-</td>
</tr>
<tr>
<td>6. Taco Consultants Private Limited</td>
<td>12,42,660</td>
<td>2.61</td>
<td>0.20</td>
</tr>
<tr>
<td>7. Uv Associates Private Limited</td>
<td>10,95,820</td>
<td>2.30</td>
<td>0.20</td>
</tr>
<tr>
<td>S. No</td>
<td>Shareholder’s Name</td>
<td>Shareholding at the beginning of the year - 2018</td>
<td>Shareholding at the end of the year - 2019</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------</td>
<td>----------------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No. of Shares Held</td>
<td>% of total Shares of the company</td>
</tr>
<tr>
<td>8.</td>
<td>Trishashna Holdings &amp; Investments Private Limited</td>
<td>6,58,690</td>
<td>1.38</td>
</tr>
<tr>
<td>9.</td>
<td>Anureet H P Singh</td>
<td>4,85,356</td>
<td>0.99</td>
</tr>
<tr>
<td>10.</td>
<td>H P Singh</td>
<td>4,15,123</td>
<td>0.87</td>
</tr>
<tr>
<td>11.</td>
<td>Harbans Singh</td>
<td>4,06,402</td>
<td>0.85</td>
</tr>
<tr>
<td>12.</td>
<td>Satvinder Singh</td>
<td>2,57,011</td>
<td>0.54</td>
</tr>
<tr>
<td>13.</td>
<td>Neeti Singh</td>
<td>1,37,711</td>
<td>0.29</td>
</tr>
<tr>
<td>14.</td>
<td>Wisteria Holdings &amp; Investments Private Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1,30,72,671</td>
<td>27.42</td>
</tr>
</tbody>
</table>

(iii) Change in Promoters’ Shareholding:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name &amp; Type of Transaction</th>
<th>Shareholding at the beginning of the year - 2018</th>
<th>Transactions during the year</th>
<th>Cumulative Shareholding at the end of the year - 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of Shares Held</td>
<td>% of Total Shares of the Company</td>
<td>Date of Transaction</td>
</tr>
<tr>
<td>1.</td>
<td>Trishashna Holdings &amp; Investments Private Limited</td>
<td>6,58,690</td>
<td>1.35</td>
<td>Jan 18, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>1,14,536</td>
<td>Jan 25, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>23,984</td>
<td>Feb 15, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>1,07,12,378</td>
<td>Mar 01, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>38,000</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>89,231</td>
<td>Mar 08, 2019</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>29,172</td>
<td>Mar 15, 2019</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>-</td>
<td>1,18,63,415</td>
<td>Mar 22, 2019</td>
</tr>
<tr>
<td>2.</td>
<td>Parinita Investments Private Limited</td>
<td>17,65,720</td>
<td>3.61</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td>3.</td>
<td>Parishek Finance Private Limited</td>
<td>21,50,880</td>
<td>4.40</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td>4.</td>
<td>Satin Media Solutions Limited</td>
<td>13,19,669</td>
<td>2.70</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td>5.</td>
<td>Satin India Limited</td>
<td>16,69,209</td>
<td>3.41</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td>6.</td>
<td>Uv Associates Private Limited</td>
<td>10,95,820</td>
<td>2.24</td>
<td>Mar 04, 2019</td>
</tr>
<tr>
<td>7.</td>
<td>Nirys Food Products Private Limited</td>
<td>14,68,420</td>
<td>3.00</td>
<td>Mar 04, 2019</td>
</tr>
</tbody>
</table>
### Shareholding Pattern of top ten Shareholders: (Other than Directors and Promoters):

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Name &amp; Type of Transaction</th>
<th>Shareholding at the beginning of the year - 2018</th>
<th>Transactions during the year</th>
<th>Cumulative Shareholding at the end of the year - 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Shares Held</td>
<td>% of Total Shares of the Company</td>
<td>Date of Transaction</td>
<td>No. of Shares</td>
</tr>
<tr>
<td>8.</td>
<td>Anureet H P Singh</td>
<td>4,85,356</td>
<td>0.99</td>
<td>4,85,356</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>4,85,356</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>H P Singh</td>
<td>4,15,123</td>
<td>0.85</td>
<td>4,15,123</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>4,15,123</td>
<td>0.85</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Harbans Singh</td>
<td>4,06,402</td>
<td>0.83</td>
<td>4,06,402</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>4,06,402</td>
<td>0.83</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Satvinder Singh</td>
<td>2,57,011</td>
<td>0.53</td>
<td>2,57,011</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>2,57,011</td>
<td>0.53</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Taco Consultants Private Limited</td>
<td>12,42,660</td>
<td>2.54</td>
<td>12,42,660</td>
</tr>
<tr>
<td></td>
<td>Decrease</td>
<td>Mar 04, 2019</td>
<td>12,42,660</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Neeti Singh</td>
<td>1,37,711</td>
<td>0.28</td>
<td>1,37,711</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>1,37,711</td>
<td>0.28</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Wisteria Holdings &amp; Investments Private Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Feb 25, 2019</td>
<td>13,891</td>
<td>13,891</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Feb 26, 2019</td>
<td>23,000</td>
<td>36,891</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Feb 27, 2019</td>
<td>20,000</td>
<td>56,891</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Feb 28, 2019</td>
<td>17,175</td>
<td>74,066</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Mar 01, 2019</td>
<td>15,000</td>
<td>89,066</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Mar 05, 2019</td>
<td>10,934</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>1,00,000</td>
<td>0.20</td>
<td></td>
</tr>
</tbody>
</table>

Note:  
1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 4,89,03,867 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.
<table>
<thead>
<tr>
<th>Sr No.</th>
<th>Name &amp; Type of Transaction</th>
<th>Shareholding at the beginning of the year - 2018</th>
<th>Transactions during the year</th>
<th>Cumulative Shareholding at the end of the year - 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of Shares Held</td>
<td>% of Total Shares of the Company</td>
<td>Date of Transaction</td>
</tr>
<tr>
<td>1.</td>
<td>Increase</td>
<td>25,136</td>
<td>Nov 23, 2018</td>
<td>34,95,906</td>
</tr>
<tr>
<td></td>
<td>Decrease</td>
<td>(14,091)</td>
<td>Jan 11, 2019</td>
<td>32,81,815</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>3,78,244</td>
<td>Feb 01, 2019</td>
<td>36,81,898</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>2,091</td>
<td>Feb 08, 2019</td>
<td>36,83,989</td>
</tr>
<tr>
<td>#</td>
<td>Decrease</td>
<td>(7,079)</td>
<td>Mar 29, 2019</td>
<td>36,76,910</td>
</tr>
<tr>
<td>#</td>
<td>At the end of the year</td>
<td></td>
<td></td>
<td>36,76,910</td>
</tr>
<tr>
<td>2.</td>
<td>Nordic Microfinance Initiative Fund III KS</td>
<td>33,69,318</td>
<td>6.89</td>
<td>33,69,318</td>
</tr>
<tr>
<td>#</td>
<td>At the end of the year</td>
<td></td>
<td></td>
<td>33,69,318</td>
</tr>
<tr>
<td>3.</td>
<td>Sbi Fmo Emerging Asia Financial Sector Fund PTE LTD</td>
<td>33,13,609</td>
<td>6.78</td>
<td>33,13,609</td>
</tr>
<tr>
<td>#</td>
<td>At the end of the year</td>
<td></td>
<td></td>
<td>33,13,609</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>32,500</td>
<td>Apr 06, 2018</td>
<td>24,65,053</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>4,000</td>
<td>Apr 27, 2018</td>
<td>24,69,053</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>23,100</td>
<td>Jun 08, 2018</td>
<td>24,92,153</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>73,000</td>
<td>Jun 22, 2018</td>
<td>25,65,153</td>
</tr>
<tr>
<td>#</td>
<td>Increase</td>
<td>36,000</td>
<td>Aug 03, 2018</td>
<td>26,01,153</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>4,911</td>
<td>Aug 24, 2018</td>
<td>26,06,064</td>
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<td>Increase</td>
<td>23,000</td>
<td>Sep 07, 2018</td>
<td>26,29,064</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>7,000</td>
<td>Sep 29, 2018</td>
<td>26,36,064</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>26,942</td>
<td>Oct 05, 2018</td>
<td>26,63,006</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>10,000</td>
<td>Oct 26, 2018</td>
<td>26,73,006</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>29,428</td>
<td>Nov 02, 2018</td>
<td>27,02,434</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>10,572</td>
<td>Nov 09, 2018</td>
<td>27,13,006</td>
</tr>
<tr>
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<td>Increase</td>
<td>75,000</td>
<td>Nov 30, 2018</td>
<td>27,88,006</td>
</tr>
<tr>
<td>#</td>
<td>Increase</td>
<td>75,000</td>
<td>Dec 07, 2018</td>
<td>28,63,006</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>14,300</td>
<td>Dec 21, 2018</td>
<td>28,77,306</td>
</tr>
<tr>
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<td>20,000</td>
<td>Jan 04, 2019</td>
<td>28,97,306</td>
</tr>
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<td>14,699</td>
<td>Feb 01, 2019</td>
<td>29,12,005</td>
</tr>
<tr>
<td>#</td>
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<td>59,500</td>
<td>Feb 08, 2019</td>
<td>29,71,505</td>
</tr>
<tr>
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<td>Increase</td>
<td>76,801</td>
<td>Feb 15, 2019</td>
<td>30,48,306</td>
</tr>
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<td>At the end of the year</td>
<td></td>
<td></td>
<td>30,48,306</td>
</tr>
<tr>
<td>#</td>
<td>At the end of the year</td>
<td></td>
<td></td>
<td>23,88,059</td>
</tr>
<tr>
<td>6.</td>
<td>UTI - Hybrid Equity Fund</td>
<td>14,19,261</td>
<td>2.90</td>
<td>14,19,261</td>
</tr>
<tr>
<td>Sr No.</td>
<td>Name &amp; Type of Transaction</td>
<td>Shareholding at the beginning of the year - 2018</td>
<td>Transactions during the year</td>
<td>Cumulative Shareholding at the end of the year - 2019</td>
</tr>
<tr>
<td>-------</td>
<td>----------------------------</td>
<td>-----------------------------------------------</td>
<td>------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No. of Shares Held</td>
<td>% of Total Shares of the Company</td>
<td>Date of Transaction</td>
</tr>
<tr>
<td>1</td>
<td>Increase</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Increase</td>
<td>Apr 06, 2018</td>
<td>1,000</td>
<td>Apr 06, 2018</td>
</tr>
<tr>
<td>3</td>
<td>Increase</td>
<td>Apr 20, 2018</td>
<td>5,667</td>
<td>Apr 20, 2018</td>
</tr>
<tr>
<td>4</td>
<td>Increase</td>
<td>Apr 27, 2018</td>
<td>5,667</td>
<td>Apr 27, 2018</td>
</tr>
<tr>
<td>5</td>
<td>Increase</td>
<td>May 18, 2018</td>
<td>70,230</td>
<td>May 18, 2018</td>
</tr>
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<td>Increase</td>
<td>Jun 08, 2018</td>
<td>1,000</td>
<td>Jun 08, 2018</td>
</tr>
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<td>Increase</td>
<td>Jul 06, 2018</td>
<td>2,83,453</td>
<td>Jul 06, 2018</td>
</tr>
<tr>
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<td>Increase</td>
<td>Jul 13, 2018</td>
<td>1,00,000</td>
<td>Jul 13, 2018</td>
</tr>
<tr>
<td>9</td>
<td>Increase</td>
<td>Jul 20, 2018</td>
<td>1,00,000</td>
<td>Jul 20, 2018</td>
</tr>
<tr>
<td>10</td>
<td>Increase</td>
<td>Jul 27, 2018</td>
<td>399</td>
<td>Jul 27, 2018</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>Aug 03, 2018</td>
<td>2,661</td>
<td>Aug 03, 2018</td>
</tr>
<tr>
<td>11</td>
<td>Increase</td>
<td>Sep 07, 2018</td>
<td>1,000</td>
<td>Sep 07, 2018</td>
</tr>
<tr>
<td>12</td>
<td>Increase</td>
<td>Sep 14, 2018</td>
<td>(3,742)</td>
<td>Sep 14, 2018</td>
</tr>
<tr>
<td>13</td>
<td>Increase</td>
<td>Sep 21, 2018</td>
<td>10,759</td>
<td>Sep 21, 2018</td>
</tr>
<tr>
<td>14</td>
<td>Increase</td>
<td>Sep 29, 2018</td>
<td>1,42,492</td>
<td>Sep 29, 2018</td>
</tr>
<tr>
<td>15</td>
<td>Increase</td>
<td>Oct 05, 2018</td>
<td>44,770</td>
<td>Oct 05, 2018</td>
</tr>
<tr>
<td>16</td>
<td>Increase</td>
<td>Oct 12, 2018</td>
<td>27,683</td>
<td>Oct 12, 2018</td>
</tr>
<tr>
<td>17</td>
<td>Increase</td>
<td>Nov 30, 2018</td>
<td>23,175</td>
<td>Nov 30, 2018</td>
</tr>
<tr>
<td>18</td>
<td>Increase</td>
<td>Dec 14, 2018</td>
<td>3,799</td>
<td>Dec 14, 2018</td>
</tr>
<tr>
<td>19</td>
<td>Decrease</td>
<td>Mar 15, 2019</td>
<td>(9,660)</td>
<td>Mar 15, 2019</td>
</tr>
<tr>
<td>20</td>
<td>Decrease</td>
<td>Mar 22, 2019</td>
<td>(2,540)</td>
<td>Mar 22, 2019</td>
</tr>
<tr>
<td>22</td>
<td>At the end of the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Increase</td>
<td>18,92,312</td>
<td>3.87</td>
<td>18,92,312</td>
</tr>
<tr>
<td>8</td>
<td>At the end of the year</td>
<td>18,92,312</td>
<td>3.87</td>
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</tr>
<tr>
<td>9</td>
<td>Increase</td>
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<td>3.16</td>
<td>15,43,187</td>
</tr>
<tr>
<td>10</td>
<td>At the end of the year</td>
<td>15,43,187</td>
<td>3.16</td>
<td>15,43,187</td>
</tr>
<tr>
<td></td>
<td>Increase</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Increase</td>
<td>Mar 29, 2019</td>
<td>12,30,098</td>
<td>Mar 29, 2019</td>
</tr>
<tr>
<td>12</td>
<td>At the end of the year</td>
<td>12,30,098</td>
<td>2.52</td>
<td>12,30,098</td>
</tr>
<tr>
<td>13</td>
<td>Increase</td>
<td>Dec 28, 2018</td>
<td>8,47,452</td>
<td>Dec 28, 2018</td>
</tr>
<tr>
<td>14</td>
<td>Increase</td>
<td>Jan 11, 2019</td>
<td>62,994</td>
<td>Jan 11, 2019</td>
</tr>
<tr>
<td>15</td>
<td>Increase</td>
<td>Jan 18, 2019</td>
<td>4,235</td>
<td>Jan 18, 2019</td>
</tr>
<tr>
<td>16</td>
<td>Increase</td>
<td>Jan 25, 2019</td>
<td>1,30,919</td>
<td>Jan 25, 2019</td>
</tr>
<tr>
<td>17</td>
<td>Increase</td>
<td>Feb 01, 2019</td>
<td>4045</td>
<td>Feb 01, 2019</td>
</tr>
<tr>
<td>18</td>
<td>Increase</td>
<td>Feb 15, 2019</td>
<td>45,693</td>
<td>Feb 15, 2019</td>
</tr>
<tr>
<td>19</td>
<td>Increase</td>
<td>Feb 22, 2019</td>
<td>6,900</td>
<td>Feb 22, 2019</td>
</tr>
<tr>
<td>20</td>
<td>Increase</td>
<td>Mar 01, 2019</td>
<td>1,588</td>
<td>Mar 01, 2019</td>
</tr>
<tr>
<td>Sr No.</td>
<td>Name &amp; Type of Transaction</td>
<td>Shareholding at the beginning of the year - 2018</td>
<td>Transactions during the year</td>
<td>Cumulative Shareholding at the end of the year - 2019</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------</td>
<td>-----------------------------------------------</td>
<td>-----------------------------</td>
<td>----------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>No. of Shares Held</td>
<td>% of Total Shares of the Company</td>
<td>Date of Transaction</td>
<td>No. of Shares</td>
</tr>
<tr>
<td>1</td>
<td>Increase</td>
<td>Mar 08, 2019</td>
<td>10,401</td>
<td>11,14,227</td>
</tr>
<tr>
<td>2</td>
<td>Increase</td>
<td>Mar 22, 2019</td>
<td>70,000</td>
<td>11,84,227</td>
</tr>
<tr>
<td>3</td>
<td>Increase</td>
<td>Mar 29, 2019</td>
<td>2,320</td>
<td>11,86,547</td>
</tr>
<tr>
<td>4</td>
<td>At the end of the year</td>
<td></td>
<td>11,86,547</td>
<td>2.43</td>
</tr>
</tbody>
</table>

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 48903867 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

v) Shareholding of Directors and Key Managerial Personnel:

<table>
<thead>
<tr>
<th>Name of Directors and Key Managerial Personnel</th>
<th>Shareholding of each Directors and each Key Managerial Personnel</th>
<th>Reason</th>
<th>Shareholding at the beginning of the year</th>
<th>Cumulative Shareholding during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No. of shares</td>
<td>% of total shares of the company</td>
<td>No. of shares</td>
</tr>
<tr>
<td>Mr H P Singh</td>
<td>At the beginning of the year</td>
<td>4,15,123</td>
<td>0.87</td>
<td>4,15,123</td>
</tr>
<tr>
<td>Chairman cum Managing Director</td>
<td>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.</td>
<td>N.A</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr Satvinder Singh</td>
<td>At the beginning of the year</td>
<td>2,57,011</td>
<td>0.54</td>
<td>2,57,011</td>
</tr>
<tr>
<td>Director</td>
<td>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.</td>
<td>N.A</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr Rakesh Sachdeva</td>
<td>At the beginning of the year</td>
<td>7,211</td>
<td>0.015</td>
<td>7,211</td>
</tr>
<tr>
<td>Independent Director</td>
<td>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.</td>
<td>N.A</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr Jugal Kataria</td>
<td>At the beginning of the year</td>
<td>N.A</td>
<td>66,504</td>
<td>0.14</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease.</td>
<td>N.A</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>7,211</td>
<td></td>
<td>7,211</td>
</tr>
<tr>
<td></td>
<td>At the end of the year</td>
<td>66,504</td>
<td></td>
<td>66,504</td>
</tr>
</tbody>
</table>
Name of Directors and Key Managerial Personnel | Shareholding of each Directors and each Key Managerial Personnel | Reason | Shareholding at the beginning of the year | Cumulative Shareholding during the year
--- | --- | --- | --- | ---
Choudhary Runveer Krishanan | At the beginning of the year | Exercise of ESOP | 2,000 0.004 | 2,000 0.01
Company Secretary & Compliance Officer | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease. | | 2,000 0.01 | 4,000 0.01

Note: Percentage calculated on paid up capital of the Company outstanding on the date of transaction.
Note: Percentage calculated on paid up capital of the Company outstanding at the end of financial year.
Note: Expect above, no other directors and/or KMPs owns any shareholding in the Company.

V) INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Secured Loans excluding deposits</th>
<th>Unsecured Loans</th>
<th>Deposits</th>
<th>Total Indebtedness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indebtedness at the beginning of the financial year April 01, 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Principal Amount</td>
<td>3,79,454.49</td>
<td>58,820.53</td>
<td>-</td>
<td>4,38,275.02</td>
</tr>
<tr>
<td>ii) Interest due but not paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iii) Interest accrued but not due</td>
<td>3,514.11</td>
<td>527.76</td>
<td>-</td>
<td>4,041.87</td>
</tr>
<tr>
<td>Total (i+ii+iii)</td>
<td>3,82,968.60</td>
<td>59,348.29</td>
<td>-</td>
<td>4,42,316.89</td>
</tr>
<tr>
<td>Change in Indebtedness during the financial year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Addition</td>
<td>2,97,808.86</td>
<td>29,007.88</td>
<td>-</td>
<td>3,26,816.74</td>
</tr>
<tr>
<td>Reduction</td>
<td>2,69,897.06</td>
<td>17,278.11</td>
<td>-</td>
<td>2,87,175.17</td>
</tr>
<tr>
<td>Net Change</td>
<td>27,911.80</td>
<td>11,729.77</td>
<td>-</td>
<td>39,641.57</td>
</tr>
<tr>
<td>Indebtedness at the end of the financial year March 31, 2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Principal Amount</td>
<td>4,07,366.29</td>
<td>70,550.30</td>
<td>-</td>
<td>4,77,916.59</td>
</tr>
<tr>
<td>ii) Interest due but not paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iii) Interest accrued but not due</td>
<td>4,910.04</td>
<td>530.20</td>
<td>-</td>
<td>5,440.25</td>
</tr>
<tr>
<td>Total (i+ii+iii)</td>
<td>4,12,276.33</td>
<td>71,080.51</td>
<td>-</td>
<td>4,83,356.84</td>
</tr>
</tbody>
</table>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

<table>
<thead>
<tr>
<th>No.</th>
<th>Particulars of Remuneration</th>
<th>Name of MD/WTD/Manager</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Gross salary</td>
<td>Mr H P Singh (Chairman cum Managing Director)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</td>
<td>1,45,40,800.00</td>
<td>1,45,40,800.00</td>
</tr>
<tr>
<td></td>
<td>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</td>
<td>24,23,764.00</td>
<td>24,23,764.00</td>
</tr>
<tr>
<td></td>
<td>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2.</td>
<td>Stock Option</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Sweat Equity</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Particulars of Remuneration

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars of Remuneration</th>
<th>Name of MD/WTD/Manager</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Commission</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- as % of profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- others, specify..</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Provident Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total (A)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Car perquisites(B)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Ceiling as per the Companies Act, 2013</strong></td>
<td></td>
<td>₹ 15,40,08,547.35 (i.e. 5% of profit calculated u/s 198 of the Act)</td>
</tr>
</tbody>
</table>

#### B. Remuneration to other directors

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars of Remuneration</th>
<th>Name of Directors</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Independent Directors</td>
<td>Rakesh Sachdeva</td>
<td>₹ 12,80,000</td>
</tr>
<tr>
<td></td>
<td>Sundeep Kumar Mehta</td>
<td>3,10,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sangeeta Khorana</td>
<td>3,45,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Goh Colin</td>
<td>1,40,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sanjay Kumar Bhatia</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Anil Kumar Katra</td>
<td>1,55,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Davis Frederick Golding</td>
<td>1,90,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sitting Fee (Board meetings &amp; Committee Meeting)</td>
<td>90,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commission</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Others, please specify</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total (1)</strong></td>
<td></td>
<td>₹ 27,24,450</td>
</tr>
<tr>
<td>2.</td>
<td>Other Non-Executive Directors</td>
<td>Satvinder Singh</td>
<td>₹ 2,45,000</td>
</tr>
<tr>
<td></td>
<td>Fee for attending board committee meetings &amp; Committee Meeting</td>
<td>2,45,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commission</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Others, please specify</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total (2)</strong></td>
<td></td>
<td>₹ 2,45,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total (B)=(1+2)</strong></td>
<td></td>
<td>₹ 29,69,450</td>
</tr>
<tr>
<td></td>
<td><strong>Total Managerial Remuneration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Ceiling as per the Companies Act, 2013</strong></td>
<td></td>
<td>₹ 308,01,709.47 (i.e. 1% of profit calculated u/s 198 of the Act)</td>
</tr>
</tbody>
</table>

*Note: Professional fees of USD 5,000 per quarter (or equivalent amount in Indian currency at the time of payment) was paid/payable to Mr. Davis Frederick Goldings for rendering professional services w.e.f April 01, 2018.*
C. Remuneration to Key Managerial Personnel Other than Managing Director:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars of Remuneration</th>
<th>Key Managerial Personnel</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Jugal Kataria, Chief Financial Officer</td>
<td>Choudhary Runveer Krishnan, Company Secretary &amp; Compliance Officer</td>
</tr>
<tr>
<td>1.</td>
<td>Gross salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961</td>
<td>85,26,778.00</td>
<td>29,43,860.00</td>
</tr>
<tr>
<td></td>
<td>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961</td>
<td>6,57,600.00</td>
<td>1,57,200.00</td>
</tr>
<tr>
<td></td>
<td>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Stock Option (in numbers)</td>
<td>24,000*1</td>
<td>2,000*2</td>
</tr>
<tr>
<td>3.</td>
<td>Sweat Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Commission</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- as % of profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>others, specify…</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Others, please specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>91,84,378.00</td>
<td>31,01,060.00</td>
</tr>
</tbody>
</table>

Note: *1Employee stock option granted on May 30, 2018.
*26,000 employee stock option were granted on December 02, 2016, out of which 2,000 yet to be vested.

VII. Penalties / Punishment/ Compounding of Offences: No penalties, punishments & compounding of offences were imposed on the Company during Financial Year 2018-19:

There were no material penalties/punishment/compounding of offences for the year ending March 31, 2019.

For and on behalf of the Board of Directors

Place: Delhi
Date: May 08, 2019

H P Singh
Chairman cum Managing Director
DIN: 00333754
1. COMPANY’S PHILOSOPHY AND PRACTICE ON CORPORATE GOVERNANCE

At Satin Creditcare Network Limited, the philosophy on Corporate Governance is to comply with the combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a company meets obligations to optimize shareholders value and fulfil its responsibilities toward all stakeholders including customers, government authorities, lenders, employees, members/shareholders and the community at large which ultimately contribute to overall governance.

Through the Governance mechanism in the company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision-making. Some of the important best practices of corporate governance framework are timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company. We ensure that we evolve and follow the corporate governance guidelines and best practices sincerely, to boost long-term shareholder value and to respect minority rights.

Over the years, your company has complied with the Companies Act, 2013, SEBI Regulations, RBI Direction/Circular, Accounting Standards, Secretarial Standards, etc. Strong governance practices have rewarded the company in the sphere of valuations, stakeholders` confidence, market capitalization and high credit ratings in positive context apart from obtaining of awards from appropriate authorities. Your company makes all efforts to comply with all applicable regulations.

2. BOARD OF DIRECTORS

(a) Composition

The Board of Directors along with its Committees provide leadership and guidance to the company’s management and also direct, supervise and control the performance of the company. The company is in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter, “SEBI LODR”) and the Companies Act, 2013 and also in terms of Guidelines as issued by Reserve Bank of India with respect to composition of Board.

As on March 31, 2019, Board of Directors of the company comprises of an optimum combination of Executive and Non-Executive Directors. The Board consist of 11 (eleven) directors out of which 7 (seven) are independent (including one Women director) and 4 (four) are non-independent directors (including two nominee directors and two promoter directors). As on the aforesaid date, the company has 10 (ten) non-executive directors and 1 (one) executive director. All the Independent Directors have confirmed that they meet the ‘independence’ criteria as mentioned under regulation 16(1)(b) of the SEBI LODR and section 149 of the Companies Act, 2013. All the directors have made necessary disclosures regarding their directorships as required under section 184 of the Companies Act, 2013 and on the Committee positions held by them in other companies.

As on March 31, 2019, the composition of the Board and category of directors are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name</th>
<th>DIN</th>
<th>Category</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>00333754</td>
<td>Promoter, Executive and Non-Independent Director</td>
<td>Chairman cum Managing Director</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh</td>
<td>00332521</td>
<td>Promoter, Non-Executive and Non-Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>3</td>
<td>Mr Davis Frederick Golding*</td>
<td>00440024</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>4</td>
<td>Mr Rakesh Sachdeva</td>
<td>00333715</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>5</td>
<td>Mr Sundeepe Kumar Mehta</td>
<td>00840544</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>6</td>
<td>Ms Sangeeta Khorana</td>
<td>06674198</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>7</td>
<td>Mr Goh Colin</td>
<td>06963178</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>8</td>
<td>Mr Sanjay Kumar Bhatia</td>
<td>07033027</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>9</td>
<td>Mr Anil Kumar Kalra</td>
<td>07361739</td>
<td>Non-Executive and Independent Director</td>
<td>Director</td>
</tr>
<tr>
<td>10</td>
<td>Mr Arthur Sletteberg</td>
<td>07123647</td>
<td>Non-Executive and Non-Independent Director</td>
<td>Nominee Director (Representing Nordic Microfinance Initiative Fund III KS)</td>
</tr>
<tr>
<td>11</td>
<td>Mr Daniel Simpson Jacobs</td>
<td>07858118</td>
<td>Non-Executive and Non-Independent Director</td>
<td>Nominee Director (Representing Kora Investments I LLC)</td>
</tr>
</tbody>
</table>

*Mr Davis Frederick Golding, (DIN: 00440024), Non-Executive and Independent Director of the company has resigned from the office of director with effect from April 12, 2019.
The aforementioned Nominee Directors are representing Equity investors of the company. Mr Sanjaya Gupta, (DIN: 02939128) Nominee Director of Asian Development Bank has resigned from the office of Director due to some other pre occupictions with effect from October 15, 2018 and Mr Suramya Gupta, (DIN: 06816354), Nominee Director of SBI FMO Emerging Asia Financial Sector Fund Pte. Limited has resigned from the office of director due to some other pre occupictions with effect from January 7, 2019.

The dates for the Board meetings are fixed after taking into account the convenience of all the Directors and sufficient notice, in terms of applicable laws, is given to all of them. The agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis via e-mail to all the Directors at least seven days in advance from the date of Board Meeting and Committee meetings. The company actively uses the facility of video conferencing permitted under section 173(2) of the Companies Act, 2013 read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, thereby saving resources – cost to the company and valued time of the directors. All the information required for decision making are incorporated in the agenda. The Board reviews the performance of the company and sets the strategy for future. The Board takes on record the actions taken by the company on all its decisions periodically.

The names of the directors on the Board, their attendance at the Board meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public companies as on March 31, 2019 are given herein below. Other directorships do not include alternate directorships (if any), directorships of private limited companies, foreign companies and companies incorporated under section 8 of the Companies Act, 2013. In terms of regulation 26 of SEBI LODR, only Chairmanships/Memberships of Board Committees shall include Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies (excluding Satin Creditcare Network Limited) have been considered. Also, none of the directors of the company hold any directorship in any listed entity.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the Director</th>
<th>No. of Board Meetings during the year 2018-19</th>
<th>Whether Attended the last AGM held on July 04, 2018</th>
<th>No. of Directorships in other Public Companies</th>
<th>No. of Committee position held in other public companies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
<td>Chairman</td>
<td>Member</td>
</tr>
<tr>
<td>1</td>
<td>Mr H P Singh*1</td>
<td>7</td>
<td>5</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh*2</td>
<td>7</td>
<td>6</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Mr Rakesh Sachdeva</td>
<td>7</td>
<td>6</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>7</td>
<td>7</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>Ms Sangeeta Khorana</td>
<td>7</td>
<td>5</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>Mr Goh Colin</td>
<td>7</td>
<td>2</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Mr Sanjay Kumar Bhatia</td>
<td>7</td>
<td>4</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>8</td>
<td>Mr Anil Kumar Kalra</td>
<td>7</td>
<td>7</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>Mr Daniel Simpson Jacobs</td>
<td>7</td>
<td>6</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>Mr Arthur Sletteberg</td>
<td>7</td>
<td>2</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Mr Sanjaya Gupta*3</td>
<td>3</td>
<td>-</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>Mr Suramya Gupta*4</td>
<td>4</td>
<td>1</td>
<td>No</td>
<td>-</td>
</tr>
<tr>
<td>13</td>
<td>Mr Davis Frederick Golding*5</td>
<td>7</td>
<td>3</td>
<td>No</td>
<td>-</td>
</tr>
</tbody>
</table>

*1&2 Being interested in certain related party transactions, Mr H P Singh and Mr Satvinder Singh has not participated
*3Mr Sanjaya Gupta has resigned from the board w.e.f October 15, 2018
*4Mr Suramya Gupta has resigned from the board w.e.f January 07, 2019
*5Mr Davis Frederick Golding has resigned from the board w.e.f April 12, 2019

(b) Number and dates of Board meetings held during the financial year ended March 31, 2019

During the Financial year 2018-19, our Board has met 7 (seven) times and the Meetings of the Board of Directors were held on May 30, 2018, July 11, 2018, August 13, 2018, November 14, 2018, February 04, 2019, February 27, 2019 and March 18, 2019. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under section 173 of Companies Act 2013 and regulation 17 of the SEBI LODR and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). As per applicable laws, minimum four Board meetings are required to be held every year (one meeting in every calendar quarter). The company has convened additional Board meetings to address specific needs of the company. In case of any exigency/ emergency, resolutions are passed through circulation.

(c) Disclosure of relationship between directors inter-se

Mr H P Singh, Chairman cum Managing Director of the company, is related with Mr Satvinder Singh. Mr Satvinder Singh is a Promoter, Non-Executive
and Non-Independent Director and is brother of Mr H P Singh.

(d) **Number of shares and convertible instruments held by Non-Executive Directors**
The following Non-Executive Directors of the company are holding equity share in the company.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name</th>
<th>Category</th>
<th>No. of Equity share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr Satvinder Singh</td>
<td>Promoter &amp; Non-Executive Director</td>
<td>2,57,011</td>
</tr>
<tr>
<td>2</td>
<td>Mr Rakesh Sachdeva</td>
<td>Non-Executive and Independent Director</td>
<td>7,211</td>
</tr>
</tbody>
</table>

As on March 31, 2019, none of the Non-Executive Directors of the company is holding any convertible instruments of the company.

(e) **Information on Directors Appointment/Re-appointment**
A brief resume of the Director proposed for the appointment/re-appointment at the ensuing Annual General Meeting, the nature of his experience in specific functional areas and name of Companies in which he hold Directorship and Membership of committees of the Board are provided in the Notice of the 29th Annual General Meeting of the company.

(f) **Training and Familiarization for Independent Directors**
The Independent Directors of the Company are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programmes at the time of their appointment as directors.


The Company through its Chairman cum Managing Director/Senior Managerial Personnel makes presentations from time to time to the Board on the business strategies, operations review, quarterly and annual results, review of Internal Audit Report and Action Taken Report, Statutory Compliances, Risk Management, etc. Head of Departments of Company makes presentation in Board Meeting to familiarize the Board with their activities and allied matters. A new director is welcomed on the Board of the Company by sharing various documents of the company for his/her reference such as brief introduction to the company and profile of Board of Directors of the Company, details of various Committees of the Board, Code of Conduct for all Members of Board of Directors and Senior Management, Code for Independent Directors, Code of Conduct for prevention of Insider Trading, Corporate Presentations, various policies adopted by the Board, etc. This enables the directors to get a deeper insight into the operations and functioning of the Company.

(g) **Skills/expertise/competence of the Board of Directors**
At Satin Creditcare Network Limited the selection of a candidate on the Board is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge etc. Apart from that, he should be person of repute and should have knowledge and experience in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance or technical operations.

The ultimate decision is based on merit and contribution that the selected candidate will bring to the Board. The Nomination and Remuneration Committee is required to identify persons who are eligible and qualified to become Directors in accordance with the criteria as per policy of Nomination & Remuneration committee of the Board of Director and shall recommend the same to the Board for their consideration and shall carry out evaluation of every director’s performance.

The aforesaid committee formulate the criteria for determining qualifications, positive attributes, independence of a director and shall ensure, determine that the Board comprizes of a balanced combination of Executive, Non-executive as well as Independent Directors, size of the Board and its diversity.

At Satin Creditcare Network Limited, we have appointed the directors keeping in view the aforementioned points in mind.

(h) **Confirmation from Independent Directors**
Every Independent Director has duly informed the Company about the committee positions he/she occupies in other Companies as well as they fulfil the conditions as specified in SEBI LODR. The directors are independent of management, none of the directors of the Company, is a member of more than ten committees, across all public limited companies in which he/she is a director and none of the Directors of the Company is chairman of more than five committees across all public limited companies in which he/she is a director. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at [https://satincreditcare.com/](https://satincreditcare.com/).
(i) **Meeting of Independent Directors**

The meeting of Independent Directors was held on November 14, 2018 in accordance with the provisions of section 149(8) read with schedule IV of the Companies Act, 2013, Secretarial Standards -1 issued by The Institute of Company Secretaries of India and Regulation 25(3) and 25(4) of the SEBI LODR.

(j) **Detailed reasons for the resignation of an independent director**

During the year, there was no instance of resignation of an Independent Director. However, on April 12, 2019, Mr Davis Frederick Golding Non-Executive and Independent Director (DIN: 00440024) has resigned from the board due to some other pre-occupations. The confirmation and reason received from Mr Davis Frederick Golding is available on the website of the Company at [https://satincreditcare.com/](https://satincreditcare.com/) and also submitted to the Stock Exchanges.

(k) **Code of conduct as per regulation 17(5) of the SEBI LODR**

The Company has adopted the Code of conduct as per regulation 17(5) of the SEBI LODR and is applicable to all its Board members and senior management personnel of the company. Pursuant to regulation 26(5) of the SEBI LODR, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the company at large. Pursuant to regulation 26(3) of the SEBI LODR, the Board members and senior management of the Company as on March 31, 2019 have affirmed compliance with their respective codes of conduct. A declaration signed by the Company’s Chairman cum Managing Director is published in this Report is enclosed as Annexure-1.


(l) **Role of the Company Secretary in overall governance process**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. In terms of applicable laws, the Board had appointed Choudhary Runveer Krishanan as Company Secretary & Compliance Officer of the Company to undertake various responsibilities as stipulated under SEBI Guidelines, Companies Act, 2013, RBI Guidelines and other applicable laws. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board and Chairman in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and applicable Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under applicable laws.

(m) **Board Diversity**

The Nomination and Remuneration Committee has devised policy on Board Diversity is in line with SEBI LODR and recommended to the Board of Directors which was subsequently approved by Board of Directors vide its meeting held on February 04, 2019. The said policy has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The prime and utmost objective of this policy is to set a diversely qualified Board for the Company to function smoothly, variedly and to work on every aspect of the business agenda(s). Diversity in Board is needed for better growth and profitability.

3. **COMMITTEES OF THE BOARD**

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set/actions directed by them as agreed with the management are reviewed periodically and mid-course corrections are carried out. The Board of Directors and the Committees also take decisions by circular resolutions, which are noted in the next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting.

Currently, the Company has 8 (eight) Committees of Board: Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Asset Liability Management Committee, IT Strategy Committee and Working Committee.

(A) **AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management’s financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

The Audit Committee of the Company is constituted in line with the provisions of section
177 of the Companies Act, 2013, regulation 18 of the SEBI LODR and as per RBI Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.

During the year the company has changed the composition of the committee. As on March 31, 2019, the Committee was comprised of 4 (four) Directors, out of which 3 (three) are Independent Directors and 1 (one) is Promoter, Non-Executive and Non-Independent Director. All of whom are financially literate and have relevant finance and/or audit exposure. Mr Sanjay Kumar Bhatia, Chairman of the Committee is a qualified Chartered Accountant. The quorum of the Committee is two members or one-third of its members, whichever is higher.

The Composition of the Audit Committee and the details of meetings attended by its members are given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Designation/Category</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr Sanjay Kumar Bhatia*1</td>
<td>Chairman (Non-Executive &amp; Independent Director)</td>
<td>2 2</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh*2</td>
<td>Member (Promoter &amp; Non-Executive, Non-Independent Director)</td>
<td>5 4</td>
<td>80</td>
</tr>
<tr>
<td>3</td>
<td>Mr Davis Frederick Golding*3</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>2 -</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>5 5</td>
<td>100</td>
</tr>
</tbody>
</table>

*Mr Sanjay Kumar Bhatia was appointed in the committee on November 14, 2018
*Mr Satvinder Singh being interested in certain related party transactions has not participated
*Mr Davis Frederick Golding has resigned from the committee w.e.f April 12, 2019

- The new composition of the Audit Committee is also disseminated on the website of the Company with the link https://satincreditcare.com/board-of-directors/. The Company Secretary acts as the secretary to the audit committee. During the period under review, 5 (five) Audit Committee meetings were held on May 30, 2018, August 13, 2018, November 14, 2018, February 04, 2019 and February 27, 2019. The maximum gap between any two meetings was less than 120 days. Generally, the Statutory Auditor, Chief Financial Officer, Head – Finance, Internal Auditor and/or Head-Audit and Risk Management and Chief Operating Officer of the Company were invitees to the meetings of the Committee held in the financial year 2018-19.

The terms of reference of the Audit Committee are wide enough to cover the matters as specified for Audit Committee under regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as well as section 177 of the Companies Act, 2013. The terms of reference as approved by Board of Directors of the Company vide its meeting dated May 30, 2018 for the Audit Committee are as follows:

- Oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to: (a) matters required to be included in the directors’ responsibility statement to be included in the Board’s report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transaction; (g) modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- To carry out any other function as is mentioned in the terms of reference of the audit committee, in terms of any other applicable guidelines or any other applicable law, as amended from time to time;
- Any other matters as delegated by the Board of Directors from time to time;
- The audit committee shall mandatorily review the following information:
  (a) Management discussion and analysis of financial condition and results of operations;
  (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  (d) Internal audit reports relating to internal control weaknesses; and
  (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  (f) Statement of deviations:
    • Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of regulation 32(1).
    • Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7).

(B) RISK MANAGEMENT COMMITTEE

The Company has in place the Risk Management Committee in accordance with RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company taking Company (Reserve Bank) Directions, 2016 and in Compliance with regulation 21 of the SEBI (LODR).

The Committee comprises of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Promoter, Non-Executive and Non-Independent director. The quorum of the Committee is two members or one-third of its members, whichever is higher.
The Composition of the Risk Management Committee and the details of meetings attended by its members are given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Designation/Category</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
</tr>
<tr>
<td>1</td>
<td>Mr Davis Frederick Golding*1</td>
<td>Chairman (Non-Executive &amp; Independent Director)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh</td>
<td>Member (Promoter &amp; Non-Executive, Non-Independent Director)</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Mr Rakesh Sachdeva</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

*1 Mr Davis Frederick Golding has resigned from the committee’s w.e.f April 12, 2019

During the financial year 2018-19, Risk Management Committee met 2 (two) times. The meetings were held on May 20, 2018 and November 14, 2018. Further, the Board of Directors of the Company vide its meeting held on May 08, 2019 has reconstituted Risk Management Committee with following members:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director/ Members</th>
<th>Designation/ Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr Anil Kumar Kalra*1</td>
<td>Chairman (Non-Executive &amp; Independent Director)</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh</td>
<td>Member (Promoter &amp; Non-Executive, Non-Independent Director)</td>
</tr>
<tr>
<td>3</td>
<td>Mr Rakesh Sachdeva</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
</tr>
</tbody>
</table>

*1 Mr Anil Kumar Kalra (Non-Executive & Independent Director) appointed as a chairman of the committee w.e.f May 08, 2019

The new composition of the Risk management committee is also disseminated on the website of the company with the link https://satincreditcare.com/board-of-directors/. The company secretary acts as the secretary to the Risk Management Committee.

The terms of reference of the Risk Management Committee are wide enough to cover the matters specified for Risk Management Committee under regulation 21 of SEBI LODR, are as follows:

(1) Recommend to the board and then formally announce, implement and maintain a sound system of risk oversight, management and internal control which:
   - Identifies, assesses, manages and monitors risk; and
   - Allows investors and other stakeholders to be informed of material changes to the company’s risk profile.

(2) Recommend to the board and then formally announce clear standards of ethical behaviour required of the senior management as well as the staff.

(3) In discharging its responsibility, the committee is to develop and seek Board approval for a range of specific duties that it is to carry out. Such duties will vary depending on the company’s circumstances, the committee’s responsibilities and, in particular, the role of the Board and other committee, such as internal audit, operations, finance etc.

Specific deliverables:
The Committee’s deliverables are based on 2 (two) broad categories – risk management and governance.

- Consistent with its risk management responsibility, risk management deliverables are intended to detail the functions and processes which are considered necessary to ensure that the Board can be satisfied that the Company’s risks are being effectively managed.
- Governance deliverables are intended to ensure that the Committee also considers ethical and broader stakeholder values in its assessment and management of risks and internal procedures.
- The Committee can consider other matters relating to risk management that it considers desirable. In addition, the Committee will examine any other matters referred to it by the Board.

Risk Management deliverables:
- Assessment of the Company’s risk profile and key areas of risk in particular.
- Recommending to the Board and adopting risk assessment and rating procedures.
- Examining and determining the sufficiency of the Company’s internal processes for reporting on and managing key risk areas.
- Assessing and recommending to the Board acceptable levels of risk.
- Development and implementation of a risk management framework and internal control system.
• Initiating and monitoring special investigations into areas of corporate risk and break-downs in internal control.

• Ensuring that matters affecting the risk management or internal control systems of the company, whether or not forming part of the Committee’s duties, are adequately addressed.

**Governance related deliverables:**

• Reviewing and recommending to the Board, the changes w.r.t:
  - The structure and responsibilities of the Board;
  - The proper relationship between the Board and management; and
  - The responsibilities of management.

• Monitoring legal and regulatory compliance.

• Reviewing and recommending to the Board, changes to the Company’s code of conduct and other policies designed to guide the company’s senior management and other employees as to:
  - Compliance with legal and other obligations to legitimate stakeholders such as shareholders and employees;
  - The ethical standards and practices necessary to maintain confidence in the Company’s integrity;
  - The behaviour expected of them and the Company’s corporate culture generally.

• Monitoring compliance with Company Policies and investigating allegations of breaches of those policies.

• Reviewing and recommending to the Board, policies to avoid conflicts of interest between the Company and its employees.

**(C) STAKEHOLDERS’ RELATIONSHIP COMMITTEE**

The purpose of the committee is to assist the Board and the Company in maintaining healthy relationships with all stakeholders. The Committee oversees the mechanisms for redressing grievances and complaints from stakeholders including shareholders, debenture holders, other security holders, vendors, customers, employees and others. The Company has formed Stakeholders Relationship Committee as per the requirements of section 178(5) of the Companies Act, 2013 and regulation 20 of the SEBI (LODR) Regulations.

The Committee comprises of 3 (Three) Directors, all of them are Independent Directors. Mr Sundeep Kumar Mehta is a Non-Executive & Non-Independent Director and Chairman of the Committee. The quorum of the Committee is two members or one-third of its members, whichever is higher.

The composition of the Stakeholders’ Relationship Committee and the details of meetings attended by its members are given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Designation/Category</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
</tr>
<tr>
<td>1</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>Chairman (Non-Executive &amp; Independent Director)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Mr Sanjay Kumar Bhatia</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Mr Anil Kumar Kalra</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The new composition of the Stakeholders Relationship Committee is also disseminated on the website of the company with the link [https://satincreditcare.com/board-of-directors/](https://satincreditcare.com/board-of-directors/). Choudhary Runveer Krishnan (Company Secretary & Compliance Officer) acts as the secretary to the Stakeholder Relationship Committee. The Committee shall consider and resolve the grievances like share transfers, transmissions, issue of duplicate share certificates, Rematerialization of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, etc.

During the year under review Committee met 1 (one) time on February 04, 2019. Further, Grievances relating to Stakeholders / Investors may be forwarded to the Company Secretary and Compliance officer of the Company at secretarial@satincreditcare.com.

**Complaints received and redressed during the FY 2018-19 under SEBI Complaints Redress System (SCORES):**

There was only 1 (one) complaint received from an Equity Shareholder during the financial year ended March 31, 2019.
Details of complaints received and resolved by the Company during the financial year 2018-19 are given below:

<table>
<thead>
<tr>
<th>Nature of complaints</th>
<th>Pending as on March 31, 2018</th>
<th>Received during the financial year 2018-19</th>
<th>Disposed of during the financial year 2018-19</th>
<th>Pending as on March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares</td>
<td>Nil</td>
<td>1</td>
<td>1</td>
<td>Nil</td>
</tr>
<tr>
<td>Non-receipt of Dividend</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Dematerialization / Rematerialization of shares</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Nil</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>Nil</strong></td>
</tr>
</tbody>
</table>

The Board has designated Choudhary Runveer Krishnan as the Company Secretary & Compliance Officer. The SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 03, 2011 informed the Company that they had commenced processing of investor complaints in a web based complaints redress system “SCORES”. Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

As on March 31, 2019, there is no complaint pending from equity shareholder(s) under SCORE or at any other forum/platform.

**D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee was constituted to formulate and recommend to the Board of Directors, a corporate social responsibility policy, which shall indicate the activities to be undertaken by the company, recommend the amount of expenditure to be incurred on such activities and monitor the corporate social responsibility policy of the company from time to time.

In accordance with section 135 of Companies Act, 2013 and the rules made thereunder the Board has constituted a CSR Committee in its meeting held on May 26, 2014 and CSR Committee was reconstituted on August 10, 2016.

The Committee comprises of 3 (three) Directors, out of which 2 (two) are Independent Directors and 1 (one) is Promoter, Executive and Non-Independent Director. Mr. H P Singh is Promoter & Executive Director of the company and Chairman of the committee. The quorum of the Committee is two members or one-third of its members, whichever is higher. The Chairman of the Corporate Social Responsibility Committee has also attended the last Annual General Meeting of the Company.

The Composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Designation/Category</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
</tr>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>Chairman (Promoter, Executive &amp; Non- Independent Director)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Mr Goh Colin</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Ms Sangeeta Khorana</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The aforesaid composition of the Corporate Social Responsibility Committee is also disseminated on the website of the company with the link https://satincreditcare.com/board-of-directors/. During the financial year 2018-19, Corporate Social Responsibility Committee met 1 (one) time. The meeting was held on August 13, 2018. The Company Secretary acts as the secretary to the Committee.

The Company has formulated a corporate social responsibility policy as required under the provisions of section 135 of the Companies Act, 2013 and rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 indicating therein the activities to be undertaken by the company as specified in schedule VII of the Companies Act, 2013. The CSR Policy is uploaded on the company’s website with the link https://www.satincreditcare.com/pdf/CSR_Policy_version_2.pdf.
In the aforesaid backdrop, policy on Corporate Social Responsibility of Satin Creditcare Network Limited 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.

**The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director(s)</th>
<th>Designation/Category</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>Chairman (Non-Executive &amp; Independent Director)</td>
<td>1/1</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Mr H P Singh</td>
<td>Member (Promoter, Executive &amp; Non-Independent Director)</td>
<td>1/1</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>Mr Davis Fredrick Golding*</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>1/1</td>
<td>100</td>
</tr>
<tr>
<td>4</td>
<td>Mr Arthur Sletteberg</td>
<td>Member (Non-Executive &amp; Non Independent Director)</td>
<td>1/1</td>
<td>100</td>
</tr>
<tr>
<td>5</td>
<td>Ms Sangeeta Khorana</td>
<td>Member (Non-Executive &amp; Independent Director)</td>
<td>1/1</td>
<td>100</td>
</tr>
</tbody>
</table>

*Mr Davis Frederick Golding has resigned from the committee w.e.f April 12, 2019*

The new composition of the Nomination & Remuneration Committee is also disseminated on the website of the company with the link [https://satincreditcare.com/board-of-directors/](https://satincreditcare.com/board-of-directors/). The Company Secretary acts as secretary to Nomination and Remuneration Committee. During the financial year 2018-19, Nomination and Remuneration Committee met 1 (one) time on May 30, 2018.

During the year under review, stock options (under Employees Stock Option Plan, 2017) were approved and granted to various employees. Also, the Committee under the guidance of the board has formulated the criteria and framework for the performance evaluation of every director on the board, including the Executive and Independent Directors. The Committee also identified ongoing training and education programs to ensure that the Non-Executive Directors are provided with adequate information regarding the business, the industry, and their legal responsibilities and duties.

**The terms of references of Nomination and Remuneration Committee pursuant to regulation 19(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as approved by the Board of Directors vide its meeting dated February 10, 2016 are as follows:**

1. Identify persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance.

2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
(3) Ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors and also the Independent Directors and size of the Board and its diversity.

(4) Devise framework to ensure that directors are inducted through suitable familiarization process covering their roles, responsibility and liability and ensuring that there is an appropriate induction & training programme in place for new directors and members of Senior Management and other employees of the Company and reviewing its effectiveness.

(5) Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines.

(6) Decide/approve details of fixed components and performance linked incentives (if any) along with the performance criteria.

(7) Identifying and recommending directors who are to be put forward for retirement by rotation.

(8) Evaluating the performance of the Board members and Senior Management in the context of the Company’s performance from business and compliance perspective.

(9) Making recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an Executive director as an employee of the company subject to the provision of the law and their Service contract.

(10) Delegating any of its powers to one or more of its members or the Secretary of the Committee.

(11) Recommend any necessary changes to the Board.

(12) Considering any other matters as may be requested by the Board; and to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

(13) To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company.

(14) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

(15) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

(16) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievements relating to the Company’s operations.

(17) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

(18) To devise a policy on Board diversity.

(19) To develop a succession plan for the Board and to regularly review the plan.

(20) Formulation of criteria for evaluation of Independent Director and the Board.

(21) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

(22) To implement and monitor policies and processes regarding principles of corporate governance.

POLICY LAID DOWN BY THE NOMINATION & REMUNERATION COMMITTEE FOR REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT & OTHER EMPLOYEES AND THE CRITERIA FORMULATED BY THE COMMITTEE FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF DIRECTOR

Pursuant to section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and the Board of Directors of the Company has modified the Policy on Nomination & Remuneration for Directors, Key Managerial Personal (KMP) & Senior Management and other Employees and pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 vide its meeting dated February 04, 2018. The policy has been uploaded on the website of the company at https://satincreditcare.com/wp-content/uploads/2018/07/Nominationa-Remuneration-Policy.pdf. In accordance with section 178, aforesaid policy is annexed to this report as Annexure-2.

(F) ASSET LIABILITY MANAGEMENT COMMITTEE

The Company has in place the Asset Liability Management Committee in accordance with RBI
The composition of the Asset Liability Management Committee (ALM Committee) and the details of meetings attended by its members are given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director/Member</th>
<th>Designation</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
</tr>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>Chairman</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Mr Jugal Kataria</td>
<td>Member</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Mr Amit Gupta</td>
<td>Member</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Mr Ashish Gupta</td>
<td>Member</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Mr Vikas Mor*</td>
<td>Member</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

* Resigned w.e.f January 02, 2019

During the year under review, Committee met 2 (two) times on June 21, 2018 and October 24, 2018. Further, the Board of Directors of the Company vide its meeting held on May 08, 2019 has reconstituted Asset Liability Management Committee with following member as stated below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Director/Member</th>
<th>Category/Designation</th>
<th>No. of meetings held/attended during the Financial year 2018-19</th>
<th>% of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Held during their tenure</td>
<td>Attended</td>
</tr>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>Chairman</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Mr H P Singh</td>
<td>Member (Promoter, Executive &amp; Non- Independent Director)</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Mr Daniel Simpson Jacobs</td>
<td>Member (Nominee Director- Kora Investments I LLC)</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Mr Jugal Kataria</td>
<td>Member (Chief Financial Officer)</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Mr Sanjay Mahajan</td>
<td>Member (Chief Information Officer)</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

The terms of references of Asset Liability Management Committee in terms of RBI guidelines are as follows:

1. To address concerns regarding asset liability mismatches.
2. To address Interest rate risk exposure.
3. To achieve optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects.
4. Adhering to the relevant policies and regulations.
5. To carry out any other function as is mentioned in the terms of reference of the ALM committee and also in terms of any other applicable guidelines or any other applicable law and regulations.
6. To carry our any other function as may be delegated by the Board of directors of the Company from time to time.

(G) **IT STRATEGY COMMITTEE**

The Company also has in place IT Strategy Committee in terms of “Master Direction - Information Technology Framework for NBFC Sector” issued by RBI on June 08, 2017. During the year under review, Committee met 2 (two) times on July 02, 2018 and December 21, 2018.

As on March 31, 2019, the Committee comprises of 4 (four) Members out of which 1 (one) is Director and 3 (three) are other Members of the Company, Mr H P Singh is a Promoter, Executive and Non Independent Director of the Company and Chairman of the Committee.
The terms of reference of the IT Strategy Committee as approved by the Board of Directors in their meeting held on May 30, 2018 are as follows:

(1) To carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and matters related to IT Governance.

(2) To approve and recommending to Board of Directors of the Company, “IT strategy and policy documents” and ensuring that the management has put an effective strategic planning process in place.

(3) To ascertain that management has implemented processes and practices that ensure that the IT delivers value to the business.

(4) To ensure IT investments represent a balance of risks and benefits and that budgets are acceptable.

(5) To monitor the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

(6) To ensure proper balance of IT investments for sustaining NBFC’s growth and becoming aware about exposure towards IT risks and controls.

(7) To carry out any other function in terms of any other applicable guidelines or in any other applicable law (within the ambit of IT Governance system).

(8) To undertake and ensure other function and responsibilities as stipulated under Master Direction-Information Technology Framework (Ref: RBI/DNBS/2016-17/53 Master Direction DNBS.PPD.No.04/66.15.001/2016-17) for the NBFC Sector, as amended from time to time.

**Working Committee**

Board of Directors in their meeting held on May 30, 2018 reconstituted Working Committee with the following members along with revised scope of work as stated below.

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Director/Member(s)</th>
<th>Category</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>Promoter, Executive &amp; Non- Independent Director</td>
<td>Chairman</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh</td>
<td>Promoter, Non-Executive &amp; Non- Independent Director</td>
<td>Member</td>
</tr>
<tr>
<td>3</td>
<td>Mr Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>Member</td>
</tr>
<tr>
<td>4</td>
<td>Mr Amit Gupta</td>
<td>Head Accounts</td>
<td>Member</td>
</tr>
<tr>
<td>5</td>
<td>Mr Ashish Gupta</td>
<td>Head Finance</td>
<td>Member</td>
</tr>
</tbody>
</table>

**During the financial year 2018-19, Working Committee met 52 times. These meetings were held on and attended by all the members of the Committee on the following dates:**


**4. REMUNERATION PAID TO DIRECTORS**

The disclosure in respect of remuneration paid/payable to Managing Director/Whole Time Director of the Company for the financial year 2018-2019 is given below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Mr H P Singh, Chairman cum Managing Director (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>1,45,40,800</td>
</tr>
<tr>
<td>Provident Fund</td>
<td>17,64,896</td>
</tr>
<tr>
<td>Gratuity</td>
<td>-</td>
</tr>
<tr>
<td>Leave Encashment</td>
<td>-</td>
</tr>
<tr>
<td>Approximate value of perquisites</td>
<td>24,52,264</td>
</tr>
<tr>
<td>Total</td>
<td>1,87,37,960</td>
</tr>
<tr>
<td>Present period of agreement for remuneration*</td>
<td>June 01, 2018 to September 30, 2020</td>
</tr>
<tr>
<td>Present period of agreement of appointment</td>
<td>October 01, 2015 to September 30, 2020</td>
</tr>
</tbody>
</table>

*Note: Upon recommendation from Nomination & Remuneration Committee of the Company, the Board of Directors of the Company have revised the aforesaid remuneration for Mr H P Singh, Chairman cum Managing Director to ₹ 3,08,63,016 which will be effective from June 01, 2019.
Considering the time and efforts made by the Non-Executive Directors, it is necessary that appropriate sitting fees are paid to the Non-Executive Directors for attending the meetings of the Board and its Committees.

During the year under review, the company is paying only the sitting fees to all the Non-Executive Directors within the ceiling of ₹ 1,00,000 per meeting as prescribed under the Companies Act, 2013 and the rules made thereunder. The Board of Directors in their meeting held on May 30, 2018 has revised the structure for payment of sitting fee for attending Board and Committee Meetings with effect from May 30, 2018 which is as follows:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Type of Meeting</th>
<th>Sitting Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Board Meeting</td>
<td>₹ 25,000/- (Rupees Twenty Five Thousand) per meeting</td>
</tr>
<tr>
<td>2</td>
<td>Audit Committee and Risk Management</td>
<td>₹ 20,000/- (Rupees Twenty Thousand) per meeting</td>
</tr>
<tr>
<td>3</td>
<td>Other Statutory Committee Meeting</td>
<td>₹ 15,000/- (Rupees Fifteen Thousand) per meeting</td>
</tr>
</tbody>
</table>

Detail of payment made to Non-Executive Directors towards sitting fee during the financial year 2018-2019 is as under:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Non-Executive Directors (Other than investor’s nominees)</th>
<th>Sitting Fees</th>
<th>Total (Amount in `)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Board Meeting</td>
<td>Committee Meeting</td>
</tr>
<tr>
<td>1</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>1,75,000</td>
<td>1,50,000</td>
</tr>
<tr>
<td>2</td>
<td>Mr Rakesh Sachdeva</td>
<td>1,50,000</td>
<td>1,60,000</td>
</tr>
<tr>
<td>3</td>
<td>Mr Satvinder Singh</td>
<td>1,25,000</td>
<td>1,20,000</td>
</tr>
<tr>
<td>4</td>
<td>Mr Anil Kumar Kalra</td>
<td>1,75,000</td>
<td>15,000</td>
</tr>
<tr>
<td>5</td>
<td>Mr Sanjay Kumar Bhatia</td>
<td>1,00,000</td>
<td>55,000</td>
</tr>
<tr>
<td>6</td>
<td>Ms Sangeeta Khorana</td>
<td>1,25,000</td>
<td>15,000</td>
</tr>
<tr>
<td>7</td>
<td>Mr Davis Frederick Golding</td>
<td>75,000</td>
<td>35,000</td>
</tr>
<tr>
<td>8</td>
<td>Mr Goh Colin</td>
<td>80,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>9,75,000</strong></td>
<td><strong>5,50,000</strong></td>
</tr>
</tbody>
</table>

In addition, the Non-Executive Directors are paid travelling expenses including air fare, hotel stay and car on rental basis for attending the meetings of the Board/Committee and such other expenses as are incurred by the Non-Executive Directors and allowed to be reimbursed as per the provisions of the Companies Act, 2013. There was no pecuniary relationship or transactions of the non-executive Directors vis-a-vis the Company during the Financial Year ended March 31, 2019 other than those disclosed in the annual accounts. Also, none of directors of the Company except Mr H P Singh Chairman cum Managing Director is taking remuneration as approved by Board/Members of the Company.

However pursuant to the shareholders' approval in the Twenty Seventh Annual General Meeting of the Company, board of directors has approved the payment of remuneration in the form of professional fees of USD 5,000 per quarter (or equivalent amount in Indian currency at the time of payment) for rendering professional services w.e.f April 01, 2018 to Mr Davis Fredrick Golding (DIN: 00440024).

Furthermore, none of the directors of the Company is taking any salary, benefit, bonuses, stock options & pension from the Company. The Company pays only sitting fee for attending the Board or Committee meetings and there is no fixed component and performance linked incentives involved therein. The company has not signed any service contracts, notice period or severance fees contract with any of the directors.

Details of Shareholding of Directors as on March 31, 2019

The Shareholding of Directors of the Company is as follows:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Director</th>
<th>Category</th>
<th>Shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr H P Singh</td>
<td>Promoter and Executive Director</td>
<td>4,15,123</td>
</tr>
<tr>
<td>2</td>
<td>Mr Satvinder Singh</td>
<td>Promoter and Non-Executive and Non-Independent Director</td>
<td>2,57,011</td>
</tr>
<tr>
<td>3</td>
<td>Mr Davis Frederick Golding</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>4</td>
<td>Mr Arthur Sletteberg</td>
<td>Non-Executive and Non-Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>5</td>
<td>Mr Rakesh Sachdeva</td>
<td>Non-Executive and Independent Director</td>
<td>7,211</td>
</tr>
<tr>
<td>6</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>7</td>
<td>Ms Sangeeta Khorana</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>8</td>
<td>Mr Goh Colin</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>9</td>
<td>Mr Sanjay Kumar Bhatia</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>10</td>
<td>Mr Anil Kumar Kalra</td>
<td>Non-Executive and Independent Director</td>
<td>Nil</td>
</tr>
<tr>
<td>11</td>
<td>Mr Daniel Jacobs</td>
<td>Non-Executive and Non-Independent Director</td>
<td>Nil</td>
</tr>
</tbody>
</table>
5. ANNUAL GENERAL MEETINGS, EXTRAORDINARY GENERAL MEETING AND POSTAL BALLOT

The details of the Annual General Meeting held in the last three years are as follows:

### Annual General Meetings (AGMs):

<table>
<thead>
<tr>
<th>Year</th>
<th>Location</th>
<th>Date</th>
<th>Time</th>
<th>Whether any Special Resolution(s) passed</th>
</tr>
</thead>
</table>
| 2017-2018   | Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi House,         | July 06, 2018 | 10.30 A.M. | 1. Issuance of Non-Convertible Debentures, in one or more series/tranches pursuant to section 42 of the Companies Act, 2013.  
3. To increase the borrowing power of Board of Directors u/s 180(1)(c) of the Companies Act, 2013.  
5. To approve the revision in overall remuneration to be paid to Mr H P Singh (DIN: 00333754), Chairman cum Managing Director of the Company. |
| 2016-2017   | Kamani Auditorium, 1, copernicus marg, New Delhi-110001                     | July 06, 2017 | 11.00 A.M  | 1. Issuance of Non-convertible Debentures, in one or more series/tranches pursuant to section 42 of the Companies Act, 2013.  
2. Approval of Satin Employees Stock Option Scheme 2017.  
3. Approval of Grant of Stock Option to the Employees of Subsidiary Company(ies) (Present and Future) under the Scheme.  
2. Acquisition of wholly owned Subsidiary  
3. Further issuance of Securities  
4. Raising FPI Limit  
5. Issuance of Non-Convertible Debentures u/s 42 of the Companies Act, 2013 |

All resolutions moved at the last AGM were passed by means of electronic and physical voting by the requisite majority of members.

### Postal Ballot:

During the year under review, no resolution was passed through postal ballot. Currently, no resolution is proposed to be passed through postal ballot at the ensuing AGM. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

### E VOTING

The Company had provided e-voting facility to the members of the Company for the Annual General Meeting held during the financial year 2018-19.

Pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of this Annual General Meeting. The instruction(s) for e-voting is provided in the Notice of the Annual General Meeting.

6. SHAREHOLDERS’ COMMUNICATION

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. The Company has its website (www.satincreditcare.com) that contains required information for the shareholders.

### Means of Communication

#### Quarterly results and other relevant information:

The Company’s quarterly results are normally published in “Business Standard” and are also displayed along with other relevant information viz., notices, shareholder communications, policies, director’s profile, annual...
report, other official news etc. on its corporate website i.e. www.satincreditcare.com.

**News releases, presentations, among others:** Official news releases, corporate presentations, press release and official media releases are sent to Stock Exchanges.

**Website:** The Company’s website www.satincreditcare.com contains a separate section ‘Investor’ for use of investors. The quarterly, half yearly and annual financial results and official news releases are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

**Communication to shareholders on email:** In support of the “Green Initiative” undertaken by the Ministry of Corporate Affairs, the Company had during FY 2018-19 sent various communications including Documents like Notices and Annual Report to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper Consumption, save trees and avoid loss of documents in transit.

The Company proposes to send documents like shareholders meeting notice/ other notices, audited financial statements, Directors’ report, auditor’s report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the Registrar and Transfer Agent of the Company, to receive soft copies of the Annual Report, Postal Ballot Notices and other information disseminated by the Company, on a real-time basis without any delay.

7. **GENERAL SHAREHOLDER INFORMATION:**

(a) **Company Registration Details:**

The Company is registered in New Delhi, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs is L65991DL1990PLC041796.

(b) **Ensuing Annual General Meeting:**

<table>
<thead>
<tr>
<th>Date and Time</th>
<th>Saturday, July 06, 2019 (10:30 A.M.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venue</td>
<td>Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi House, Opp. Doordarshan Bhavan, Near Connaught Place, New Delhi - 110001.</td>
</tr>
</tbody>
</table>

(c) **Financial Year:** April 01 to March 31

(d) **Book Closure:** The dates of Book Closure are from Sunday, June 30, 2019 to Saturday, July 6, 2019 both days inclusive.

(e) **Dividend payment:**

Directors of your Company have recommended a final Dividend on Preference Shares for the financial year 2018-19.

<table>
<thead>
<tr>
<th>Preference Share</th>
<th>Type of Dividend</th>
<th>No of Preference Shares</th>
<th>Dividend Per Shares (In ₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.10% Rated, Cumulative, Non-Convertible and Compulsorily Redeemable Preference Shares</td>
<td>Final</td>
<td>2,50,00,000</td>
<td>1.2100</td>
</tr>
<tr>
<td>0.01 % Optionally Convertible Cumulative Redeemable Preference Shares</td>
<td>Final</td>
<td>13,43,283</td>
<td>0.0010</td>
</tr>
</tbody>
</table>

Further, in order to undertake and carry on future plans, it is necessary to conserve the resources. Your directors are of the opinion of retaining the profits for the year within the company, and thus have not recommended any dividend on Equity shares for the year ended March 31, 2019.

(f) **Listing of Shares:**

**Equity Shares Listed on Stock Exchanges:** The Equity Shares of the Company are listed on

- **National Stock Exchange of India Limited (NSE)**

  Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
  Bandra East, Mumbai-400051

- **BSE Ltd (BSE)**

  Phiroze Jeejeebhoy Towers,
  Dalal Street, Mumbai – 400023

**Annual Listing Fee:** The Annual Listing fee for the financial year 2018-19 has already been duly paid to all the Stock Exchanges where Shares and Debentures of the Company are listed.
Demat ISIN Number in NSDL & CDSL:

- Equity Shares: INE 836B01017
- Fully Convertible Warrants: INE 836B13038
- 0.01% Optionally Convertible Cumulative Redeemable Preference shares: INE 836B03021
- Non-Convertible Cumulative Redeemable Preference Shares: INE 836B04029

For Non-Convertible Debentures (NCD) are as follows:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name/Details of Trustee</th>
<th>ISIN</th>
<th>No. of Debentures</th>
<th>Amount*</th>
</tr>
</thead>
</table>
| 1      | IDBI TRUSTEESHIP SERVICES LIMITED  
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001 | INE836B07071 | 72 | 18,00,00,000.00 |
| 2      | AXIS TRUSTEE SERVICES LIMITED  
2nd Floor, ‘E’, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai—400025 | INE836B08038 | 130 | 13,00,00,000.00 |
|        |                        | INE836B07162 | 20 | 20,00,00,000.00 |
| 3      | CATALYST TRUSTEESHIP LIMITED (formerly GDA Trusteeship Limited)  
GDA House, Plot No. 85, Bhusari Colony (Right) Paud Road, Pune 411038 | INE836B08012 | 84 | 21,00,00,000.00 |
|        |                        | INE836B08097 | 200 | 50,00,00,000.00 |
|        |                        | INE836B08020 | 150 | 150,00,000.00 |
|        |                        | INE836B08046 | 250 | 25,00,000.00 |
|        |                        | INE836B08053 | 2,628 | 26,28,00,000.00 |
|        |                        | INE836B08061 | 250 | 25,00,000.00 |
|        |                        | INE836B08079 | 125 | 12,50,000.00 |
|        |                        | INE836B08087 | 67,489 | 33,74,45,000.00 |
|        |                        | INE836B07220 | 680 | 68,00,00,000.00 |
|        |                        | INE836B08095 | 100 | 10,00,00,000.00 |
|        |                        | INE836B08137 | 100 | 10,00,00,000.00 |
|        |                        | INE836B08129 | 100 | 10,00,00,000.00 |
|        |                        | INE836B08111 | 100 | 10,00,00,000.00 |
|        |                        | INE836B08103 | 100 | 10,00,00,000.00 |
|        |                        | INE836B07279 | 250 | 25,00,00,000.00 |
|        |                        | INE836B08145 | 250 | 25,00,00,000.00 |
|        |                        | INE836B07287 | 250 | 25,00,00,000.00 |
|        |                        | INE836B08152 | 150 | 15,00,00,000.00 |
|        |                        | INE836B08160 | 350 | 35,00,00,000.00 |
|        |                        | INE836B07303 | 200 | 20,00,00,000.00 |
|        |                        | INE836B07311 | 650 | 65,00,00,000.00 |
|        |                        | INE836B07329 | 450 | 450,00,000.00 |
|        |                        | INE836B07337 | 330 | 33,00,00,000.00 |
|        |                        | INE836B07352 | 600 | 60,00,00,000.00 |
|        |                        | INE836B08186 | 600 | 60,00,00,000.00 |
|        |                        | INE836B07360 | 600 | 60,00,00,000.00 |
|        |                        | INE836B07378 | 970 | 97,00,00,000.00 |
|        |                        | INE836B07386 | 300 | 30,00,00,000.00 |
|        |                        | INE836B07394 | 387 | 38,70,00,000.00 |
|        |                        | INE836B07402 | 2,130 | 21,30,00,000.00 |
|        |                        | INE836B07410 | 250 | 25,00,00,000.00 |

* Nominal Value of NCDs are Considered
(h) Stock Market Price data (in ₹):

<table>
<thead>
<tr>
<th>Month</th>
<th>Bombay Stock Exchange Limited (BSE)</th>
<th>National Stock Exchange of India Ltd. (NSE)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Apr-18</td>
<td>438.40</td>
<td>393.15</td>
</tr>
<tr>
<td>May-18</td>
<td>439.90</td>
<td>351.55</td>
</tr>
<tr>
<td>Jun-18</td>
<td>411.00</td>
<td>317.00</td>
</tr>
<tr>
<td>Jul-18</td>
<td>360.00</td>
<td>300.60</td>
</tr>
<tr>
<td>Aug-18</td>
<td>408.10</td>
<td>335.60</td>
</tr>
<tr>
<td>Sep-18</td>
<td>374.50</td>
<td>272.40</td>
</tr>
<tr>
<td>Oct-18</td>
<td>279.50</td>
<td>195.65</td>
</tr>
<tr>
<td>Nov-18</td>
<td>230.55</td>
<td>183.00</td>
</tr>
<tr>
<td>Dec-18</td>
<td>299.00</td>
<td>198.70</td>
</tr>
<tr>
<td>Jan-19</td>
<td>273.50</td>
<td>210.10</td>
</tr>
<tr>
<td>Feb-19</td>
<td>283.25</td>
<td>216.70</td>
</tr>
<tr>
<td>Mar-19</td>
<td>389.00</td>
<td>276.00</td>
</tr>
</tbody>
</table>

(i) Performance in comparison to broad-based indices such as BSE Sensex, NSE Nifty etc.

Performance in comparison to BSE Sensex
(Closing value of Satin’s share price v/s BSE Sensex)

Performance in comparison to NSE Nifty
(Closing value of Satin’s share price v/s NSE Nifty)
(j) No security was suspended from trading during the financial year 2018-19.

(k) Registrar and Share Transfer Agents:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Security</th>
<th>Registrar and Transfer Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Equity Shares &amp; Preference Shares</td>
<td>Link Intime India Private limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Noble Heights, 1st floor, plot NH 2, C-1 block LSC, Near savitri market, Janakpuri, New Delhi - 110058</td>
</tr>
<tr>
<td>2</td>
<td>Non-Convertible Debentures and Commercial papers</td>
<td>Karvy Fintech Private limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Karvy Selenium, Tower B, Plot No- 31 &amp; 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi TG 500032</td>
</tr>
</tbody>
</table>

(l) Share transfer system:

All matters connected with share / Non-Convertible debenture transfer, transmission, dividend / interest payment is handled by the Registrar and Transfer agent. Transfers are generally processed within 15 days of lodgement.

(m) Shareholding Pattern/Distribution of shareholding as on March 31, 2019:

<table>
<thead>
<tr>
<th>Category</th>
<th>Shareholding</th>
<th>% of Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoters</td>
<td>1,36,65,018</td>
<td>27.94</td>
</tr>
<tr>
<td>Foreign Company</td>
<td>90,70,986</td>
<td>18.55</td>
</tr>
<tr>
<td>Foreign Portfolio Investors (Corporate)</td>
<td>72,49,238</td>
<td>14.82</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>93,67,455</td>
<td>19.16</td>
</tr>
<tr>
<td>Other Bodies Corporate</td>
<td>27,14,109</td>
<td>5.55</td>
</tr>
<tr>
<td>Public</td>
<td>46,65,846</td>
<td>9.54</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>5,550</td>
<td>0.01</td>
</tr>
<tr>
<td>Employee Welfare Trust / ESOP</td>
<td>3,96,700</td>
<td>0.81</td>
</tr>
<tr>
<td>Non-Resident Indians</td>
<td>3,22,213</td>
<td>0.66</td>
</tr>
<tr>
<td>Hindu Undivided Family</td>
<td>1,39,999</td>
<td>0.29</td>
</tr>
<tr>
<td>Clearing Members</td>
<td>48,908</td>
<td>0.10</td>
</tr>
<tr>
<td>Directors</td>
<td>7,211</td>
<td>0.01</td>
</tr>
<tr>
<td>Foreign Nationals</td>
<td>3,200</td>
<td>0.01</td>
</tr>
<tr>
<td>Non-Nationalized Banks</td>
<td>12,32,885</td>
<td>2.52</td>
</tr>
<tr>
<td>Trusts</td>
<td>14,549</td>
<td>0.03</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4,89,03,867</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Distribution of shareholding based on shares held as on March 31, 2019:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Shares Range</th>
<th>Number of Shareholders</th>
<th>% of total shareholders</th>
<th>Total Shares for the Range</th>
<th>% of issued capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 to 500</td>
<td>9,279</td>
<td>89.10</td>
<td>9,11,366</td>
<td>1.86</td>
</tr>
<tr>
<td>2</td>
<td>501 to 1,000</td>
<td>526</td>
<td>5.05</td>
<td>4,17,624</td>
<td>0.85</td>
</tr>
<tr>
<td>3</td>
<td>1,001 to 2,000</td>
<td>251</td>
<td>2.41</td>
<td>3,77,584</td>
<td>0.77</td>
</tr>
<tr>
<td>4</td>
<td>2,001 to 3,000</td>
<td>96</td>
<td>0.92</td>
<td>2,43,564</td>
<td>0.50</td>
</tr>
<tr>
<td>5</td>
<td>3,001 to 4,000</td>
<td>51</td>
<td>0.50</td>
<td>1,86,088</td>
<td>0.38</td>
</tr>
<tr>
<td>6</td>
<td>4,001 to 5,000</td>
<td>40</td>
<td>0.38</td>
<td>1,83,841</td>
<td>0.38</td>
</tr>
<tr>
<td>7</td>
<td>5,001 to 10,000</td>
<td>64</td>
<td>0.61</td>
<td>4,54,312</td>
<td>0.93</td>
</tr>
<tr>
<td>8</td>
<td>10,001 and Above</td>
<td>101</td>
<td>1.03</td>
<td>4,61,29,488</td>
<td>94.33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,408</strong></td>
<td><strong>100.00</strong></td>
<td><strong>4,89,03,867</strong></td>
<td><strong>100.00</strong></td>
<td></td>
</tr>
</tbody>
</table>
(n) **Dematerialization of Shares:**
99.63% of the Equity Shares have been dematerialized up to March 31, 2019. Trading in equity shares of the company is permitted only in dematerialized form w.e.f April 28, 2001 as per notification issued by the Securities and Exchange Board of India (SEBI) and the equity shares of the company are frequently traded on both BSE and NSE.

(o) **The Company has not subscribed in any of the Global depository receipts or American depository receipt or warrants or any convertible instruments.**

(r) **List of all credit ratings obtained by the company during the year is as follows:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (₹ in Crores)</th>
<th>Credit Rating Agency</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Convertible Debentures 45</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 33</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 2</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 60</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 50</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 15</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 13</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 25</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 25</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 40</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 10</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td></td>
</tr>
<tr>
<td>Commercial Paper 200</td>
<td>ICRA Limited</td>
<td>[ICRA]A2+</td>
<td></td>
</tr>
<tr>
<td>Preference Share 45</td>
<td>ICRA Limited</td>
<td>[ICRA]BBB+ (hyb) (Stable)</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 97</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 30</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 38.7</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 213</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 12.5</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 12.5</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 96.3</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 100</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 100</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 60</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 20</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 65</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 18</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 50</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 26.28</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 12.5</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 68</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 33.75</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 25</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 15</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Subordinate Debt 21</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td></td>
</tr>
<tr>
<td>Commercial Paper 2800</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A1</td>
<td></td>
</tr>
<tr>
<td>Preference Share 25</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE BBB+ (RPS); Stable</td>
<td></td>
</tr>
<tr>
<td>Non-Convertible Debentures 50</td>
<td>India Rating &amp; Research</td>
<td>IND A- / New Rating</td>
<td></td>
</tr>
</tbody>
</table>

(p) **Company is into the business of Non-Banking Finance Company (Micro Finance Industry), hence no plant information can be provided as such.**

(q) **Address for correspondence:**

**Corporate Office:** Floor 1 & 3, Plot No-97, Sector-44, Gurugram, Haryana-122003, India.

**Registered Office:** 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033, India.
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (₹ in Crores)</th>
<th>Credit Rating Agency</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Based - Short Term Bank Facilities</td>
<td>200</td>
<td>CRISIL Limited</td>
<td>CRISIL A1</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>150</td>
<td>CRISIL Limited</td>
<td>CRISIL A1</td>
</tr>
<tr>
<td>Securitization</td>
<td>210.23</td>
<td>CRISIL Limited</td>
<td>CRISIL A-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>54.87</td>
<td>CRISIL Limited</td>
<td>CRISIL A (SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>0.59</td>
<td>CRISIL Limited</td>
<td>CRISIL A-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>72.38</td>
<td>CRISIL Limited</td>
<td>CRISIL A-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>1.6</td>
<td>CRISIL Limited</td>
<td>CRISIL BBB(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>1.5</td>
<td>CRISIL Limited</td>
<td>CRISIL A-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>40</td>
<td>CRISIL Limited</td>
<td>Provisional CRISIL AA-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>10.84</td>
<td>CRISIL Limited</td>
<td>Provisional CRISIL A (SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>49.2</td>
<td>CRISIL Limited</td>
<td>CRISIL A (SO)</td>
</tr>
<tr>
<td>Securitization</td>
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<td>CRISIL Limited</td>
<td>CRISIL A-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>0.45</td>
<td>CRISIL Limited</td>
<td>Provisional CRISIL A (SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>10.79</td>
<td>ICRA Limited</td>
<td>ICRA AA-(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>2.4</td>
<td>ICRA Limited</td>
<td>ICRA A(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>30.59</td>
<td>ICRA Limited</td>
<td>ICRA A(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>2.85</td>
<td>ICRA Limited</td>
<td>ICRA BBB+(SO)</td>
</tr>
<tr>
<td>Securitization</td>
<td>39.20</td>
<td>India Rating &amp; Research</td>
<td>IND A(SO);Stable</td>
</tr>
<tr>
<td>Securitization</td>
<td>0.44</td>
<td>India Rating &amp; Research</td>
<td>IND BBB+(SO);Stable</td>
</tr>
<tr>
<td>Securitization</td>
<td>75.25</td>
<td>India Rating &amp; Research</td>
<td>IND A(SO);Stable</td>
</tr>
<tr>
<td>Securitization</td>
<td>3.38</td>
<td>India Rating &amp; Research</td>
<td>IND BBB+(SO);Stable</td>
</tr>
</tbody>
</table>

(s) Transfer of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF):
No amount of unclaimed dividend is due for transfer to Investor Education and Protection Fund.

(t) Reconciliation of Share Capital Audit:
A quarterly audit was conducted by a Practising Chartered Accountant, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the Stock Exchanges within the prescribed time limit.

(u) Information to Shareholders:
A brief resume of the directors appointed/reappointed together with the nature of their experience and details of the other directorships held by them is annexed to the Notice convening the Annual General Meeting.

(v) Any query on Annual Report:
Members can write an email on secretarial@satincreditcare.com or send query on annual report on below mentioned address: Floor 1 & 3, Plot No -97, Sector-44, Gurugram, Haryana-122003, India, addressed to Company Secretary and Compliance Officer.

8. OTHER DISCLOSURES:
(a) Disclosure on Materially significant related party transaction:
There have been no materially significant related party transactions with the Company’s Promoters, Directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The company has amended the policy on May 08, 2019 after incorporating the SEBI LODR Amendments and other minor changes. The necessary disclosures regarding related party transactions are given in the notes to accounts and necessary approval of the audit committee and Board of Directors were taken wherever required in accordance with the Policy. The policy has been uploaded on the website of the company at https://www.satincreditcare.com/pdf/related_party_transaction_policy_v3.pdf.

(b) There were no instances of material non-compliances with Stock Exchange(s), SEBI or RBI regulations nor any penalties or restrictions have been imposed on the Company by the Stock Exchange(s), SEBI or RBI or any statutory authority on any matter related to capital market during the last three years.

(c) Establishment of Vigil Mechanism/ Whistle Blower Policy:
Pursuant to section 177(9) of the Companies Act, 2013 read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and regulation 22 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Company vide Board meeting dated February 10, 2016 had adopted Whistle Blower Policy/Vigil Mechanism applicable for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/employees who avail of the mechanism.
The Company affirms that no personnel has been denied access to the Audit Committee. In order to ensure proper functioning of vigil mechanism Audit Committee of the Company on quarterly basis take note of the same.

The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e. [https://www.satincreditcare.com/pdf/Whistle-Blower-Policy.pdf](https://www.satincreditcare.com/pdf/Whistle-Blower-Policy.pdf).

(d) Compliance with Mandatory requirement:
The Company is complying with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, however, Company has not adopted any of the non-mandatory requirements stipulated under the said enactment.

(e) Material Subsidiaries:
During the year under review, the company does not have any Material subsidiaries. However, the Company on May 08, 2019 has adopted the Policy for Determination of material subsidiary. The policy is also placed on the website of the company at [https://satincreditcare.com/wp-content/uploads/2019/05/Material-Subsidary-Policy.pdf](https://satincreditcare.com/wp-content/uploads/2019/05/Material-Subsidary-Policy.pdf). In furtherance to that, the company also have Policy for Determination of Materiality of Events / Information for Disclosures, Policy on Preservation of Document and Archival Policy. The policies is also placed on website of the Company at [https://www.satincreditcare.com/pdf/Policy-on-Materiality-of-Transaction.pdf](https://www.satincreditcare.com/pdf/Policy-on-Materiality-of-Transaction.pdf).

(f) There is no commodity price risk or foreign exchange risk and hedging activities involved or applicable, as we have fully hedged our ECBs exposure.

(g) During the year, your company has not raised any fund through preferential allotment or qualified institutions placement.

(h) The certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to the report as Annexure- 3.

(i) The board has accepted all mandatory recommendation of committees in the relevant financial year.

(j) Fees paid to the statutory auditor:-
The details of total fees paid by the listed entity and its subsidiaries on consolidated basis to the statutory auditor is as follows:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Company</th>
<th>Status of Company</th>
<th>Amount Paid* (IN₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Satin Creditcare Network Limited</td>
<td>Holding Company</td>
<td>45,60,000</td>
</tr>
<tr>
<td>2</td>
<td>Taraashna Services Limited</td>
<td>Wholly owned subsidiary</td>
<td>5,00,000</td>
</tr>
<tr>
<td>3</td>
<td>Satin Housing Finance Limited</td>
<td>Wholly owned subsidiary</td>
<td>4,00,000</td>
</tr>
<tr>
<td>4</td>
<td>Satin Finserv Limited</td>
<td>Wholly owned subsidiary</td>
<td>1,00,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>55,60,000</td>
</tr>
</tbody>
</table>

*The amount paid is excluding GST and out of pocket expenses

(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
a. Number of complaints filed during the financial year- Nil
b. Number of complaints disposed of during the financial year- Nil
c. Number of complaints pending as on end of the financial year- Nil

(l) The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of schedule V of the Listing Regulations.

(m) The Company has adopted only one discretionary requirements as specified in Part E of Schedule II of SEBI Listing Regulations i.e., reporting of internal auditor directly to the Audit Committee.

(n) The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of regulation 46 of the SEBI LODR and necessary disclosures there of have been made in this Corporate Governance Report as Annexure 4.

Compliance Certificate: The Company has obtained a certificate from S. Behera & Co., Practicing Company Secretary, Secretarial Auditor of the Company regarding the compliance of conditions of corporate governance as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The said Compliance certificate is annexed with Directors’ Report and also as Annexure-4.

(o) CEO/CFO certification:
The requisite certification from the Chairman cum Managing Director and Chief Financial Officer for the Financial Year 2018-19 required to be given under regulation 17(8) and 33 (2) (a) of SEBI (Listing Obligations and Disclosure Requirements)
Regulation, 2015 was placed before the Board of Directors of the Company at its meeting held on May 08, 2019 and the same is annexed to the report as Annexure-5.

(p) Equity Shares in the Demat suspense account / unclaimed suspense account:
As on March 31, 2019, there are no shares in the Demat suspense account / unclaimed suspense account.

(q) Request to Investors:
In terms of Securities and Exchange Board of India (SEBI) circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 regarding “Strengthening the Guidelines and Raising Industry standards for Registrar and Transfer Agent, Issuer Companies and Banker to an Issue” wherein SEBI has directed that company and their RTAs shall take special efforts to collect copy of Permanent account number, and bank account details of all securities holders holding securities in physical form. Some of the brief points as mentioned in the circular are as follows:

- RTA to update Bank account details of shareholders if not available or changed. Cancelled cheque with shareholder name or bank attested account statement/ passbook to be sought.
- RTA to maintain Certificate Printing Register/ Records containing – Date of printing / issue, Folio No., Name in which printed, Certificate No., Distinctive Nos., Old Certificate No (in case of reprinting), Reason of printing etc.
- RTA to take Company’s prior approval for correction of errors in same manner as is taken in case of transfer/transmission.
- RTA & Company to frame written policy and maintain strict control over stationery (blank certificates, dividend warrants etc.) and periodical verification of the same. Reconciliation report on the same to be maintained by Company & RTA.
- In order to exercise due diligence Issuer Company and RTA shall call for Proof of Identity / Address, PAN details, bank details and such other additional procedures to satisfy genuineness of the request.

Also, Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the Company.

- Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrar and Share Transfer Agent of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form 2B. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants. This would avoid wrong credit being obtained by unauthorized persons.

H P Singh  
Place: Delhi (Chairman cum Managing Director)  
Date: May 08, 2019 (DIN: 00333754)
DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2019.

H P Singh
(Chairman cum Managing Director)
(DIN: 00333754)

Place: Delhi
Date: May 08, 2019
INTRODUCTION

Pursuant to section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 includes amendments thereto and in terms of circulars/directions/Notification issued by Reserve Bank of India as amended from time to time, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been formulated. Further, the policy adopted earlier on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees (version-2) shall stand repeal from the date of approval of Version 2.1 from of Board of directors of the Company. This policy shall always be in conformity with the provisions of the Regulations and any amendments in the Regulations shall be deemed to form part of this Policy.

In pursuance of the Company’s policy to consider human resources as its invaluable assets, to pay justifiable remuneration to all Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been re-formulated by the Nomination & Remuneration Committee and approved by the Board of Directors. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

APPLICABILITY

The Policy shall be applicable to:

(a) Directors (Executive and Non-Executive);

(b) Key Managerial Personnel (KMP) and Senior Management Personnel (SMP), which means all personnel as defined under section 2 (51) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 or as defined under any other applicable laws as amended from time to time;

(c) Other Employees of the Company.

Effective date for Implementation of the policy

The policy has been re-formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on February 04, 2019. This policy shall be effective from the date of Board approval.

Nomination and Remuneration Committee

In terms of section 178 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, and in terms of circulars/directions/Notification issued by Reserve Bank of India as amended from time to time, the Nomination and Remuneration Committee will consist of three or more non-executive directors, out of which at least one-half shall be independent director(s), provided that chairperson of the Company may be appointed as a member of this Committee but shall not chair such Committee. The Chairperson of the Nomination & Remuneration Committee shall be an Independent Director. The Committee will meet at such intervals as deems fit to carry out the objectives set out in the Policy. The Chairperson of the Nomination & Remuneration Committee may be present at the annual general meeting, to answer the shareholder’s queries, however, it shall be up to the chairperson to decide who shall answer the queries.

Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

Objectives and Functions of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall, inter-alia, perform all the functions as prescribed under applicable laws, as amended from time to time and more particularly the following functions, to the extent of applicability:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employee

- Ensure and determine that the Board comprizes of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors and size of the Board and its diversity;
• Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability and ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and other employees of the company and reviewing its effectiveness;
• Oversee the formulation and implementation of ESOP Schemes, its administration, supervision, and formulating detailed terms and conditions in accordance with SEBI Guidelines
• Decide / approve details of fixed components and performance linked incentives (if any) along with the performance criteria;
• Identifying and recommending Directors who are to be put forward for retirement by rotation.
• Evaluating the performance of the Board members and Senior Management in the context of the Company’s performance from business and compliance perspective;
• Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their Service contract;
• Delegating any of its powers to one or more of its members or the Secretary of the Committee;
• Recommend any necessary changes to the Board;
• Considering any other matters as may be requested by the Board; and to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;
• To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
• Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
• To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
• To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
• To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
• To retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create competitive advantage.
• To devise a policy on Board diversity
• To develop a succession plan for the Board and to regularly review the plan;
• Formulation of criteria for evaluation of Independent Director and the Board
• To retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create competitive advantage.
• To implement and monitor policies and processes regarding principles of corporate governance.
• Recommend to the board, all remuneration, in whatever form, payable to senior management.

Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

3. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

4. The Company shall ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any other enactment for the time being in force.

5. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any other enactment for the time being in force.
6. In addition to the above, the Committee shall adhere to the requirements of Circular/Notification issued by Reserve Bank of India ('RBI') with respect to the “Fit & Proper Criteria”, as amended from time to time, in relation to Directors of the Company at the time of appointment and on continuing basis.

- **Personal Specification for Directors:**
  The Company shall ensure that selection criteria for inducting any person on Board of the Company as approved by Board in its meeting held on 09th August, 2013. The following additional specification shall be required/considered before inducting any person on Board of the Company:

  1. **Qualification:**
     Degree holder in relevant disciplines (e.g. management, finance, accountancy, legal).

  2. **Experience:**
     - Experience of management in a diverse organization; Experience in accounting and finance, administration, corporate and strategic planning or fund management;
     - Demonstrable ability to work effectively with a Board of Directors.

  3. **Skills:**
     - Excellent interpersonal, communication and representational skills; Demonstrable leadership skills;
     - Extensive team building and management skills;
     - Strong influencing and negotiating skills;
     - Having continuous professional development to refresh knowledge and skills.

  4. **Abilities and Attributes:**
     - Commitment to high standards of ethics, personal integrity and probity; Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace.

- **Policy for Board Diversity**

**PREAMBLE**

The requirement for Board Diversity Policy came under Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 which is enumerated as under:

Part D of Schedule II: The role of the committee shall, inter-alia, include the following:

- **Devising a policy on Board diversity;**

To build a balanced structure of Board in terms of experience, education, gender, competency and approach to ensure that neither the office (Board) should not be influenced by gender biasness nor give an impression of relatedness which may influence the chair and in terms of applicable provisions of the Companies Act, 2013, if any, there should be an optimum combination of directors on the Board.

The Board Diversity Policy (the “Policy”) aims to set out the approach to achieve diversity on the Board of Directors (the “Board”) of the Company.

Building a Board of diverse and inclusive culture is integral to the success of Satin Creditcare Network Limited (hereinafter referred to as “Company”). Ethnicity, age, Education, Competency and gender diversity are areas of strategic focus to the composition of our Board.

**NEED & OBJECTIVE OF THE POLICY**

Diversity in Board is needed for better Growth, profitability and to have a say for the Company on Social Platform. The prime and utmost objective of this policy is to set a diversely qualified Board for the Company to function smoothly, variedly and to work on every aspect of the business agenda(s).

The Company has a huge client/customer base from various states of India and draws on employee expertise from a wide range of professional disciplines linked primarily to the management demands, it is recognized that a Board composed of appropriately qualified people with a broad range of experience relevant to the business and important to the effective corporate governance and sustained commercial success of the Company. The Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

**SELECTION OF MEMBERS OF BOARD**

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination and Remuneration Committee shall identify persons who are eligible and qualified to become Directors in accordance with the criteria as per policy of nomination & remuneration committee of the Board of Director & shall recommend the same to the Board for their consideration and shall carry out evaluation of every director’s performance. The aforesaid committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and shall ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors and size of the Board and its diversity.

**OBSERVANCE AND REPORTING**

A. It is sole responsibility of The Nomination and Remuneration Committee (among other things) to:

- Assess the present composition of the Board in light of the aforesaid diverse skill factors.
- Ensure that in terms of Sub section 1 of section 149 of Companies Act 2013, one woman director must be appointed on the Board of every Listed Company and every other public Company having paid up capital
of One Hundred Crores or more or turnover of Three Hundred Crores and more.

- To prepare a requisition required for having a proper blend of directors in terms of diverse skills i.e. in terms of gender, age, cultural, educational background, ethnicity, professional experience etc.

- Making recommendations to the Board in relation to Board succession, including the succession of the Chairman, to maintain an appropriate mix of diversity in terms of gender, age, cultural, educational background, ethnicity, professional experience etc. on the Board; and

- Reviewing and reporting to the Board in relation to Board Diversity.

B. The Nomination and Remuneration Committee will report to the Board on:

- The programme undertaken by this Committee pertaining to have a proper blend of Board of Director in terms of its diverse skills and to achieve the objectives.

- Progress in achieving the Objectives and to make recommendations to the Board on the same.

C. The Nomination and Remuneration Committee will report annually, in the Corporate Governance Report, on the Board’s composition under diversified perspectives, and monitor the implementation of the Policy.

- Additional Criteria for Appointment of Independent Directors:
  The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head ‘Definitions’ and also their appointment shall be governed as per the provisions of Regulation 16 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended from time to time ) and Companies Act, 2013.

  - Familiarization programme for Independent Director [FPID]:
    In pursuance to consider framework to ensure that Independent Directors are inducted through suitable familiarization process covering their roles, responsibility and liability, the Satin Creditcare Network Limited (hereinafter referred to as “Company”) has adopted a structural approach towards Orientation & Training Programme for Independent Director(s) to get informed about nature of industry in which the Company operates, business model of the Company etc.

    Further, Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, require every listed Company to have such a familiarization/induction programme and specifies as under;

    The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes;

    The details of such familiarization programmes shall be disclosed on the Company’s website and a web link thereto shall be given in the Annual Report;

    The programme will be based on the following modules and will be restructured as and when necessary. Familiarization programme will be conducted upon appointment of every Independent Director, during the year.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Modules required to be Inducted with Independent Director</th>
<th>Time specified for Inducting</th>
<th>Authority responsible for Induction</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORIENTATION PROGRAMME</td>
<td>Nature of Industry and overview of business (business model) as a whole in which the Company operates. i.e. the whole gamut of Industry in light of economic legislations &amp; enactments.</td>
<td>Half Day</td>
<td>C.M.D/C.F.O.</td>
</tr>
<tr>
<td></td>
<td>Familiarization on Statutory compliances including their roles, rights and responsibilities in the Company as a Board Member covering Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015.</td>
<td>Half Day</td>
<td>CS</td>
</tr>
<tr>
<td></td>
<td>Operations overview in light of different product portfolio and visit to various branch/operation offices.</td>
<td>One Day and more as required</td>
<td>C.O.O.</td>
</tr>
<tr>
<td></td>
<td>Induction with and into various branches pertaining to the risk factors associated.</td>
<td></td>
<td>Head-Audit &amp; Risk</td>
</tr>
<tr>
<td></td>
<td>Overview of Human resources, MIS system (IT) and Social performance management including Corporate Social Responsibility</td>
<td>One Day</td>
<td>HODs of Functional Departments</td>
</tr>
</tbody>
</table>
**DISCLOSURE OF FPID:**

As and when familiarization programme is conducted, the same will be disclosed on the website of the Company. A web link of the disclosure shall also be given in the Annual Report of the Company.

- **Term/Tenure of Appointment:**
  - **Managing Director/Whole-time Director:**
    The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time or for such other time period which is permissible under applicable laws.
  - **Independent Director:**
    An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

- **Removal & Retirement:**
  - Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP subject to the provisions and compliance of the Companies Act, 2013, SEBI regulations and other applicable laws, guidelines, regulations.

  The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to the applicable laws.

  The Senior Management Personnel and other employees shall retire as per the applicable provisions the Act, rules and regulations and the prevailing HR policies of the Company. The Managing director / Head – HR (Head-HR means Head of Human Resource department by whatever name called) will have the discretion to retain Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance of regulations, if any, from time to time and if applicable as per prevailing HR Policies of the Company. Further, the Managing director will have the discretion to retain Head- HR.

- **Policy for remuneration to Whole-time / Executive/ Non-executive / Managing Director, KMP, Senior Management and other employees of the Company**

  The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

  The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

- **Remuneration to Executive Directors:**

  The remuneration to Executive (Non-Independent Director) shall be paid in terms of Companies Act 2013 and other applicable laws which shall include following heads of the remuneration:

  - **Fixed pay:**
    The Managing director/Whole Time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer’s contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

  - **Minimum Remuneration:**
    If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act.

  - **Provisions for excess remuneration:**
    If Managing director/Whole Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall...
refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration of KMP, Senior Management and Other employees:

The remuneration determined for the KMP(excluding Managing director), Senior Management personnel and other employees shall be in line with the Board approved HR Manual (as amended from time to time) and Company’s philosophy to provide fair compensation to key – executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

**Remuneration to Non-Executive / Independent Director:**

(a) **Remuneration / Commission:**
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013, Rules/Guidelines/Notifications as prescribed by Securities and Exchange Board of India from time to time.

(b) **Sitting Fees:**
The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ` One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(c) **Commission:**
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

(d) **Stock Options:**
An Independent Director shall not be entitled to any stock option of the Company.

**Performance evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company:**

The performance evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters.

The following criteria may assist in determining how effective the performances of the Directors:

- Leadership & stewardship abilities
- contributing to clearly define corporate objectives & plans
- Communication of expectations & concerns clearly with subordinates
- Obtain adequate, relevant & timely information from external sources.
- review & approval achievement of strategic and operational plans, objectives, budgets
- regular monitoring of corporate results against projections
- identify, monitor & mitigate significant corporate risks
- assess policies, structures & procedures
- direct, monitor & evaluate KMPs, senior officials
- review management’s succession plan
- effective meetings
- assuring appropriate board size, composition, independence, structure
- clearly defining roles & monitoring activities of committees
- review of corporation’s ethical conduct

The performance evaluation of KMP (other than Managing Director) and Senior Management shall be done as per the prevailing HR Policies and HR process framework implemented by the Company from time to time, in consultation with the Managing Director of the Company.

**Review and Amendment**

i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

iv. This policy shall always be in conformity with the provisions of the Regulations and any amendments in the Regulations shall be deemed to form part of this Policy.
CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V PART C CLAUSE (10) SUB-CLAUSE (I) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Satin Creditcare Network Limited

We have examined all the relevant records of Satin Creditcare Network limited (CIN: L65991DL1990PLC041796) (the Company) for the purpose of conditions stipulated under Regulation 34(3) read with Schedule V Part C Clause (10) Sub Clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which are to the best of our knowledge and belief were necessary for the purpose of certification.

In our opinion and to the best of our information and according to the explanations given to us, we certify that none of the directors on the board of the company have been debarred or disqualified, from being appointed or continuing as directors of companies, by the SEBI/MCA or any such statutory authority during the period commencing from April 01, 2018 and ended on March 31, 2019.

For S.Behera & Co.
Company Secretaries

Shesdev Behera
FCS No. 8428
C P No.: 5980

Place: Delhi
Date: April 20, 2019
CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V (E) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Satin Creditcare Network Limited

We have examined all the relevant records of Satin Creditcare Network limited (CIN: L65991DL1990PLC041796) (the Company) for the purpose of certifying the compliance of the conditions of Corporate Governance as stipulated under Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period commencing from April 01, 2018 and ended on March 31, 2019. We have obtained all the information and explanations which are to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para C, D and E of Schedule V for the period commencing from April 01, 2018 and ended on March 31, 2019.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For S.Behera & Co.
Company Secretaries

S hesdev Behera
FCS No. 8428
C P No.: 5980

Place: Delhi
Date: April 20, 2019
CEO/CFO CERTIFICATION

To,

The Board of Directors
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Delhi-110033

Sub: Certificate under Regulation 17 (8) and Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We, the undersigned, certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) These statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee deficiencies in the design and operations of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

   (i) Significant changes in internal control over financial reporting during the year,

   (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement and

   (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

Place: Delhi
Date: May 08, 2019

H P Singh
Chairman cum Managing Director
(DIN: 00333754)

Jugal Kataria
Chief Financial Officer
FINANCIAL STATEMENTS
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF SATIN CREDITCARE NETWORK LIMITED

Report on the Audit of the Standalone Financial Statements

OPINION

1. We have audited the accompanying standalone financial statements of Satin Creditcare Network Limited (‘the Company’), which comprise the Balance Sheet as at March 31, 2019, 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.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the 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, 2019, 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

3. 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 standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

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

<table>
<thead>
<tr>
<th>Key audit matter</th>
<th>How our audit addressed the key audit matter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying Value of Investment in subsidiary</td>
<td>The Company has investments in equity shares of its subsidiaries amounting to ₹ 15,760.24 Lakhs. Such investments in subsidiaries are accounted for at cost in accordance with Ind AS 27, Separate Financial Statements. The management makes an assessment of fair value of the investment(s) when impairment indicators exists by comparing the fair value and carrying value of such investment(s). As at March 31, 2019, an impairment indicator existed for one the investments made in the equity shares of a subsidiary, namely, Taraashna Services Limited. The equity shares of the subsidiary are not listed on a stock exchange. Therefore, value of the investment is determined based on discounted cash flows method. The use of discounted cash flow valuation method requires exercise of judgement in selection of significant assumptions, including...</td>
</tr>
<tr>
<td></td>
<td>The key audit procedures we performed in relation to this matters were as follows:</td>
</tr>
<tr>
<td></td>
<td>(a) Obtained an understanding of management’s processes and controls for determining the fair value of the investment. The understanding was obtained by performance of walkthrough which included inspection of documents produced by the Company and discussion with those involved in the process of valuation.</td>
</tr>
<tr>
<td></td>
<td>(b) Tested the key controls over calculation of fair value of investments for operating effectiveness.</td>
</tr>
<tr>
<td></td>
<td>(c) Challenged the judgements exercised by the management in selection of significant...</td>
</tr>
</tbody>
</table>
Key audit matter

growth rates used, the future expected free cash flows and the weighted average cost of capital. The inputs used in valuation may have a material effect on the value determined and consequently may have a material effect on the carrying value of investments at the reporting date.

Accordingly, assessment of impairment losses to be recognised, if any, on the carrying value of investment made in the subsidiary has been considered as be a key audit matter for current year audit.

How our audit addressed the key audit matter

assumptions such as growth rates, future expected free cash flows and the weighted average cost of capital based on our knowledge of the business and industry. We also proved the arithmetical accuracy of the calculations carried out by the management.

(d) Involved an auditor’s expert to assess the appropriateness of the valuation methodology used for calculation of the fair value.

(e) Performed sensitivity analysis on management’s calculated fair value by changing the significant assumptions used in the fair valuation.

(f) Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards.

(g) Obtained written representations from management and those charged with governance whether they believe significant assumptions used valuation of the investments in the subsidiaries are reasonable.

Expected Credit Losses on loans

[Refer Note 3(ii) for the accounting policy and Note 43 for the related disclosures]

As at March 31, 2019, the Company has financial assets (loans) amounting to ₹ 446,008.58 Lakhs including loans which are carried at fair value through other comprehensive income amounting to ₹ 370,973.92 Lakhs. As per Ind AS 109- Financial Instruments, the Company is required to recognise allowance for expected credit losses on financial assets.

Since this was the first year for the preparation and presentation of the standalone financial statements under Ind-AS framework, the management had to estimate the provision for expected credit losses for the loans outstanding as at April 1, 2017 (the opening balance sheet date), as at March 31, 2018 (the comparative balance sheet date). Expected credit loss cannot be measured precisely, but can only be estimated through use of statistics. The calculation of expected credit losses is complex and requires exercise of judgement around both the timing of recognition of impairment provisions and estimation of the amount of provisions required in relation to loss events.

The management has recognised a provision reversal of ₹ 9,689.65 Lakhs in the Statement of Profit and Loss for the year ended March 31, 2019.

Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the standalone financial statements were reasonable and the related disclosures in the standalone financial statements made by the management were adequate. These procedures included, but not limited, to the following:

(a) obtaining an understanding of the model adopted by the Company for calculation of expected credit losses including how management calculated the expected credit losses and the appropriateness data on which the calculation is based;

(b) testing the operating effectiveness of the key controls over calculation of the expected credit losses;

(c) testing the accuracy of inputs through substantive procedures and assessing the reasonableness of the assumptions used;

(d) developing a point estimate by making reference to the expected credit losses recognised by entities that carry comparable financial assets;
### Key audit matter

Considering the significance of the above matter to the standalone financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.

### How our audit addressed the key audit matter

- **(e)** testing the arithmetical calculation of the expected credit losses;
- **(f)** verifying the adequacy of the related disclosures; and
- **(g)** obtaining written representations from management and those charged with governance whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

### Adoption of Indian Accounting Standards Framework

**[Refer Note 3 for the accounting policy and Note 56 for the related disclosures]**

The standalone financial statements for the year ended March 31, 2019 are the first financial statements prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under Section 133 of the Act.

The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards. Note 56 in the standalone financial statements sets forth the reconciliation of balances from previous GAAP to the new Ind AS framework as at the transition date and the impact of restatement on the financial position of the comparative year due to such transition. Refer to Note 3 for significant accounting policies selected by the Company on transition to the Ind-AS.

This change in the financial reporting framework required an end-to-end evaluation of the potential impact on each item included in the standalone financial statements including presentation thereof, additional notes and disclosures. This evaluation required significant audit efforts.

Considering the significance of the matter in the current year to the standalone financial statements and the audit efforts required, this matter has been identified as a key audit matter for the current year audit.

Our key audit procedures in respect of the first time adoption of Ind-AS framework included, but were not limited to, the following:

- **(a)** obtaining an understanding of management’s processes and controls to identify the potential impact areas in the financial statements due to the adoption of Ind AS;
- **(b)** reviewing the implementation of exemptions availed and options chosen by the Company in accordance with the Ind AS 101;
- **(c)** assessing the appropriateness of the adjustments made to the opening balance sheet as at April 1, 2017;
- **(d)** assessing the appropriateness of the adjustments recorded in the standalone financial statements as of and for the year-ended March 31, 2018 which were prepared in the previous GAAP;
- **(e)** evaluating the appropriateness of accounting policies selected by the Company on transition to Ind AS on the basis of our understanding of the Company, the nature and size of its operations and the requirements of the relevant accounting standards under the Ind AS framework;
- **(f)** evaluating the adequacy and appropriateness of the standalone financial statements disclosures arising on adoption of the Ind AS to determine if these are in compliance with the requirements of the Ind AS; and
- **(g)** obtaining written representations from management and those charged with governance on whether the financial statements comply with the Ind AS in all respects.
Information other than the Standalone Financial Statements and Auditor’s Report thereon

6. The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

7. The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 standalone financial statements.

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

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

   (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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

12. 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.

13. 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.

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

OTHER MATTERS

15. The comparative financial information for the transition date opening balance sheet as at April 1, 2017 prepared in accordance with Ind AS included in these standalone financial statements, is based on the previously issued statutory financial statements for the year ended March 31, 2017 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The standalone financial statements for the year ended March 31, 2017 were audited by the predecessor auditor whose audit report dated May 26, 2017 expressed an unmodified opinion on those standalone financial statements. The standalone financial statements for the year ended March 31, 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management. Our opinion is not modified in respect of this matter.

16. Further, the Company had prepared a separate set of standalone financial statements for the year ended March 31, 2018 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued our audit report dated May 30, 2018. These standalone financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

17. 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.

18. As required by the Companies (Auditor’s Report) Order, 2016 (‘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.
19. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

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

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

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

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

(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, 2019 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 (IFCoFR) of the Company as on March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated May 8, 2019 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, as detailed in Note 51 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2019;

(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, 2019;

(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, 2019; and

(iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 8, 2016 to December 30, 2016. Therefore, these disclosures are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Lalit Kumar
Partner
Membership No.: 095256

Place: Noida
Date: May 8, 2019
Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i)  a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

c) The title deeds of all the immovable properties (which are included under the head ‘Property, plant and equipment’) are held in the name of the Company except for the following properties which were transferred as a result of amalgamation of companies as stated in note 13 to the standalone financial statements wherein the title deeds are in the name of the erstwhile company:

<table>
<thead>
<tr>
<th>Nature of property</th>
<th>Total number of cases</th>
<th>Whether leasehold / freehold</th>
<th>Gross block as on March 31, 2019 (₹ in Lakhs)</th>
<th>Net block on March 31, 2019 (₹ in Lakhs)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>1</td>
<td>Freehold</td>
<td>292.00</td>
<td>164.65</td>
<td>The said property is in name of Satin Intellicomm Limited, an erstwhile company merged with the Company</td>
</tr>
</tbody>
</table>

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

iii) The Company has granted secured and unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company’s interest.

b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment / receipts of the principal amount and the interest are regular;

c) there is no overdue amount in respect of loans granted to such companies.

iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments and loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.

v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company’s services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii) a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
b) The dues outstanding in respect of income-tax on account of dispute, are as follows:

<table>
<thead>
<tr>
<th>Name of the statute</th>
<th>Nature of dues</th>
<th>Amount (₹ in Lakhs)</th>
<th>Amount paid under protest (₹ in Lakhs)</th>
<th>Period to which the amount relates</th>
<th>Forum where dispute is pending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income-tax Act, 1961</td>
<td>Income-tax</td>
<td>118.12</td>
<td>Nil</td>
<td>Assessment year 2017-18</td>
<td>Additional Commissioner</td>
</tr>
</tbody>
</table>

viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or debenture holders during the year. The Company did not have any outstanding loans or borrowings payable to government during the year.

ix) During the year financial year ended March 31, 2019, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit except for few instances of misappropriation of cash collected from customers and other forms of embezzlement of cash by the employees involving amounts aggregating ₹290.44 Lakhs. The Company has terminated the services of such employees and also initiated legal action against such employees. The Company has recovered ₹32.45 Lakhs from some employees.

xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.

xiv) During the year, the Company has not issued any preferential allotment or private placement of shares or fully or partly convertible debentures.

xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm’s Registration No.: 001076N/N500013

Lalit Kumar  
Partner  
Membership No.: 095256

Place: Noida  
Date: May 8, 2019
Annexure B to the Independent Auditor’s Report of even date to the members of Satin Creditcare Network Limited on the standalone financial statements for the year ended 31 March 2019

Independent Auditor’s 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 standalone financial statements of Satin Creditcare Network Limited ('the Company') as at and for the year ended 31 March 2019, 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.

Auditor's 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

6. A company’s IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls 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 2019, 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 Walker Chandio & Co LLP
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Lalit Kumar
Partner
Membership No.: 095256

Place: Noida
Date: May 8, 2019
## Standalone Balance Sheet

**As at March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

### Assets

**Financial assets**

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1,00,387.51</td>
<td>44,581.98</td>
<td>65,300.75</td>
</tr>
<tr>
<td>5</td>
<td>69,396.52</td>
<td>63,738.23</td>
<td>62,290.94</td>
</tr>
<tr>
<td>6</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>651.56</td>
<td>18.71</td>
<td>88.35</td>
</tr>
<tr>
<td>8</td>
<td>4,46,008.58</td>
<td>4,84,521.95</td>
<td>3,18,356.90</td>
</tr>
<tr>
<td>9</td>
<td>42,189.09</td>
<td>14,856.31</td>
<td>7,027.82</td>
</tr>
<tr>
<td>10</td>
<td>1,996.89</td>
<td>3,240.63</td>
<td>2,074.09</td>
</tr>
</tbody>
</table>

| Non-financial assets | |
| Current tax assets (net) | 11 | - | - |
| 12 | 3,115.88 | 8,870.78 | 11,973.08 |
| Property, plant and equipment | 13 | 4,301.77 | 3,597.52 | 3,429.94 |
| Capital work-in-progress | 13 | 1,614.29 | 1,609.31 | 977.70 |
| Intangible assets under development | 14 | 19.60 | 13.75 | 240.56 |
| Other intangible assets | 15 | 235.11 | 324.18 | 345.59 |
| Other non-financial assets | 16 | 630.07 | 882.31 | 717.29 |

| Total Assets | 6,60,817.14 | 6,10,957.81 | 4,55,138.85 |

### Liabilities and Equity

**Liabilities**

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>17</td>
<td>-</td>
<td>117.58</td>
</tr>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises</td>
<td>18</td>
<td>6.01</td>
<td>21.00</td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>18</td>
<td>123.57</td>
<td>16.37</td>
</tr>
<tr>
<td>Other payables</td>
<td>19</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises</td>
<td>19</td>
<td>6.01</td>
<td></td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>19</td>
<td>123.57</td>
<td></td>
</tr>
<tr>
<td>Debt securities</td>
<td>20</td>
<td>97,586.85</td>
<td>91,929.66</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>21</td>
<td>3,71,999.21</td>
<td>3,86,241.19</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>22</td>
<td>53,919.68</td>
<td>36,918.92</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>23</td>
<td>22,923.31</td>
<td>18,472.55</td>
</tr>
</tbody>
</table>

| Non-financial liabilities | |
| Current tax liabilities (net) | 24 | 1,178.58 | 914.36 |
| Provisions | 25 | 1,354.44 | 1,016.44 |
| Other non-financial liabilities | 26 | 760.58 | 773.86 |

| Total Liabilities | 5,52,298.57 | 5,34,361.46 | 4,26,330.37 |

**Equity**

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital</td>
<td>27</td>
<td>4,853.07</td>
<td>4,726.91</td>
</tr>
<tr>
<td>Other equity</td>
<td>28</td>
<td>1,10,288.62</td>
<td>86,462.63</td>
</tr>
</tbody>
</table>

| Total Liabilities and Equity | |
| Equity share capital | 27 | 4,853.07 | 4,726.91 |
| Other equity | 28 | 1,10,288.62 | 86,462.63 |

Statement of significant accounting policies and other explanatory notes.

This balance sheet referred to in our report of even date.

For Walker Chandiock & Co LLP
Chartered Accountant
Firm’s registration number: 001076N/N500013

Lalit Kumar
Partner
Membership Number: 095256

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
Chairman cum Managing Director
DIN: 00333754

Savitender Singh
Director
DIN: 00332521

Sanjay Kumar Bhata
Chairman Audit Committee cum Director
DIN: 07033027

Choudhary Runveer Krishnan
Company Secretary and Compliance Officer
FCS: 7437

Sanjay Kumar Bhatia
Chairman Audit Committee cum Director
DIN: 07033027

Choudhary Runveer Krishnan
Company Secretary and Compliance Officer
FCS: 7437

Jugal Kataria
Chief Financial Officer

Place: Noida
Date: May 8, 2019
### STANDALONE STATEMENT OF PROFIT AND LOSS

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Notes</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>29</td>
<td>117,950.47</td>
</tr>
<tr>
<td>Fees and commission income</td>
<td>30</td>
<td>2,793.85</td>
</tr>
<tr>
<td>Net gain on fair value changes</td>
<td>31</td>
<td>2,986.72</td>
</tr>
<tr>
<td>Net gain on derecognition of financial instruments under amortised cost category</td>
<td>32</td>
<td>13,345.54</td>
</tr>
<tr>
<td>Other operating income</td>
<td>33</td>
<td>199.12</td>
</tr>
<tr>
<td><strong>Total revenue from operations</strong></td>
<td></td>
<td>137,275.70</td>
</tr>
<tr>
<td>Other income</td>
<td>34</td>
<td>28.62</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td></td>
<td>137,304.32</td>
</tr>
<tr>
<td><strong>II. EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance costs</td>
<td>35</td>
<td>63,903.26</td>
</tr>
<tr>
<td>Impairment on financial instruments</td>
<td>36</td>
<td>5,206.70</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>37</td>
<td>26,481.64</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>38</td>
<td>1,131.89</td>
</tr>
<tr>
<td>Other expenses</td>
<td>39</td>
<td>10,019.13</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td></td>
<td>106,742.62</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
<td>30,561.70</td>
</tr>
<tr>
<td>Tax expense:</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Current tax</td>
<td></td>
<td>6,662.45</td>
</tr>
<tr>
<td>Deferred tax charge</td>
<td></td>
<td>4,404.97</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>11,067.42</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td></td>
<td>19,494.28</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will not be reclassified to profit and loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Re-measurements of the defined benefit plans</td>
<td></td>
<td>(57.09)</td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td></td>
<td>(3.32)</td>
</tr>
<tr>
<td>Income tax relating to above items</td>
<td></td>
<td>19.95</td>
</tr>
<tr>
<td>Items that will be reclassified to profit and loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in fair value of loan assets</td>
<td></td>
<td>3,920.21</td>
</tr>
<tr>
<td>Income tax relating to above item</td>
<td></td>
<td>(1,367.88)</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td>2,509.87</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td></td>
<td>22,004.15</td>
</tr>
<tr>
<td><strong>Earnings per equity share</strong></td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>Basic (`)</td>
<td></td>
<td>40.37</td>
</tr>
<tr>
<td>Diluted (`)</td>
<td></td>
<td>40.09</td>
</tr>
</tbody>
</table>

Statement of significant accounting policies and other explanatory notes.
This statement of profit and loss referred to in our report of even date.

For **Walker Chandiock & Co LLP**
Chartered Accountants
Firm’s registration number: 001076N/N500013

For and on behalf of the Board of Directors
**Satin Creditcare Network Limited**

**H P Singh**
Chairman cum Managing Director
DIN: 00333754

**Satvinder Singh**
Director
DIN: 00332521

**Sanjay Kumar Bhatia**
Chairman Audit Committee cum Director
DIN: 07033027

**Choudhary Runveer Krishanan**
Company Secretary and Compliance Officer
FCS: 7437

**Jugal Kataria**
Chief Financial Officer

Place: Noida
Date: May 8, 2019

Place: New Delhi
Date: May 8, 2019

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## STANDALONE CASH FLOW STATEMENT

**For the year ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

### A  Cash flow from operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before tax</td>
<td>30,561.70</td>
<td>12,661.84</td>
</tr>
<tr>
<td><strong>Adjustments for:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>1,131.89</td>
<td>1,406.00</td>
</tr>
<tr>
<td>Net (gain)/loss on derecognition of property, plant and equipment</td>
<td>(2.77)</td>
<td>0.03</td>
</tr>
<tr>
<td>Gain on sale of mutual funds</td>
<td>(2,688.93)</td>
<td>(1,701.26)</td>
</tr>
<tr>
<td>Unrealised (gain)/loss on fair value changes of derivatives and investments</td>
<td>(306.34)</td>
<td>109.03</td>
</tr>
<tr>
<td>Property, plant and equipment written off</td>
<td>48.64</td>
<td>-</td>
</tr>
<tr>
<td>Impairment on financial instruments</td>
<td>5,206.70</td>
<td>4,446.27</td>
</tr>
<tr>
<td>Gain on sale of loan portfolio through assignment</td>
<td>(13,345.54)</td>
<td>-</td>
</tr>
<tr>
<td>First loss default guarantee expenses</td>
<td>321.42</td>
<td>1.92</td>
</tr>
<tr>
<td>Share based payment to employees</td>
<td>317.86</td>
<td>189.08</td>
</tr>
<tr>
<td>Effective interest rate adjustment for financial instruments</td>
<td>1,251.05</td>
<td>248.26</td>
</tr>
<tr>
<td>Unrealised exchange fluctuation loss (net)</td>
<td>230.38</td>
<td>130.95</td>
</tr>
<tr>
<td><strong>Operating profit before working capital changes</strong></td>
<td><strong>22,726.06</strong></td>
<td><strong>17,492.12</strong></td>
</tr>
</tbody>
</table>

### Movement in working capital

<table>
<thead>
<tr>
<th>Description</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Increase)/decrease in trade receivables</td>
<td>(632.85)</td>
<td>69.64</td>
</tr>
<tr>
<td>Decrease/(increase) in loans</td>
<td>50,588.11</td>
<td>(1,70,488.84)</td>
</tr>
<tr>
<td>Increase in deposits</td>
<td>(5,658.29)</td>
<td>(1,447.29)</td>
</tr>
<tr>
<td>Decrease/(increase) in other financial assets</td>
<td>1,335.53</td>
<td>(1,282.06)</td>
</tr>
<tr>
<td>Decrease/(increase) in other non-financial assets</td>
<td>233.84</td>
<td>(212.03)</td>
</tr>
<tr>
<td>Increase in trade and other payables</td>
<td>517.96</td>
<td>103.09</td>
</tr>
<tr>
<td>Increase in other financial liabilities</td>
<td>8,799.34</td>
<td>3,161.41</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>280.91</td>
<td>97.82</td>
</tr>
<tr>
<td>(Decrease)/increase in other non-financial liabilities</td>
<td>(13.27)</td>
<td>245.23</td>
</tr>
</tbody>
</table>

**Cash flows from/(used in) operating activities post working capital changes**

<table>
<thead>
<tr>
<th>Description</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax paid (net)</td>
<td>(6,398.23)</td>
<td>(518.91)</td>
</tr>
<tr>
<td><strong>Net cash flows from/ (used in) operating activities (A)</strong></td>
<td><strong>71,779.11</strong></td>
<td><strong>(1,52,779.82)</strong></td>
</tr>
</tbody>
</table>

### B  Cash flows from investing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment, capital work-in-progress and intangible assets</td>
<td>(1,796.77)</td>
<td>(1,912.79)</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment and intangible assets</td>
<td>11.40</td>
<td>2.80</td>
</tr>
<tr>
<td>Investment made in subsidiaries</td>
<td>(8,085.65)</td>
<td>(2,696.00)</td>
</tr>
<tr>
<td>Purchase of other investments (net)</td>
<td>(16,559.75)</td>
<td>(3,422.87)</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities (B)</strong></td>
<td><strong>(26,430.77)</strong></td>
<td><strong>(8,028.86)</strong></td>
</tr>
</tbody>
</table>

**contd...**
### Standalone Cash Flow Statement

**For the year ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>C</th>
<th>Cash flows from financing activities*</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Proceeds from issue of share capital and share warrants (including premium)</td>
<td>22.65</td>
<td>35,683.20</td>
</tr>
<tr>
<td></td>
<td>Proceeds from debt securities</td>
<td>40,370.00</td>
<td>42,300.00</td>
</tr>
<tr>
<td></td>
<td>Repayment of debt securities</td>
<td>(34,702.86)</td>
<td>(9,074.48)</td>
</tr>
<tr>
<td></td>
<td>Proceeds from borrowings other than debt securities</td>
<td>3,25,358.64</td>
<td>3,51,404.44</td>
</tr>
<tr>
<td></td>
<td>Repayment of borrowings other than debt securities</td>
<td>(3,44,401.21)</td>
<td>(2,88,930.93)</td>
</tr>
<tr>
<td></td>
<td>Proceeds from subordinated liabilities</td>
<td>20,000.00</td>
<td>8,000.00</td>
</tr>
<tr>
<td></td>
<td>Repayment of subordinated liabilities</td>
<td>(369.81)</td>
<td>(369.74)</td>
</tr>
<tr>
<td></td>
<td><strong>Net cash flows from financing activities (C)</strong></td>
<td><strong>6,277.41</strong></td>
<td><strong>1,39,012.49</strong></td>
</tr>
</tbody>
</table>

Net increase/(decrease) in cash and cash equivalents (A+B+C)  
Cash and cash equivalents at the beginning of the year#  
Cash and cash equivalents at the end of the year

<table>
<thead>
<tr>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>51,625.75</td>
<td>(21,796.19)</td>
</tr>
<tr>
<td>42,846.78</td>
<td>64,642.97</td>
</tr>
<tr>
<td>94,472.53</td>
<td>42,846.78</td>
</tr>
</tbody>
</table>

*Refer note 22 for reconciliation of liabilities arising from financing activities.  
*Refer note 5 for restricted cash and cash equivalents and other bank balances.

**Note:**

Cash and cash equivalents (as per note 4 to the financial statements)  
Less: Overdraft facility against term deposits  
(as per note 21 to the financial statements)

| For and on behalf of the Board of Directors Satin Creditcare Network Limited  
For Walker Chandioik & Co LLP Chartered Accountants  
Firm’s registration number: 001076N/N500013  
Lalit Kumar Partner  
Membership Number: 095256  
Sanjay Kumar Bhatia Chairman cum Managing Director  
DIN: 00333754  
Choudhary Runveer Krishnan Company Secretary and Compliance Officer  
FCS: 7437  
Place : Noida Date : May 8, 2019  
H P Singh Chairman cum Managing Director  
DIN: 00333754  
Sanjay Kumar Bhatia Chairman Audit Committee cum Director  
DIN: 07033027  
Choudhary Runveer Krishnan Company Secretary and Compliance Officer  
FCS: 7437  
Place : New Delhi Date : May 8, 2019  
Savitnder Singh Director  
DIN: 00332521  
Jugal Kataria Chief Financial Officer  
FCS: 7437  
Place : New Delhi Date : May 8, 2019
## Standalone Statement of Changes in Equity

For the Year Ended March 31, 2019

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Balance as at April 1, 2017</th>
<th>Share warrants issued</th>
<th>Share options outstanding</th>
<th>Dividend declared during the year</th>
<th>Money received on debentures and redeemable preference shares issued</th>
<th>Balance as at March 31, 2018</th>
<th>Profit for the year</th>
<th>Other comprehensive income (net of tax)</th>
<th>Issue of optionally convertible redeemable preference shares</th>
<th>Balance as at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. EQUITY SHARE CAPITAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity share capital</td>
<td>3,714.30</td>
<td>1,012.61</td>
<td>4,726.91</td>
<td>126.16</td>
<td>4,853.07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B. OTHER EQUITY PARTICULARS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share options outstanding</td>
<td>872.61</td>
<td>174.52</td>
<td>647.09</td>
<td>138.42</td>
<td>785.51</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance of equity shares</td>
<td>32,753.42</td>
<td>32,753.42</td>
<td>32,753.42</td>
<td>32,753.42</td>
<td>32,753.42</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer to statutory reserves</td>
<td>80.53</td>
<td>80.53</td>
<td>80.53</td>
<td>80.53</td>
<td>80.53</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer to statutory reserves</td>
<td>-138.82</td>
<td>-138.82</td>
<td>-138.82</td>
<td>-138.82</td>
<td>-138.82</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share based payment to employees</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,137.20</td>
<td>4,137.20</td>
<td>4,137.20</td>
<td>4,137.20</td>
<td>4,137.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Statement of Significant Accounting Policies and Other Explanatory Notes

This statement of changes in equity referred to in our report of even date.

For and on behalf of the Board of Directors

Satin Creditcare Network Limited

Lalit Kumar H P Singh
Chairman cum Managing Director
DIN: 00333754

Sanjay Kumar Bhatia
Chairman Audit Committee cum Director
DIN: 07033027

Choudhary Runveer Krishnan Jugal Kataria
Company Secretary and Compliance Officer
Chief Financial Officer
FCS: 7437

For Walker Chandok & Co LLP
Chartered Accountants
Firm’s registration number: 001076/N/650013

Savitri Singh
Director
DIN: 00335521

Lalit Kumar H P Singh
Chairman cum Managing Director
DIN: 00333754

H P Singh
Choudhary Runveer Krishnan Jugal Kataria
Sanjay Kumar Bhatia
Chief Financial Officer

For and on behalf of the Board of Directors

Place: Noida Place: New Delhi
Date: May 8, 2019 Date: May 8, 2019

Stand-alone Statement of Changes in Equity

For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)
1. COMPANY OVERVIEW
Satin Creditcare Network Limited (‘the Company’) is a public limited company and incorporated under the provisions of Companies Act. The Company is a non-deposit accepting Non-Banking Financial Company (‘NBFC-ND’) and is registered as a Non-Banking Financial Company – Micro Finance Institution (‘NBFC-MFI’) with the Reserve Bank of India (‘RBI’) in November 2013. The Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organised as Joint Liability Groups (‘JLG’). The Company is domiciled in India and its registered office is situated at 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

2. BASIS OF PREPARATION
(i) Statement of compliance with Indian Accounting Standards (Ind AS)
These standalone financial statements (“the Financial Statements”) have been prepared in accordance with the Indian Accounting Standards (‘Ind AS’) as notified by Ministry of Corporate Affairs (‘MCA’) under Section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in this financial statements.

The financial statements for the year ended March 31, 2019 are the first 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, 2018 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and other applicable guidelines issued by the RBI, which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS.

As these are the Company’s first financial statements prepared in accordance with Ind AS, the Company has applied, First-time Adoption Standard (Ind AS 101) of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 56.

The financial statements for the year ended March 31, 2019 were authorised and approved for issue by the Board of Directors on May 08, 2019.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Property, plant and equipment
Recognition and initial measurement
Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation 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 and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)
Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets.
as prescribed under Part ‘C’ of Schedule II of the Companies Act, 2013.

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Useful life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>60 years</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>5-15 years</td>
</tr>
<tr>
<td>Office equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>10 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>8-10 years</td>
</tr>
</tbody>
</table>

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 de-recognised 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 recognised in the statement of profit and loss, when the asset is de-recognised.

**Capital work-in-progress**

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

**Transition to Ind AS**

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount as its deemed cost on the date of transition of Ind AS i.e. April 1, 2017.

**Intangible assets under development**

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

**Revenue recognition**

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.
Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Commission income

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

Dividend income

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

Miscellaneous income

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

e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use, are capitalised. Borrowing cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. 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.

f) Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. 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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. 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).
g) **Employee benefits**

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

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

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

**Defined benefit plans**
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee’s length of service and last drawn salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

**Other long-term employee benefits**
The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed 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 for current employees are estimated and measured on an undiscounted basis.

h) **Share based payments**
The Company has formulated an Employees Stock Option Schemes to be administered through a Trust. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

i) **Impairment of non-financial assets**
At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset’s net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**Compensation for impairment**
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in statement of profit and loss when the compensation becomes receivable.
j) 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:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-60 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

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

**Probability of Default (PD)**
The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

**Exposure at Default (EAD)**
EAD is based on the amounts the Company expects to be owed at the time of default.

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

**Trade receivables**
In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

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

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the 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.

**Write-offs**
Financial assets are written off either partially or in their entirely to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

**k) Cash and cash equivalents**
Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Company has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement.

**l) Equity investment in subsidiaries**
Investments representing equity interest in subsidiaries are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.
m) Provisions, contingent assets and contingent liabilities

Provisions are recognised 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.

n) Leases

Company as a lessee

At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. A finance lease is recognised as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability. The Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases

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.

o) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are 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.
ii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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

De-recognition of financial assets
Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company’s balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also de-recognise 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 expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

First loss default guarantee
First loss default guarantee contracts are contracts that require the Company to make specified payments to reimburse the bank and financial institution for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a agreement. Such financial guarantees are given to banks and financial institutions, for whom the Company acts as ‘Business Correspondent’.

These contracts are initially measured at fair value and subsequently measure at higher of:

• The amount of loss allowance (calculated as described in policy for impairment of financial assets)
• Maximum amount payable as on the reporting date to the respective bank/financial institution which is based on the amount of loans overdue for more than 75-90 days in respect to agreements with bank and financial institutions.

Further, the maximum liability is restricted to the cash outflow agreed in the agreement.

Compound financial instruments
Optionally convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders’ equity, net of income tax effects, and not subsequently re-measured.

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.
Derivative contracts
The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

p) 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.

q) Segment reporting
The Company identifies segment basis of the internal organisation 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 reviewed by the CODM (‘chief operating decision maker’) and in assessing performance. The accounting policies adopted for segment reporting are in 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.

r) Foreign currency
Functional and presentation currency
Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Company’s functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

Transition to Ind AS
The Company has elected to exercise the option for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

s) Government grants
Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

t) 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 recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.
Business model assessment
The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

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

Classification of leases
The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset’s economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Expected credit loss (‘ECL’)
The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

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

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

Significant estimates
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.

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.
u) Standards issued but not yet effective

**Ind AS 116 ‘Leases’**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of ‘low-value’ assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

**Amendment to Ind AS 12, Income taxes**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified Appendix C to Ind-AS 12 Income taxes – “Uncertainty over Income Tax Treatments”. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

**Amendment to Ind AS 19, Employee benefits**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

**Amendment to Ind AS 109, Financial instruments**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.

**Amendment to Ind AS 23, Borrowing costs**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. This amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the requirements of the amendments and their impact on the financial statements.
4. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>4,922.89</td>
<td>2,795.27</td>
<td>1,625.04</td>
</tr>
<tr>
<td>Balances with banks and financial institutions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Balance with banks in current accounts</td>
<td>24,841.48</td>
<td>21,101.81</td>
<td>33,895.57</td>
</tr>
<tr>
<td>- Deposits for original maturity of less than 3 months</td>
<td>37,516.26</td>
<td>5,841.69</td>
<td>29,780.14</td>
</tr>
<tr>
<td>- Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees</td>
<td>6,000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Deposits (includes commercial papers and certificate of deposits)</td>
<td>27,106.88</td>
<td>14,843.21</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>100,387.51</td>
<td>44,581.98</td>
<td>65,300.75</td>
</tr>
</tbody>
</table>

5. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits for remaining maturity of more than 3 months and upto 12 months</td>
<td>13,535.93</td>
<td>32,810.86</td>
<td>30,025.30</td>
</tr>
<tr>
<td>Deposits with remaining maturity more than 12 months</td>
<td>287.14</td>
<td>1,761.90</td>
<td>3,976.30</td>
</tr>
<tr>
<td>Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees</td>
<td>55,573.45</td>
<td>29,165.47</td>
<td>28,289.34</td>
</tr>
<tr>
<td>Total</td>
<td>69,396.52</td>
<td>63,738.23</td>
<td>62,290.94</td>
</tr>
</tbody>
</table>

The amount under lien as security against term loan and overdraft facility availed, assets securitised, first loss default guarantee are as follows (included above in note 4 and 5):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loans</td>
<td>19,945.57</td>
<td>18,733.83</td>
<td>19,467.64</td>
</tr>
<tr>
<td>Overdraft facilities</td>
<td>34,073.94</td>
<td>2,471.90</td>
<td>3,731.42</td>
</tr>
<tr>
<td>Securitisations</td>
<td>5,449.31</td>
<td>7,355.75</td>
<td>4,432.56</td>
</tr>
<tr>
<td>Derivatives</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
</tr>
<tr>
<td>Security against first loss default guarantee</td>
<td>1,602.50</td>
<td>102.99</td>
<td>156.72</td>
</tr>
<tr>
<td>Security against facilities</td>
<td>2.14</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Total</td>
<td>61,573.46</td>
<td>29,165.47</td>
<td>28,289.34</td>
</tr>
</tbody>
</table>

6. DERIVATIVE FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notional amounts (₹)</td>
<td>Fair value</td>
<td>Notional amounts (₹)</td>
<td>Fair value</td>
</tr>
<tr>
<td>Currency and interest swap (refer note 43)</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
<tr>
<td>Included in above are derivative held for risk management purpose as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated derivative</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
</tbody>
</table>

The table above represents the fair value of derivate financial instruments recorded as assets together with the notional amounts. The notional amounts indicates the value of transaction outstanding at the year end and are not indicative of either the market risk or credit risk.
## Notes to the Standalone Financial Statements
For the Year Ended March 31, 2019
(All amounts in Lakhs, unless otherwise stated)

### 7. Trade Receivables (At Amortised Cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Considered good - unsecured</td>
<td>651.56</td>
<td>18.71</td>
<td>88.35</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>651.56</td>
<td>18.71</td>
<td>88.35</td>
</tr>
</tbody>
</table>

The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk.

### 8. Loans

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At fair value through other comprehensive income*</td>
<td>At amortised cost</td>
<td>At amortised cost</td>
</tr>
<tr>
<td>Portfolio loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td></td>
<td>-</td>
<td>14,187.97</td>
</tr>
<tr>
<td>Unsecured</td>
<td>3,79,984.68</td>
<td>62,076.28</td>
<td>5,00,944.35</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>(9,010.76)</td>
<td>(1,229.59)</td>
<td>(21,266.69)</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>3,70,973.92</td>
<td>75,034.66</td>
<td>4,84,521.95</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,46,008.58</td>
<td>4,84,521.95</td>
<td>3,18,356.90</td>
</tr>
</tbody>
</table>

- (i) Secured by property, plant and equipment including land and building
  - 9,844.30
- (ii) Secured by book debts, inventories, margin money and other working capital items
  - 4,343.67
- (iii) Unsecured
  - 442,060.96

Total Gross: 4,56,248.93
Less: Impairment loss allowance: (10,240.35)
Total - Net: 4,46,008.58

**Loans in India**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Public sector</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(ii) Others</td>
<td>4,56,248.93</td>
<td>5,05,788.64</td>
<td>3,53,217.43</td>
</tr>
<tr>
<td><strong>Total Gross</strong></td>
<td>4,56,248.93</td>
<td>5,05,788.64</td>
<td>3,53,217.43</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>(10,240.35)</td>
<td>(21,266.69)</td>
<td>(34,860.53)</td>
</tr>
<tr>
<td><strong>Total Net</strong></td>
<td>4,46,008.58</td>
<td>4,84,521.95</td>
<td>3,18,356.90</td>
</tr>
</tbody>
</table>

* The Company has reassessed its business model and with the background of series of assignment transactions, has changed its business model on March 31, 2019 from ‘hold to collect’ to ‘hold to collect and sell’. Accordingly, the Company has reclassified its eligible portfolio from amortised category to fair value through other comprehensive income (FVOCI) category and hence recorded a fair value gain in other comprehensive income.
### 9. INVESTMENTS

**Equity instruments**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amortised cost</td>
<td>At fair value</td>
<td>Cost</td>
</tr>
<tr>
<td></td>
<td>Through other comprehensive income</td>
<td>Through profit and loss</td>
<td></td>
</tr>
<tr>
<td>Subsidiaries*</td>
<td>-</td>
<td>-</td>
<td>8,510.24</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>5,000.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>2,250.00</td>
<td>2,250.00</td>
</tr>
<tr>
<td>Others</td>
<td>50,000 (March 31, 2018: 50,000 and April 1, 2017: 50,000) equity shares of face value of ₹ 10 each of Alpha Micro Finance Consultants Private Limited</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Government securities</td>
<td>500 (March 31, 2018: 500 and April 1, 2017: 500) Government of India, Inscribed stock having face value ₹ 100 each</td>
<td>0.51</td>
<td>0.51</td>
</tr>
</tbody>
</table>

*contd...*
# Notes to the Standalone Financial Statements

## For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amortised cost</th>
<th>Cost</th>
<th>Total</th>
<th>Amortised cost</th>
<th>Cost</th>
<th>Total</th>
<th>Amortised cost</th>
<th>Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of deposit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in Axis Bank Limited</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in Axis Bank Limited</td>
<td></td>
<td></td>
<td></td>
<td>2,470.55</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in ICICI Bank Limited</td>
<td></td>
<td>6,820.22</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>nil (March 31, 2018: 500 and April 1, 2017: Nil) units in ICICI Bank Limited</td>
<td>19,608.12</td>
<td>19,608.12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>2,642.85</td>
<td>15,760.24</td>
<td>42,189.09</td>
<td>2,470.55</td>
<td>3.32</td>
<td>4,707.85</td>
<td>7,674.59</td>
<td>14,856.31</td>
<td>3.51</td>
</tr>
<tr>
<td>(i) Investments in India</td>
<td>26,428.85</td>
<td>15,760.24</td>
<td>42,189.09</td>
<td>2,470.55</td>
<td>3.32</td>
<td>4,707.85</td>
<td>7,674.59</td>
<td>14,856.31</td>
<td>3.51</td>
</tr>
<tr>
<td>(ii) Investments outside India</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,642.85</td>
<td>15,760.24</td>
<td>42,189.09</td>
<td>2,470.55</td>
<td>3.32</td>
<td>4,707.85</td>
<td>7,674.59</td>
<td>14,856.31</td>
<td>3.51</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Subsidiaries</th>
<th>Principle place of business</th>
<th>Ownership interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
</tr>
<tr>
<td>Taraashna Services Limited</td>
<td>India</td>
<td>100.00%</td>
</tr>
<tr>
<td>Satin Housing Finance Limited</td>
<td>India</td>
<td>100.00%</td>
</tr>
<tr>
<td>Satin Finserv Limited</td>
<td>India</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

*Investment in subsidiaries are measured at cost as per Ind AS 27 ‘Separate Financial Statements.’
10. OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security deposits</td>
<td>234.22</td>
<td>151.33</td>
<td>93.97</td>
</tr>
<tr>
<td>Staff advances</td>
<td>101.31</td>
<td>181.49</td>
<td>796.16</td>
</tr>
<tr>
<td>Insurance recoverable</td>
<td>1,110.03</td>
<td>1,528.71</td>
<td>656.49</td>
</tr>
<tr>
<td>Other recoverables</td>
<td>689.50</td>
<td>1,501.58</td>
<td>527.47</td>
</tr>
<tr>
<td>Total</td>
<td>2,135.06</td>
<td>3,363.11</td>
<td>2,074.09</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>(138.17)</td>
<td>(122.48)</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>1,996.89</td>
<td>3,240.63</td>
<td>2,074.09</td>
</tr>
</tbody>
</table>

11. CURRENT TAX ASSETS (NET)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance income tax (net)</td>
<td>-</td>
<td>-</td>
<td>45.69</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>-</td>
<td>45.69</td>
</tr>
</tbody>
</table>

12. DEFERRED TAX ASSETS (NET)

(A) Deferred tax assets

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for employee benefits</td>
<td>473.30</td>
<td>355.19</td>
<td>313.82</td>
</tr>
<tr>
<td>Difference in written down value as per Companies</td>
<td>295.38</td>
<td>182.64</td>
<td>-</td>
</tr>
<tr>
<td>Act and Income Tax Act</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>119.19</td>
<td>1,369.20</td>
<td>167.96</td>
</tr>
<tr>
<td>Impairment loss allowance and first loss default guarantee</td>
<td>3,728.76</td>
<td>7,399.24</td>
<td>11,930.54</td>
</tr>
<tr>
<td>Total deferred tax assets</td>
<td>4,616.63</td>
<td>9,306.27</td>
<td>12,412.32</td>
</tr>
</tbody>
</table>

(B) Deferred tax liabilities

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difference in written down value as per Companies</td>
<td>-</td>
<td>-</td>
<td>17.41</td>
</tr>
<tr>
<td>Act and Income Tax Act</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>130.25</td>
<td>432.51</td>
<td>421.83</td>
</tr>
<tr>
<td>Fair valuation of financial instruments through profit and loss</td>
<td>0.62</td>
<td>2.98</td>
<td>-</td>
</tr>
<tr>
<td>Fair valuation of loan assets through other comprehensive income</td>
<td>1,369.88</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total deferred tax liabilities</td>
<td>1,500.75</td>
<td>435.49</td>
<td>439.24</td>
</tr>
<tr>
<td>Net deferred tax asset</td>
<td>3,115.88</td>
<td>8,870.78</td>
<td>11,973.08</td>
</tr>
</tbody>
</table>

(i) Movement in deferred tax assets (net)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2018</th>
<th>(Charged)/ credited to statement of profit and loss</th>
<th>(Charged)/ credited to other comprehensive income</th>
<th>Charged to equity</th>
<th>As at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for employee benefits</td>
<td>355.19</td>
<td>98.16</td>
<td>19.95</td>
<td>-</td>
<td>473.30</td>
</tr>
<tr>
<td>Difference in written down value as per Companies</td>
<td>182.64</td>
<td>112.74</td>
<td>-</td>
<td>-</td>
<td>295.38</td>
</tr>
<tr>
<td>Act and Income Tax Act</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>1,369.20</td>
<td>(1,250.01)</td>
<td>-</td>
<td>-</td>
<td>119.19</td>
</tr>
<tr>
<td>Impairment loss allowance and first loss default guarantee</td>
<td>7,399.24</td>
<td>(3,670.48)</td>
<td>-</td>
<td>-</td>
<td>3,728.76</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>432.51</td>
<td>(302.26)</td>
<td>-</td>
<td>-</td>
<td>130.25</td>
</tr>
<tr>
<td>Fair valuation of financial instruments through profit and loss</td>
<td>2.98</td>
<td>(2.36)</td>
<td>-</td>
<td>-</td>
<td>0.62</td>
</tr>
<tr>
<td>Fair valuation of loan assets through other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>1,369.88</td>
<td>-</td>
<td>1,369.88</td>
</tr>
<tr>
<td>Total (net)</td>
<td>8,870.78</td>
<td>(4,404.97)</td>
<td>(1,349.93)</td>
<td>-</td>
<td>3,115.88</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Notes to the standalone financial statements
for the year ended March 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at April 1, 2017</th>
<th>(Charged)/credited to statement of profit and loss</th>
<th>(Charged)/credited to other comprehensive income</th>
<th>Charged to equity</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for employee benefits</td>
<td>313.82</td>
<td>41.98</td>
<td>(0.61)</td>
<td>-</td>
<td>355.19</td>
</tr>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>-</td>
<td>182.64</td>
<td>-</td>
<td>-</td>
<td>182.64</td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>167.96</td>
<td>1,201.24</td>
<td>-</td>
<td>-</td>
<td>1,369.20</td>
</tr>
<tr>
<td>Impairment loss allowance and first loss default guarantee</td>
<td>11,930.54</td>
<td>(4,531.31)</td>
<td>-</td>
<td>-</td>
<td>7,399.24</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>17.41</td>
<td>(17.41)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>421.83</td>
<td>(122.88)</td>
<td>-</td>
<td>(133.56)</td>
<td>432.51</td>
</tr>
<tr>
<td>Fair valuation of financial instruments through profit and loss</td>
<td>-</td>
<td>2.98</td>
<td>-</td>
<td>-</td>
<td>2.98</td>
</tr>
<tr>
<td>Total (net)</td>
<td>11,973.08</td>
<td>(2,968.14)</td>
<td>(0.61)</td>
<td>133.56</td>
<td>8,870.78</td>
</tr>
</tbody>
</table>

13. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Gross carrying amount</th>
<th>Freehold land</th>
<th>Buildings (refer note (ii))</th>
<th>Plant and equipment</th>
<th>Office equipment</th>
<th>Furniture and fixtures</th>
<th>Vehicles (refer note (iv))</th>
<th>Total</th>
<th>Capital work in progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at April 1, 2017 (refer note (i))</td>
<td>1,518.37</td>
<td>692.12</td>
<td>832.63</td>
<td>467.21</td>
<td>878.87</td>
<td>117.39</td>
<td>4,506.59</td>
<td>977.70</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>771.33</td>
<td>107.75</td>
<td>270.35</td>
<td>49.53</td>
<td>1,198.66</td>
<td>631.61</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(3.79)</td>
<td>(0.72)</td>
<td>(2.21)</td>
<td>-</td>
<td>(6.72)</td>
<td>-</td>
</tr>
<tr>
<td>Balance as at March 31, 2018</td>
<td>1,518.37</td>
<td>692.12</td>
<td>1,600.17</td>
<td>574.24</td>
<td>1,147.01</td>
<td>166.92</td>
<td>5,698.83</td>
<td>1,609.31</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>895.20</td>
<td>474.91</td>
<td>89.17</td>
<td>186.46</td>
<td>12.88</td>
<td>1,658.62</td>
<td>900.18</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(156.26)</td>
<td>(118.77)</td>
<td>(110.39)</td>
<td>(15.52)</td>
<td>(400.94)</td>
<td>(895.20)</td>
</tr>
<tr>
<td>Balance as at March 31, 2019</td>
<td>1,518.37</td>
<td>1,587.32</td>
<td>1,918.82</td>
<td>544.64</td>
<td>1,223.08</td>
<td>164.28</td>
<td>6,956.51</td>
<td>1,614.29</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at April 1, 2017 (refer note (ii))</td>
<td>-</td>
<td>141.73</td>
<td>443.55</td>
<td>175.80</td>
<td>237.59</td>
<td>77.98</td>
<td>1,076.65</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation charge for the year</td>
<td>141.51</td>
<td>531.77</td>
<td>148.71</td>
<td>189.39</td>
<td>17.17</td>
<td>1,028.55</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Adjustment on account of disposals</td>
<td>-</td>
<td>(1.96)</td>
<td>(0.54)</td>
<td>(1.39)</td>
<td>-</td>
<td>(3.89)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Balance as at March 31, 2018</td>
<td>-</td>
<td>283.24</td>
<td>973.36</td>
<td>323.97</td>
<td>425.59</td>
<td>95.15</td>
<td>2,101.31</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation charge for the year</td>
<td>-</td>
<td>60.78</td>
<td>481.27</td>
<td>128.49</td>
<td>209.44</td>
<td>23.35</td>
<td>903.33</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment on account of disposals</td>
<td>-</td>
<td>(147.72)</td>
<td>(105.14)</td>
<td>(87.52)</td>
<td>(9.52)</td>
<td>(349.90)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Balance as at March 31, 2019</td>
<td>-</td>
<td>344.02</td>
<td>1,306.91</td>
<td>347.32</td>
<td>547.51</td>
<td>108.98</td>
<td>2,654.74</td>
<td>-</td>
</tr>
</tbody>
</table>

Net block

| Balance as at April 1, 2017 | 1,518.37 | 550.39 | 389.08 | 291.41 | 641.28 | 39.41 | 3,429.94 | 977.70 |
| Balance as at March 31, 2018 | 1,518.37 | 408.88 | 626.81 | 250.27 | 721.42 | 71.77 | 3,597.52 | 1,609.31 |
| Balance as at March 31, 2019 | 1,518.37 | 1,243.30 | 611.91 | 197.32 | 675.57 | 55.30 | 4,301.77 | 1,614.29 |

Notes:

(i) Deemed cost of property, plant and equipment - reconciliation of gross block and net carrying amount

(ii) Buildings acquired under amalgamation continue in the name of Satin Intellicomm Limited.

(iii) For disclosure of contractual commitments to be executed on capital account, refer note 51.

(iv) Vehicles are taken on finance lease; monthly instalments are paid as per agreed terms and conditions.

(v) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 52.
### 14. INTANGIBLE ASSETS UNDER DEVELOPMENT

<table>
<thead>
<tr>
<th>Gross carrying amount</th>
<th>Intangible assets under development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at April 1, 2017</strong></td>
<td>240.56</td>
<td>240.56</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>13.75</td>
<td>13.75</td>
</tr>
<tr>
<td><strong>Disposals/capitalised during the year</strong></td>
<td>(240.56)</td>
<td>(240.56)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2018</strong></td>
<td>13.75</td>
<td>13.75</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>112.42</td>
<td>112.42</td>
</tr>
<tr>
<td><strong>Disposals/capitalised during the year</strong></td>
<td>(106.57)</td>
<td>(106.57)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2019</strong></td>
<td>19.60</td>
<td>19.60</td>
</tr>
</tbody>
</table>

**Net block**

| Balance as at April 1, 2017 | 240.56 | 240.56 |
| Balance as at March 31, 2018 | 13.75 | 13.75 |
| Balance as at March 31, 2019 | 19.60 | 19.60 |

### 15. OTHER INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th>Gross carrying amount</th>
<th>Computer software</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at April 1, 2017 (refer note i)</strong></td>
<td>615.28</td>
<td>615.28</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>356.04</td>
<td>356.04</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2018</strong></td>
<td>971.32</td>
<td>971.32</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>145.72</td>
<td>145.72</td>
</tr>
<tr>
<td><strong>Adjustment on account of disposals</strong></td>
<td>(98.67)</td>
<td>(98.67)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2019</strong></td>
<td>1,018.37</td>
<td>1,018.37</td>
</tr>
</tbody>
</table>

**Accumulated amortisation**

| Balance as at April 1, 2017 (refer note i) | 269.69 | 269.69 |
| Amortisation charge for the year | 377.45 | 377.45 |
| **Balance as at March 31, 2018** | 647.14 | 647.14 |
| Amortisation charge for the year | 228.56 | 228.56 |
| **Adjustment on account of disposals** | (92.44) | (92.44) |
| **Balance as at March 31, 2019** | 783.26 | 783.26 |

**Net block**

| Balance as at April 1, 2017 | 345.59 | 345.59 |
| Balance as at March 31, 2018 | 324.18 | 324.18 |
| Balance as at March 31, 2019 | 235.11 | 235.11 |

(i) Deemed cost of other intangible assets - Reconciliation of gross block and net carrying amount

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Computer software</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross block as at April 1, 2017</td>
<td>615.28</td>
<td>615.28</td>
</tr>
<tr>
<td>Accumulated amortisation as at April 1, 2017</td>
<td>(269.69)</td>
<td>(269.69)</td>
</tr>
<tr>
<td>Carrying amount as at April 1, 2017</td>
<td>345.59</td>
<td>345.59</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

16. OTHER NON-FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid expenses</td>
<td>311.92</td>
<td>254.50</td>
<td>323.61</td>
</tr>
<tr>
<td>Balances with government authorities</td>
<td>86.71</td>
<td>47.21</td>
<td>32.95</td>
</tr>
<tr>
<td>Capital advances</td>
<td>69.95</td>
<td>88.35</td>
<td>135.36</td>
</tr>
<tr>
<td>Other assets</td>
<td>161.49</td>
<td>492.25</td>
<td>225.37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>630.07</strong></td>
<td><strong>882.31</strong></td>
<td><strong>717.29</strong></td>
</tr>
</tbody>
</table>

17. DERIVATIVE FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Notional amounts (₹)</td>
<td>Fair value</td>
<td>Notional amounts (₹)</td>
</tr>
<tr>
<td>Currency and interest swap (refer note 43)</td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
<tr>
<td>Included in above are derivative held for risk management purpose as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated derivatives</td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
</tbody>
</table>

Refer note 6 for explanation on derivative financial instruments.

18. TRADE PAYABLES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises (refer note 55)</td>
<td>6.01</td>
<td>21.00</td>
<td>-</td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>123.57</td>
<td>16.37</td>
<td>40.81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>129.58</strong></td>
<td><strong>37.37</strong></td>
<td><strong>40.81</strong></td>
</tr>
</tbody>
</table>

19. OTHER PAYABLES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>1,069.94</td>
<td>644.19</td>
<td>537.66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,069.94</strong></td>
<td><strong>644.19</strong></td>
<td><strong>537.66</strong></td>
</tr>
</tbody>
</table>

20. DEBT SECURITIES (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-convertible debentures</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>97,586.85</strong></td>
<td><strong>91,929.66</strong></td>
<td><strong>58,808.91</strong></td>
</tr>
<tr>
<td>Debt securities in India</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td>Debt securities outside India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>97,586.85</strong></td>
<td><strong>91,929.66</strong></td>
<td><strong>58,808.91</strong></td>
</tr>
</tbody>
</table>
## (A) Non-convertible debentures (secured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Nil (March 31, 2018: Nil and April 1, 2017: 62.5%); @12.30% Secured listed redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is August 26, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemed on August 28, 2017, payable monthly.</td>
<td>-</td>
<td>-</td>
<td>625.00</td>
</tr>
<tr>
<td>2 72 (March 31, 2018: 72 and April 1, 2017: 72), @13.15% (Previous year: 14.70%), Secured, listed, redeemable, non-convertible debentures of face value of ₹25,00,000 each, The date of allotment is September 27, 2013. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on September 27, 2019, subject to call/put option after three years.</td>
<td>1,800.00</td>
<td>1,800.00</td>
<td>1,800.00</td>
</tr>
<tr>
<td>3 Nil (March 31, 2018: 65 and April 1, 2017: 195), @11.00% Secured, rated, listed, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is October 3, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on October 3, 2018, payable monthly.</td>
<td>-</td>
<td>650.00</td>
<td>1,950.00</td>
</tr>
<tr>
<td>4 200 (March 31, 2018: 200 and April 1, 2017: 200), @12.75% (March 31, 2018: 12.75% and April 1, 2017: 14.70%), Secured, listed, redeemable, non-convertible debentures of face value of ₹25,00,000 each, The date of allotment is July 15, 2014. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on June 15, 2020, subject to call/put option on July 15, 2017.</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>5 Nil (March 31, 2018: Nil and April 1, 2017: 200), @12.50% Secured, rated, redeemable, unlisted non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemed on October 31, 2017.</td>
<td>-</td>
<td>-</td>
<td>2,000.00</td>
</tr>
</tbody>
</table>
### Notes to the Standalone Financial Statements

For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Nil (March 31, 2018: 270 and April 1, 2017: 270), @13.75% Secured, rated, listed, redeemable, transferable, taxable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is July 31, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on July 30, 2019, subject to call/put option after three years of allotment.</td>
<td>-</td>
<td>2,700.00</td>
<td>2,700.00</td>
</tr>
<tr>
<td>7 Nil (March 31, 2018: 75 and April 1, 2017: 75), @14.10% Secured, listed, redeemable, non-convertible debentures of face value of ₹ 25,00,000 each, The date of allotment is September 14, 2012. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on September 14, 2018.</td>
<td>-</td>
<td>1,875.00</td>
<td>1,875.00</td>
</tr>
<tr>
<td>8 Nil (March 31, 2018: 500 and April 1, 2017: 500), @14.65% Secured, rated, listed, redeemable, transferable, taxable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is September 24, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on September 24, 2018.</td>
<td>-</td>
<td>5,000.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>9 300 (March 31, 2018: Nil and April 1, 2017: Nil), @10.60% Secured, rated, unlisted redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is August 29, 2018 (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on August 25, 2021, payable monthly.</td>
<td>2,416.66</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10 600 (March 31, 2018: 1000 and April 1, 2017: Nil) (Series A 400, Series B 600), @10.75% Secured, unlisted, redeemable, nonconvertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 19, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 31, 2018, (Series A) and November 30, 2019 (Series B) payable monthly.</td>
<td>4,000.00</td>
<td>10,000.00</td>
<td>-</td>
</tr>
</tbody>
</table>
# Notes to the Standalone Financial Statements

For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Nil (March 31, 2018: 4644 and April 1, 2017: 4,644), @14.00% Secured, rated, listed, senior, redeemable, non-convertible debentures of face value of ₹ 1,00,000 each, The date of allotment is December 22, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on January 13, 2019.</td>
<td>-</td>
<td>4,644.00</td>
</tr>
<tr>
<td>12</td>
<td>600 (March 31, 2018: 600 and April 1, 2017: Nil), @11.95% Secured, listed, redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is February 8, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on February 8, 2021, Payable annually</td>
<td>4,000.00</td>
<td>6,000.00</td>
</tr>
<tr>
<td>13</td>
<td>Nil (March 31, 2018: 125 and April 1, 2017: 125), @14.30% Secured, rated, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is March 29, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on March 28, 2019.</td>
<td>-</td>
<td>1,250.00</td>
</tr>
<tr>
<td>14</td>
<td>20 (March 31, 2018: 20 and April 1, 2017: 20), @14.50 % Secured, senior, rated, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is May 8, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on December 18, 2020, subject to put option on May 8, 2019.</td>
<td>200.00</td>
<td>200.00</td>
</tr>
<tr>
<td>15</td>
<td>2,130 (March 31, 2018: Nil and April 1, 2017: Nil), @11.095% Secured, rated, listed redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 14, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on December 14, 2023, payable half yearly.</td>
<td>21,300.00</td>
<td>-</td>
</tr>
<tr>
<td>16</td>
<td>680 (March 31, 2018: 680 and April 1, 2017: 680), @13.25% Secured, rated, redeemable, listed non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 15, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on June 15, 2025, subject to call/put option after three years from date of allotment.</td>
<td>6,800.00</td>
<td>6,800.00</td>
</tr>
<tr>
<td>Particulars</td>
<td>Terms of repayment</td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
<td>As at April 1, 2017</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>--------------------</td>
<td>---------------------</td>
<td>---------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>17 Nil (March 31, 2018: 200 and April 1, 2017: 200), @ 12.50% Secured, rated, redeemable, unlisted, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on June 30, 2019.</td>
<td>-</td>
<td>2,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>18 Nil (March 31, 2018: 200 and April 1, 2017: 200), @ 12.50% Secured, rated, redeemable, unlisted non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on June 30, 2019.</td>
<td>-</td>
<td>2,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>19 200 (March 31, 2018: 200 and April 1, 2017: Nil), @13.50% Secured, listed, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is September 20, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on September 20, 2019.</td>
<td>2,000.00</td>
<td>2,000.00</td>
<td>-</td>
</tr>
<tr>
<td>20 250 (March 31, 2018: 250 and April 1, 2017: 250), @12.00% Secured, rated, listed redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is November 11, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on November 11, 2019.</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>21 Nil (March 31, 2018: 0.0515 and April 1, 2017: 515), @14.37% Secured, listed, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is September 26, 2014 (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on November 13, 2019, subject to call/put option.</td>
<td>-</td>
<td>0.52</td>
<td>5,150.00</td>
</tr>
<tr>
<td>22 250 (March 31, 2018: Nil and April 1, 2017: Nil), @10.35% Secured, rated, unlisted redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is February 27, 2019. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on May 8, 2020,</td>
<td>2,500.00</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## Notes to the standalone financial statements

For the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>23 650 (March 31, 2018: 650 and April 1, 2017: Nil), @12.06% Secured, listed, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is October 3, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on October 3, 2022, subject to call/put Option after three years from date of allotment.</td>
<td>6,500.00</td>
<td>6,500.00</td>
<td>-</td>
</tr>
<tr>
<td>24 250 (March 31, 2018: 250 and April 1, 2017: 250), @13.35% Secured, rated, redeemable, listed, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is November 3, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on November 30, 2020.</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>25 450 (March 31, 2018: 450 and April 1, 2017: Nil), @11.34% Secured, unlisted, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is December 7, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 30, 2020.</td>
<td>4,500.00</td>
<td>4,500.00</td>
<td>-</td>
</tr>
<tr>
<td>26 330 (March 31, 2018: 330 and April 1, 2017: Nil), @11.99% Secured, unlisted, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is December 8, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 8, 2020.</td>
<td>3,300.00</td>
<td>3,300.00</td>
<td>-</td>
</tr>
<tr>
<td>27 970 (March 31, 2018: Nil and April 1, 2017: Nil), @11.67% Secured, rated, listed redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is July 31, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on July 31, 2023, subject to call/put option after three years of allotment.</td>
<td>9,700.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>28 387 (March 31, 2018: Nil and April 1, 2017: Nil), @11.06% Secured, rated, listed redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is October 26, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on October 26, 2021.</td>
<td>3,870.00</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

| Total (A) | 82,886.66 | 71,219.52 | 47,994.00 |

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### (B) Non convertible debentures (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>600 (March 31, 2018: 1000 and April 1, 2017: Nil) (Series A 400, Series B 600), @11.15%, Unsecured, rated, redeemable, nonconvertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 19, 2017.</td>
<td>Redeemable on December 19, 2018 (Corrigendum date December 31, 2018) (Series A) and November 19, 2019 (Corrigendum date November 30, 2019) (Series B).</td>
<td>4,000.00</td>
<td>10,000.00</td>
</tr>
<tr>
<td>2</td>
<td>125 (March 31, 2018: 125 and April 1, 2017: 125), @14.30%, Unsecured, rated, senior, redeemable, taxable, transferable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is April 5, 2016.</td>
<td>Redeemable on April 4, 2019.</td>
<td>1,250.00</td>
<td>1,250.00</td>
</tr>
<tr>
<td>3</td>
<td>67,489 (March 31, 2018: 67,489 and April 1, 2017: 67,489), @13.00%, Unsecured, rated, senior, redeemable, taxable, transferable, nonconvertible debentures of face value of ₹ 5,000 each, The date of allotment is May 27, 2016.</td>
<td>Redeemable on May 28, 2019.</td>
<td>3,374.45</td>
<td>3,374.45</td>
</tr>
<tr>
<td>4</td>
<td>2,628 (March 31, 2018: 2628 and April 1, 2017: 2,628), @14.15%, Unsecured, rated, listed, senior, redeemable, taxable, transferable, non-convertible debentures of face value of ₹ 1,00,000 each, The date of allotment is October 5, 2015.</td>
<td>Redeemable on September 15, 2021, subject to call put option of 4th year September 16, 2019</td>
<td>2,628.00</td>
<td>2,628.00</td>
</tr>
<tr>
<td>5</td>
<td>150 (March 31, 2018: 150 and April 1, 2017: 150), @12.25%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 26, 2016.</td>
<td>Redeemable on December 9, 2019.</td>
<td>1,500.00</td>
<td>1,500.00</td>
</tr>
<tr>
<td>6</td>
<td>250 (March 31, 2018: 250 and April 1, 2017: 250), @13.35%, Unsecured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is November 4, 2016.</td>
<td>Redeemable on November 30, 2020.</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

**Total (B)** | | | | | 15,252.45 | 21,252.45 | 11,252.45 |
**Total (A+B)** | | | | | 98,139.11 | 92,471.97 | 59,246.45 |
Less: Unamortised transaction costs | | | | | (552.26) | (542.31) | (437.54) |
**Total** | | | | | 97,586.85 | 91,929.66 | 58,808.91 |
21. BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>1,69,306.32</td>
<td>1,85,133.15</td>
<td>1,80,498.37</td>
</tr>
<tr>
<td>From other parties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>1,51,262.77</td>
<td>1,18,440.68</td>
<td>1,02,813.80</td>
</tr>
<tr>
<td>Unsecured</td>
<td>79.07</td>
<td>992.02</td>
<td>-</td>
</tr>
<tr>
<td>Overdraft facility against term deposits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From banks - secured</td>
<td>5,914.98</td>
<td>1,735.20</td>
<td>657.78</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>2,738.96</td>
<td>3,234.14</td>
<td>3,874.58</td>
</tr>
<tr>
<td>Commercial paper</td>
<td>8,805.66</td>
<td>9,878.41</td>
<td>9,597.97</td>
</tr>
<tr>
<td>Liability against securitised assets (net of over collateralisation amount)</td>
<td></td>
<td>33,891.45</td>
<td>66,827.59</td>
</tr>
<tr>
<td>Total</td>
<td>3,71,999.21</td>
<td>3,86,241.19</td>
<td>3,22,329.00</td>
</tr>
</tbody>
</table>

Borrowings in India

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loans from banks</td>
<td>2,738.96</td>
<td>3,234.14</td>
<td>3,874.58</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>2,738.96</td>
<td>3,234.14</td>
<td>3,874.58</td>
</tr>
</tbody>
</table>

Total

22. SUBORDINATED LIABILITIES (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preference shares other than those that qualify as equity (refer notes A (i))</td>
<td>2,487.23</td>
<td>2,481.05</td>
<td>2,474.86</td>
</tr>
<tr>
<td>Liability component of compound financial instruments (refer notes A (ii) and (iii))</td>
<td>5,157.12</td>
<td>7,925.97</td>
<td>-</td>
</tr>
<tr>
<td>Non-convertible debentures (refer note B)</td>
<td>18,274.53</td>
<td>18,229.95</td>
<td>18,184.75</td>
</tr>
<tr>
<td>Term loans from banks</td>
<td>25,500.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Term loans from parties other than banks</td>
<td>997.56</td>
<td>6,495.38</td>
<td>6,493.20</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td>1,503.24</td>
<td>1,786.57</td>
<td>2,151.96</td>
</tr>
<tr>
<td>Total</td>
<td>53,919.68</td>
<td>36,918.92</td>
<td>29,304.77</td>
</tr>
</tbody>
</table>

Subordinated liabilities in India

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preference shares (refer note A (i))</td>
<td>2,487.23</td>
<td>2,481.05</td>
<td>2,474.86</td>
</tr>
<tr>
<td>Liability component of compound financial instruments (refer notes A (ii) and (iii))</td>
<td>5,157.12</td>
<td>7,925.97</td>
<td>-</td>
</tr>
<tr>
<td>Non-convertible debentures (refer note B)</td>
<td>18,274.53</td>
<td>18,229.95</td>
<td>18,184.75</td>
</tr>
<tr>
<td>Term loans from banks</td>
<td>25,500.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Term loans from parties other than banks</td>
<td>997.56</td>
<td>6,495.38</td>
<td>6,493.20</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td>1,503.24</td>
<td>1,786.57</td>
<td>2,151.96</td>
</tr>
<tr>
<td>Total</td>
<td>53,919.68</td>
<td>36,918.92</td>
<td>29,304.77</td>
</tr>
</tbody>
</table>

Notes:

A Preference shares

(i) During the year ended March 31, 2017, the Company allotted 2,50,00,000, 12.10% Rated, Cumulative, Non-Participative, Non-Convertible, Compulsorily Redeemable Preference Shares of face value of `10 each fully paid-up for cash at an issue price of `10 and are redeemable on April 22, 2021.

(ii) During the year ended March 31, 2018, the Company allotted 12,30,098, 0.01% Optionally Convertible, Redeemable Preference Shares (“OCRPS”) of face value of `10 each fully paid-up for cash at an issue price of `284.53 per share. Each preference share is either convertible into equivalent number of equity shares of the Company of `10 each at the option of allottee within a time frame not exceeding 12 months from the date of allotment or subject to redemption by the Company at any such time frame on and such terms and conditions, as may be decided appropriate by the Board of Directors. Further, these OCRPS were converted into equivalent number of equity shares (i.e., 12,30,098 equity shares) of face value of `10 each on May 30, 2018. The Company has measured this as compound financial instruments and accordingly, equity and liability component is recognised.

(iii) During the year ended March 31, 2018, the Company allotted 13,43,283, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares (“OCRPS”) of face value of `10 each fully paid-up for cash at an issue price of `335 per share. Each preference share is either convertible into equivalent number of equity shares of the Company of `10 each at the option of allottee within a time frame not exceeding 18 months from the date of allotment or subject to redemption by the Company at any such time frame on and such terms and conditions along with applicable yield of 12% per annum of the consideration paid by allottee, as may be deemed appropriate by the Board of Directors. The Company has measured this as compound financial instruments and accordingly, equity and liability component is recognised.
## (B) Non convertible debentures (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 84 (March 31, 2018: 84 and April 1, 2017: 84),  @18.00%, Unsecured, listed, redeemable, non-convertible debentures of face value of ₹25,00,000 each, The date of allotment is July 15, 2014.</td>
<td>Redeemable at par on October 16, 2019</td>
<td>2,100.00</td>
<td>2,100.00</td>
<td>2,100.00</td>
</tr>
<tr>
<td>2 150 (March 31, 2018: 150 and April 1, 2017: 150),  @16.90%, Unsecured, listed, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is March 20, 2015.</td>
<td>Redeemable at par on September 20, 2020</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>1,500.00</td>
</tr>
<tr>
<td>3 130 (March 31, 2018: 130 and April 1, 2017: 130),  @17.75%, Unsecured, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is March 31, 2015.</td>
<td>Redeemable at par on December 18, 2020</td>
<td>1,300.00</td>
<td>1,300.00</td>
<td>1,300.00</td>
</tr>
<tr>
<td>4 250 (March 31, 2018: 250 and April 1, 2017: 250), SBI Base rate + 6.15% i.e. 15.85%, Unsecured, rated, redeemable, listed, taxable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 30, 2015.</td>
<td>Redeemable on June 30, 2021</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>5 250 (March 31, 2018: 250 and April 1, 2017: 250),  @15.50%, Unsecured, rated, subordinated, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is December 30, 2015.</td>
<td>Redeemable on April 15, 2022</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>6 100 (March 31, 2018: 100 and April 1, 2017: 100),  @15.50%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 28, 2016.</td>
<td>Redeemable on September 28, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>7 100 (March 31, 2018: 100 and April 1, 2017: 100),  @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on September 30, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>8 100 (March 31, 2018: 100 and April 1, 2017: 100),  @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on December 31, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>9 100 (March 31, 2018: 100 and April 1, 2017: 100),  @15.00% Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on March 31, 2023</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>10 350 (March 31, 2018: 350 and April 1, 2017: 350),  @13.85%, Unsecured, unrated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is March 29, 2017.</td>
<td>Redeemable on April 30, 2023</td>
<td>3,500.00</td>
<td>3,500.00</td>
<td>3,500.00</td>
</tr>
<tr>
<td>11 100 (March 31, 2018: 100 and April 1, 2017: 100),  @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on June 30, 2023</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>

| Total | 18,400.00 | 18,400.00 | 18,400.00 |
| Less: Unamortised transaction costs | (125.47) | (170.05) | (215.25) |
| Total | 18,274.53 | 18,229.95 | 18,184.75 |
Reconciliation of liabilities arising from financing activities

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Debt securities</th>
<th>Borrowings (other than debt)</th>
<th>Subordinated liabilities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2017</td>
<td>58,808.91</td>
<td>3,22,329.00</td>
<td>29,304.77</td>
<td>4,10,442.68</td>
</tr>
<tr>
<td>Cash flows:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Repayment</td>
<td>(9,074.48)</td>
<td>(2,88,930.93)</td>
<td>(369.74)</td>
<td>(2,98,375.15)</td>
</tr>
<tr>
<td>- Proceeds from overdraft facility</td>
<td>-</td>
<td>1,077.42</td>
<td>-</td>
<td>1,077.42</td>
</tr>
<tr>
<td>- Proceeds other than overdraft facility</td>
<td>42,300.00</td>
<td>3,51,404.44</td>
<td>8,000.00</td>
<td>4,01,704.44</td>
</tr>
<tr>
<td>Non cash:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Foreign exchange</td>
<td>-</td>
<td>(5.12)</td>
<td>(2.76)</td>
<td>(7.88)</td>
</tr>
<tr>
<td>- Amortisation of upfront fees and others</td>
<td>(104.77)</td>
<td>366.38</td>
<td>(13.35)</td>
<td>248.26</td>
</tr>
<tr>
<td>March 31, 2018</td>
<td>91,929.66</td>
<td>3,86,241.19</td>
<td>36,918.92</td>
<td>5,15,089.77</td>
</tr>
<tr>
<td>Cash flows:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Repayment</td>
<td>(34,702.86)</td>
<td>(3,44,401.21)</td>
<td>(369.81)</td>
<td>(3,79,473.88)</td>
</tr>
<tr>
<td>- Proceeds from overdraft facility</td>
<td>-</td>
<td>4,179.78</td>
<td>-</td>
<td>4,179.78</td>
</tr>
<tr>
<td>- Proceeds other than overdraft facility</td>
<td>40,370.00</td>
<td>3,25,358.64</td>
<td>20,000.00</td>
<td>3,85,728.64</td>
</tr>
<tr>
<td>Non cash:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Conversion of Optionally Convertible, Redeemable Preference Shares</td>
<td>-</td>
<td>-</td>
<td>(3,500.00)</td>
<td>(3,500.00)</td>
</tr>
<tr>
<td>- Foreign exchange</td>
<td>-</td>
<td>149.75</td>
<td>80.63</td>
<td>230.38</td>
</tr>
<tr>
<td>- Amortisation of upfront fees and others</td>
<td>(9.95)</td>
<td>471.06</td>
<td>789.94</td>
<td>1,251.05</td>
</tr>
<tr>
<td>March 31, 2019</td>
<td>97,586.85</td>
<td>3,71,999.21</td>
<td>53,919.68</td>
<td>5,23,505.74</td>
</tr>
</tbody>
</table>

Notes:

i) The borrowings together with debt securities and subordinate liabilities referred in notes 20, 21 and 22 are secured by way of hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits. The same have also been guaranteed by two of the directors of the Company in their personal capacity.

ii) Vehicles and building are hypothecated for respective borrowings availed for purchase of property plant and equipments.

23. OTHER FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest accrued on debt securities</td>
<td>2,924.36</td>
<td>2,126.15</td>
<td>1,780.00</td>
</tr>
<tr>
<td>Interest accrued on borrowings other than debt securities</td>
<td>2,394.74</td>
<td>1,801.41</td>
<td>1,494.29</td>
</tr>
<tr>
<td>Interest accrued on subordinated liabilities</td>
<td>485.41</td>
<td>478.95</td>
<td>414.94</td>
</tr>
<tr>
<td>Payable towards assignment and securitisation transactions</td>
<td>19,708.59</td>
<td>11,756.75</td>
<td>10,606.16</td>
</tr>
<tr>
<td>Margin money received from customers</td>
<td>399.77</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>First loss default guarantee</td>
<td>323.34</td>
<td>1.92</td>
<td>-</td>
</tr>
<tr>
<td>Payable to employees</td>
<td>883.57</td>
<td>1,134.83</td>
<td>304.00</td>
</tr>
<tr>
<td>Security deposit received</td>
<td>26.99</td>
<td>3.69</td>
<td>0.34</td>
</tr>
<tr>
<td>Insurance payables</td>
<td>446.54</td>
<td>1,168.85</td>
<td>709.49</td>
</tr>
<tr>
<td>Total</td>
<td>27,593.31</td>
<td>18,472.55</td>
<td>15,309.22</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in Lakhs, unless otherwise stated)

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2019 are as follows:*

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due within 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
</tr>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>521</td>
<td>93,356.29</td>
<td>263</td>
<td>25,986.36</td>
<td>53</td>
<td>1,085.55</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>400</td>
<td>24,825.01</td>
<td>226</td>
<td>16,396.05</td>
<td>26</td>
<td>9,038.59</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Quarterly</td>
<td>9% to 12%</td>
<td>97</td>
<td>62,685.84</td>
<td>45</td>
<td>22,131.67</td>
<td>6</td>
<td>424.87</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>18</td>
<td>3,485.60</td>
<td>9</td>
<td>1,402.86</td>
<td>8</td>
<td>1,152.86</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>18</td>
<td>42,843.25</td>
<td>21</td>
<td>32,917.86</td>
<td>21</td>
<td>16,748.21</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>2</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Annually</td>
<td>1</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>14</td>
<td>24,605.66</td>
<td>4</td>
<td>14,050.00</td>
<td>1</td>
<td>3,870.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>8</td>
<td>19,352.45</td>
<td>4</td>
<td>10,200.00</td>
<td>8</td>
<td>1,152.86</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>16</td>
<td>27,350.00</td>
<td>10</td>
<td>19,887.50</td>
<td>10</td>
<td>6,375.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>2</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Annually</td>
<td>1</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>14</td>
<td>19,578.41</td>
<td>2</td>
<td>4,700.00</td>
<td>2</td>
<td>7,800.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>5</td>
<td>15,469.00</td>
<td>9</td>
<td>23,352.97</td>
<td>4</td>
<td>10,200.00</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>On demand</td>
<td>Variable rates</td>
<td>1</td>
<td>516.28</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Variable rates</td>
<td>1</td>
<td>516.28</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bullet</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>On demand</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>2,39,375.49</td>
<td>537</td>
<td>1,50,131.57</td>
<td>132</td>
<td>42,601.80</td>
<td>54</td>
</tr>
</tbody>
</table>

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2018 are as follows:*

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due within 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
</tr>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>525</td>
<td>1,37,352.47</td>
<td>327</td>
<td>46,002.85</td>
<td>74</td>
<td>1,951.15</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>243</td>
<td>16,827.75</td>
<td>95</td>
<td>6,333.81</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>16</td>
<td>27,350.00</td>
<td>10</td>
<td>19,887.50</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>2</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Annually</td>
<td>1</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>14</td>
<td>19,578.41</td>
<td>2</td>
<td>4,700.00</td>
<td>2</td>
<td>7,800.00</td>
</tr>
<tr>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bullet</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>On demand</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>965</td>
<td>2,39,375.49</td>
<td>537</td>
<td>1,50,131.57</td>
<td>132</td>
<td>42,601.80</td>
<td>54</td>
</tr>
</tbody>
</table>
## Terms of repayment of debt securities, other borrowings and subordinated liabilities as on April 1, 2017 are as follows:

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
</tr>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>352</td>
<td>222</td>
<td>21,372.31</td>
<td>102</td>
<td>4,068.78</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>1201% to 15%</td>
<td>307</td>
<td>87</td>
<td>9,516.74</td>
<td>10</td>
<td>2,042.15</td>
<td></td>
</tr>
<tr>
<td>Quarterly</td>
<td>9% to 12%</td>
<td>73</td>
<td>53</td>
<td>17,690.64</td>
<td>24</td>
<td>8,043.05</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1201% to 15%</td>
<td>127</td>
<td>52</td>
<td>23,014.71</td>
<td>14</td>
<td>2,690.52</td>
<td>8</td>
</tr>
<tr>
<td>Above 15%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>14</td>
<td>14</td>
<td>19,850.00</td>
<td>8</td>
<td>12,387.50</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>1201% to 15%</td>
<td>1</td>
<td>2</td>
<td>1,000.00</td>
<td>2</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>4</td>
<td>-</td>
<td>14,097.97</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1201% to 15%</td>
<td>2</td>
<td>6</td>
<td>18,843.45</td>
<td>6</td>
<td>19,978.00</td>
<td>3</td>
</tr>
<tr>
<td>Above 15%</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>2,100.00</td>
<td>3</td>
</tr>
<tr>
<td>Bullet</td>
<td>On demand</td>
<td>Variable rates</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>880</td>
<td>436</td>
<td>11,1287.85</td>
<td>168</td>
<td>54,810.00</td>
<td>42</td>
</tr>
</tbody>
</table>

*# All the above mentioned repayments disclosed as per the contractual maturities of debt securities, borrowing other than debt securities and subordinate liabilities at gross carrying value.*
## 24. CURRENT TAX LIABILITIES (NET)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for tax (net)</td>
<td>1,178.58</td>
<td>914.36</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,178.58</td>
<td>914.36</td>
<td>-</td>
</tr>
</tbody>
</table>

## 25. PROVISIONS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for gratuity</td>
<td>412.77</td>
<td>358.18</td>
<td>355.22</td>
</tr>
<tr>
<td>Provision for compensation absences</td>
<td>941.67</td>
<td>658.26</td>
<td>565.16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,354.44</td>
<td>1,016.44</td>
<td>920.38</td>
</tr>
</tbody>
</table>

## 26. OTHER NON-FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received in advance</td>
<td>-</td>
<td>150.78</td>
<td>-</td>
</tr>
<tr>
<td>Deferred income</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Statutory dues payables</td>
<td>726.39</td>
<td>623.08</td>
<td>528.62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>760.58</td>
<td>773.86</td>
<td>528.62</td>
</tr>
</tbody>
</table>

## 27. EQUITY SHARE CAPITAL

### A. Authorised

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital of face value of `10 each</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At the beginning of the year</td>
<td>6,50,00,000</td>
<td>6,500.00</td>
<td></td>
</tr>
<tr>
<td>Additions during the year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,50,00,000</td>
<td>6,500.00</td>
<td></td>
</tr>
</tbody>
</table>

### B. Issued and subscribed

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital of face value of `10 each</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At the beginning of the year</td>
<td>4,77,20,269</td>
<td>4,772.03</td>
<td></td>
</tr>
<tr>
<td>Additions during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,89,50,367</td>
<td>4,895.04</td>
<td></td>
</tr>
</tbody>
</table>

### C. Fully paid-up

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital of face value of `10 each</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At the beginning of the year</td>
<td>4,76,73,769</td>
<td>4,767.38</td>
<td></td>
</tr>
<tr>
<td>Additions during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,89,03,867</td>
<td>4,890.39</td>
<td></td>
</tr>
</tbody>
</table>

Less: Amount recoverable from Satin Employees Welfare Trust (Equity shares of `10 each allotted to the Satin Employees Welfare Trust)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(3,96,700)</td>
<td>(39.67)</td>
<td>(4,28,200)</td>
<td>(44.93)</td>
</tr>
</tbody>
</table>

Add: Forfeited shares (amount originally paid on 46,500 equity shares)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2.35)</td>
<td>2.35</td>
<td>2.35</td>
<td></td>
</tr>
</tbody>
</table>

**Total**                                         | 4,85,07,167          | 4,853.07             | 4,72,45,569          | 4,724.56             | 3,71,19,487          | 3,714.30             |
D. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Amount</td>
<td>Number</td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>4,76,73,769</td>
<td>4,767.38</td>
<td>3,75,68,787</td>
</tr>
<tr>
<td>Add: Issued during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td>1,01,04,982</td>
</tr>
<tr>
<td></td>
<td>4,89,03,867</td>
<td>4,890.39</td>
<td>4,76,73,769</td>
</tr>
</tbody>
</table>

E. Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year

<table>
<thead>
<tr>
<th></th>
<th>Balance at the beginning of the year</th>
<th>Less: Allotted to employees during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,28,200</td>
<td>42.82</td>
</tr>
<tr>
<td></td>
<td>3,96,700</td>
<td>39.67</td>
</tr>
</tbody>
</table>

F. During the year ended March 31, 2018, the authorised share capital of the company was increased vide approval of equity shareholders from ₹ 5,500 Lakhs divided into 5,50,00,000 equity shares of ₹ 10 each to ₹ 6,500 Lakhs divided into 6,50,00,000 equity shares of ₹ 10 each.

G. (i) During the year ended March 31, 2018 the Company allotted 15,43,187 equity shares of ₹ 10 each at an issue price of ₹ 416.67 per share including premium of ₹ 406.67 per share on preferential basis to Asian Development Bank (an entity belonging to non-promoter group).

(ii) During the year ended March 31, 2018, the Company allotted 6,58,690 equity shares of ₹ 10 each at an issue price of ₹ 455.45 per share including premium of ₹ 445.45 per share on preferential basis pursuant to conversion of fully convertible warrants to Trishashna Holdings & Investments Private Limited (an entity belonging to promoter group).

(iii) During the year ended March 31, 2018, subsequent to the approval of Board of Directors of the Company and shareholders of the Company, the working Committee of the Board offered for Qualified Institutions Placement for an amount upto ₹ 15,000 Lakhs to Qualified Institutional Buyers in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009, as amended and in accordance with Chapter VIII of the SEBI ICDR Regulations. The working Committee of the Board of Directors of the Company approved the allotment of 49,18,032 equity shares of face value of ₹ 10 each to qualified institutional buyers (QIBs) at the issue price of ₹ 305 per equity share (including a premium of ₹ 295), aggregating to ₹ 15,000 Lakhs.

(iv) During the year ended March 31, 2018, the Company allotted 23,88,059 and 5,97,014 equity shares of ₹ 10 each at an issue price of ₹ 335 per share including premium of ₹ 325 per share on preferential basis to Kora Investment 1 LLC and Nordic Microfinance Initiative Fund III KS respectively (entities belonging to non-promoter group).

(v) During the year, the Company has allotted 12,30,098 equity shares of ₹ 10 each at issue price of ₹ 284.53 per share including premium of ₹ 274.53 per share on preferential basis pursuant to conversion of 12,30,098, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCRPS") of face value of ₹ 10 each fully paid-up to Capital First Limited (entities belonging to non-promoter group).

H. Rights, preferences and restrictions

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.
I. Details of shareholder holding more than 5% share capital:

<table>
<thead>
<tr>
<th>Name of the equity share holder</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Trishashna Holdings &amp; Investments Private Limited (THIPL) *</td>
<td>1,18,63,415</td>
<td>24.26%</td>
<td>-</td>
</tr>
<tr>
<td>DSP Equity &amp; Bond Fund #</td>
<td>36,76,910</td>
<td>7.52%</td>
<td>27,36,930</td>
</tr>
<tr>
<td>Nordic Microfinance Initiative Fund III KS</td>
<td>33,69,318</td>
<td>6.89%</td>
<td>33,69,318</td>
</tr>
<tr>
<td>SBI FMO Emerging Asia Financial Sector Fund Pte. Ltd.</td>
<td>33,13,609</td>
<td>6.78%</td>
<td>33,13,609</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Trustee Private Limited A/C</td>
<td>30,48,306</td>
<td>6.23%</td>
<td>24,32,553</td>
</tr>
<tr>
<td>MV Mauritius Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Parishek Finance Private Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Morgan Stanley Mauritius Company Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*THIPL, Promoter entity, whose shareholding (due to inter-se transfer of Promoter’s) has been changed with effect from March 04, 2019 vide order no. 147 of petition number CP(CAA)-29(PB)/2018 connected with CA(CAA)- 127(PB)/2017 received from National Company Law Tribunal, Principal Bench, New Delhi.

# Shareholding are on combined basis.

J. Aggregate number of shares issued for consideration other than cash during the last five years

i) The Company has allotted 10,87,456 equity shares of ₹ 10 each at an issue price of ₹ 457.82 per share including premium of ₹ 447.82 per share on preferential basis to persons and entities belonging to promoter and non-promoter group pursuant to swap of equity shares of the Company with the shareholders of Taraashna Services Limited, “TSL” (Previously known as Taraashna Services Private Limited) with an intent to make it a subsidiary of the Company in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009. Accordingly, as per confirmation received from TSL, 79,77,239 equity shares were transferred to the Company.

ii) During the year, the Company has allotted 12,30,098 equity shares of ₹ 10 each on conversion of 12,30,098, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares (“OCRPS”) of face value of ₹ 10 each fully paid-up to Capital First Limited (entities belonging to non-promoter group).

K. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note 53.

L. In respect of securities convertible into equity shares issue along with their earliest date of conversion and other related terms and conditions disclosed in note 22 A.

M. The information required to be disclosed that enables user of its financial statements to evaluate the its objectives, policies and process for managing capital is disclosed in note 44.

28. OTHER EQUITY

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital redemption reserve</td>
<td>277.00</td>
<td>277.00</td>
<td>277.00</td>
</tr>
<tr>
<td>Share options outstanding account</td>
<td>476.63</td>
<td>153.52</td>
<td>46.26</td>
</tr>
<tr>
<td>Statutory reserves</td>
<td>6,841.05</td>
<td>2,942.19</td>
<td>2,861.66</td>
</tr>
<tr>
<td>General reserve</td>
<td>29.94</td>
<td>29.94</td>
<td>29.94</td>
</tr>
<tr>
<td>Securities premium</td>
<td>83,342.21</td>
<td>79,843.48</td>
<td>47,001.28</td>
</tr>
<tr>
<td>Equity component of compound financial instruments</td>
<td>34.96</td>
<td>283.61</td>
<td>-</td>
</tr>
<tr>
<td>Foreign currency monetary item translation difference account</td>
<td>-</td>
<td>-</td>
<td>(138.82)</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>15,241.50</td>
<td>(565.43)</td>
<td>(8,700.80)</td>
</tr>
<tr>
<td>Money received against share warrants</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td>(5.00)</td>
<td>(1.68)</td>
<td>(1.49)</td>
</tr>
<tr>
<td>Changes in fair value of loan assets</td>
<td>2,550.33</td>
<td>2,550.33</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,10,288.62</strong></td>
<td><strong>84,462.63</strong></td>
<td><strong>41,375.03</strong></td>
</tr>
</tbody>
</table>
Nature and purpose of other reserve

Capital redemption reserve
The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

Share options outstanding account
The reserve is used to recognise the fair value of the options issued to employees of the Company and subsidiary companies under Company’s employee stock option plan.

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

General reserve
The Company has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

Securities premium
Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

Equity component of compound financial instruments
Optionally convertible and redeemable preference shares issued by the Company have been classified as compound financial instruments and recognised at amortised cost. The difference between transaction value and amortised cost has been recognised as a separate component in other equity.

Foreign currency monetary item translation difference account (FCMITDA)
FCMITDA represents exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements.

Money received against share warrants
The Company allotted 17,91,044 fully convertible warrants of ₹ 10 each at an issue price of ₹ 335 per warrant including premium of ₹ 325 per warrant on preferential basis to Trishasha Holdings & Investments Private Limited (an entity belonging to promoter group) on December 28, 2017. Each warrant is convertible into or exchangeable at an option of warrant holder, in one or more tranches in one equity share of face value of ₹ 10 each at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment of the warrants.

Equity instruments through other comprehensive income
This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

Changes in fair value of loan assets
This represents the cumulative gains and losses arising on the fair valuation of loan assets classified under business model of hold and hold to collect and sell.

29. INTEREST INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On financial assets measured at amortised cost</td>
<td>On financial assets measured classified at fair value through profit and loss</td>
</tr>
<tr>
<td>Interest income on portfolio loans</td>
<td>1,11,256.49</td>
<td>-</td>
</tr>
<tr>
<td>Interest income on deposits, certificate of deposits and commercial papers</td>
<td>5,978.03</td>
<td>-</td>
</tr>
<tr>
<td>Interest income on investments</td>
<td>-</td>
<td>489.12</td>
</tr>
<tr>
<td>Interest income on unwinding of assigned portfolio</td>
<td>226.83</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td><strong>1,17,461.35</strong></td>
<td><strong>489.12</strong></td>
</tr>
<tr>
<td><strong>Total interest income</strong></td>
<td><strong>1,17,950.47</strong></td>
<td><strong>1,17,950.47</strong></td>
</tr>
</tbody>
</table>
### 30. FEES AND COMMISSION INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service fee and facilitation charges</td>
<td>299.19</td>
<td>225.73</td>
</tr>
<tr>
<td>Income from business correspondent operations</td>
<td>2,694.66</td>
<td>0.68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,793.85</strong></td>
<td><strong>226.41</strong></td>
</tr>
</tbody>
</table>

### 31. NET GAIN ON FAIR VALUE CHANGES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Net gain on financial instruments measured at fair value through profit and loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale of mutual funds</td>
<td>2,688.93</td>
<td>1,701.26</td>
</tr>
<tr>
<td>(Loss)/gain on fair valuation of other investments</td>
<td>(6.78)</td>
<td>8.55</td>
</tr>
<tr>
<td>(B) Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Derivatives</td>
<td>304.57</td>
<td>(117.58)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,986.72</strong></td>
<td><strong>1,592.23</strong></td>
</tr>
</tbody>
</table>

Fair value changes
- Realised                                                                 | 2,680.38                          | 1,701.26                          |
- Unrealised                                                               | 306.34                            | (109.03)                          |
**Total**                                                                 | **2,986.72**                      | **1,592.23**                      |

### 32. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST CATEGORY

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain on sale of loan portfolio through assignment</td>
<td>13,345.54</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,345.54</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

### 33. OTHER OPERATING INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment and other charges</td>
<td>199.12</td>
<td>118.03</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>199.12</strong></td>
<td><strong>118.03</strong></td>
</tr>
</tbody>
</table>

### 34. OTHER INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental income on building</td>
<td>25.85</td>
<td>6.71</td>
</tr>
<tr>
<td>Net gain on derecognition of property, plant and equipment</td>
<td>2.77</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28.62</strong></td>
<td><strong>6.71</strong></td>
</tr>
</tbody>
</table>
## 35. Finance Costs (On Financial Liabilities Measured at Amortised Cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on debt securities</td>
<td>12,221.69</td>
<td>9,336.76</td>
</tr>
<tr>
<td>Interest on borrowings (other than debt securities)</td>
<td>45,016.79</td>
<td>39,248.75</td>
</tr>
<tr>
<td>Interest on subordinated liabilities</td>
<td>6,568.19</td>
<td>4,584.46</td>
</tr>
<tr>
<td>Other interest expenses</td>
<td>96.59</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63,903.26</strong></td>
<td><strong>53,169.97</strong></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio loans written off</td>
<td>14,880.46</td>
<td>17,917.63</td>
</tr>
<tr>
<td>Impairment loss allowance on other receivable</td>
<td>15.69</td>
<td>122.48</td>
</tr>
<tr>
<td>Reversal of impairment allowance on portfolio loans</td>
<td>(9,689.45)</td>
<td>(13,593.84)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,206.70</strong></td>
<td><strong>4,446.27</strong></td>
</tr>
</tbody>
</table>

## 37. Employee Benefits Expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, wages and bonus</td>
<td>23,989.05</td>
<td>17,047.16</td>
</tr>
<tr>
<td>Contribution to provident and other funds</td>
<td>1,866.79</td>
<td>1,447.40</td>
</tr>
<tr>
<td>Share based payment to employees</td>
<td>317.86</td>
<td>189.08</td>
</tr>
<tr>
<td>Staff welfare expenses</td>
<td>307.94</td>
<td>231.68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,481.64</strong></td>
<td><strong>18,915.32</strong></td>
</tr>
</tbody>
</table>

## 38. Depreciation and Amortisation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation on property, plant and equipment</td>
<td>903.33</td>
<td>1,028.55</td>
</tr>
<tr>
<td>Amortisation on intangible assets</td>
<td>228.56</td>
<td>377.45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,131.89</strong></td>
<td><strong>1,406.00</strong></td>
</tr>
</tbody>
</table>

## 39. Other Expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travelling and conveyance</td>
<td>846.88</td>
<td>833.99</td>
</tr>
<tr>
<td>Legal and professional charges*</td>
<td>1,321.22</td>
<td>673.54</td>
</tr>
<tr>
<td>Insurance</td>
<td>440.88</td>
<td>171.06</td>
</tr>
<tr>
<td>Rent</td>
<td>1,599.81</td>
<td>1,235.68</td>
</tr>
<tr>
<td>Auditor’s fee and expenses*</td>
<td>31.97</td>
<td>35.23</td>
</tr>
<tr>
<td>Rates and taxes</td>
<td>56.44</td>
<td>5.39</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>582.86</td>
<td>403.35</td>
</tr>
<tr>
<td>Exchange fluctuation loss (net)</td>
<td>233.60</td>
<td>130.95</td>
</tr>
<tr>
<td>Loss on securitisation</td>
<td>378.06</td>
<td>141.66</td>
</tr>
<tr>
<td>Bank charges</td>
<td>366.52</td>
<td>168.01</td>
</tr>
</tbody>
</table>

contd...
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate social responsibility#</td>
<td>85.75</td>
<td>114.30</td>
</tr>
<tr>
<td>Net loss on derecognition of property, plant and equipment</td>
<td>-</td>
<td>0.03</td>
</tr>
<tr>
<td>Property, plant and equipment written off</td>
<td>48.64</td>
<td>-</td>
</tr>
<tr>
<td>Car lease rent</td>
<td>149.59</td>
<td>66.24</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>361.48</td>
<td>325.45</td>
</tr>
<tr>
<td>Communication costs</td>
<td>623.04</td>
<td>835.00</td>
</tr>
<tr>
<td>First loss default guarantee expenses</td>
<td>321.42</td>
<td>1.92</td>
</tr>
<tr>
<td>Advertisement and publicity</td>
<td>296.69</td>
<td>171.35</td>
</tr>
<tr>
<td>Cash embezzlement</td>
<td>257.99</td>
<td>64.38</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>1,109.41</td>
<td>875.05</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>906.88</td>
<td>822.60</td>
</tr>
<tr>
<td>Total</td>
<td>10,019.13</td>
<td>7,075.18</td>
</tr>
</tbody>
</table>

* Remuneration to auditors comprises of:

<table>
<thead>
<tr>
<th></th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>As auditors</td>
<td>28.00</td>
<td>34.50</td>
</tr>
<tr>
<td>Other services</td>
<td>18.00</td>
<td>-</td>
</tr>
<tr>
<td>Reimbursement of expenses</td>
<td>5.18</td>
<td>0.73</td>
</tr>
<tr>
<td>Total</td>
<td>51.18</td>
<td>35.23</td>
</tr>
</tbody>
</table>

# Corporate social responsibility expenses
The Company spent ₹ 85.75 Lakhs (March 31, 2018 ₹ 114.30 Lakhs), towards Corporate Social Responsibility (CSR) activities as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount spent on purpose other than above</td>
<td>85.75</td>
<td>114.30</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

40. TAX EXPENSE

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax</td>
<td>6,662.45</td>
<td>1,478.95</td>
</tr>
<tr>
<td>Deferred tax charge</td>
<td>4,404.97</td>
<td>2,968.14</td>
</tr>
<tr>
<td>Tax expense reported in the Statement of Profit and Loss</td>
<td>11,067.42</td>
<td>4,447.09</td>
</tr>
</tbody>
</table>

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 34.944% (March 31, 2018: 34.944%) and the reported tax expense in statement of profit and loss are as follows:

| Accounting profit before tax expense           | 30,561.70                         | 12,661.84                         |
| Income tax rate                               | 34.944%                           | 34.944%                           |
| Expected tax expense                          | 10,679.48                         | 4,424.55                          |

Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense

| Tax impact of expenses which is non deductible | 293.50                            | 187.40                            |
| Tax impact on items exempt under income tax   | 98.74                             | (34.42)                           |
| Impact of difference in tax rate on certain items | -                               | (132.01)                         |
| Others                                         | (4.30)                            | 1.57                              |
| Tax expense                                    | 11,067.42                         | 4,447.09                          |
## Notes to the Standalone Financial Statements

For the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

### 41. Earnings per Share

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit after tax attributable to equity shareholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit for the year for basic EPS</td>
<td>19,494.28</td>
<td>8,214.75</td>
</tr>
<tr>
<td>Dilutive impact of optionally convertible and redeemable preference shares</td>
<td>64.47</td>
<td>-</td>
</tr>
<tr>
<td>Net profit for the year for diluted EPS</td>
<td>19,558.75</td>
<td>8,214.75</td>
</tr>
<tr>
<td>Nominal value of equity share (₹)</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Weighted-average number of equity shares for basis earnings per share</td>
<td>4,82,87,570</td>
<td>4,21,66,114</td>
</tr>
<tr>
<td>Effect of dilution:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optionally convertible preference shares</td>
<td>1,98,838</td>
<td>-</td>
</tr>
<tr>
<td>Share warrants</td>
<td>-</td>
<td>4,61,255</td>
</tr>
<tr>
<td>Share options</td>
<td>2,97,369</td>
<td>3,92,738</td>
</tr>
<tr>
<td>Weighted-average number of equity shares used to compute diluted earnings per share</td>
<td>4,87,83,777</td>
<td>4,30,20,107</td>
</tr>
<tr>
<td>Basic earnings per share (₹)</td>
<td>40.37</td>
<td>19.48</td>
</tr>
<tr>
<td>Diluted earnings per share (₹)</td>
<td>40.09</td>
<td>19.10</td>
</tr>
</tbody>
</table>

### 42. Financial Instruments

#### A. Financial assets and liabilities

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets measured at fair value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments fair value through profit and loss</td>
<td>Note - 6</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans measured at fair value through other comprehensive income</td>
<td>Note - 8</td>
<td>3,70,973.92</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments* measured at</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Fair value through other comprehensive income</td>
<td>Note - 9</td>
<td>-</td>
<td>3.32</td>
<td>3.51</td>
</tr>
<tr>
<td>(ii) Fair value through profit and loss</td>
<td>Note - 9</td>
<td>26,428.85</td>
<td>4,707.85</td>
<td>2,045.72</td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>Note - 4</td>
<td>1,00,387.51</td>
<td>44,581.98</td>
<td>65,300.75</td>
</tr>
<tr>
<td>Bank balances other cash and cash equivalents</td>
<td>Note - 5</td>
<td>69,396.52</td>
<td>63,738.23</td>
<td>62,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>Note - 7</td>
<td>651.56</td>
<td>18.71</td>
<td>88.35</td>
</tr>
<tr>
<td>Loans</td>
<td>Note - 8</td>
<td>75,034.66</td>
<td>4,84,521.95</td>
<td>3,18,356.90</td>
</tr>
<tr>
<td>Investments*</td>
<td>Note - 9</td>
<td>-</td>
<td>2,470.55</td>
<td>-</td>
</tr>
<tr>
<td>Security deposits</td>
<td>Note - 10</td>
<td>234.22</td>
<td>151.33</td>
<td>93.97</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>Note - 10</td>
<td>1,762.67</td>
<td>3,089.30</td>
<td>1,980.12</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6,45,056.90</td>
<td>6,03,283.22</td>
<td>4,50,160.26</td>
</tr>
</tbody>
</table>

contd...
## Notes to the Standalone Financial Statements

**For the year ended March 31, 2019**  
(All amounts in Lakhs, unless otherwise stated)

### Financial liabilities measured at fair value

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>17</td>
<td>-</td>
<td>117.58</td>
<td>-</td>
</tr>
<tr>
<td>Trade payables</td>
<td>18</td>
<td>129.58</td>
<td>37.37</td>
<td>40.81</td>
</tr>
<tr>
<td>Other payables</td>
<td>19</td>
<td>1,069.94</td>
<td>644.19</td>
<td>537.66</td>
</tr>
<tr>
<td>Debt securities (including interest accrued)</td>
<td>20 and 23</td>
<td>1,00,511.21</td>
<td>94,055.81</td>
<td>60,588.91</td>
</tr>
<tr>
<td>Borrowings other than debt securities (including interest accrued)</td>
<td>21 and 23</td>
<td>3,74,393.95</td>
<td>3,88,042.60</td>
<td>3,23,823.29</td>
</tr>
<tr>
<td>Subordinated liabilities (including interest accrued)</td>
<td>22 and 23</td>
<td>54,405.09</td>
<td>37,397.87</td>
<td>29,719.71</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>23</td>
<td>21,788.80</td>
<td>14,066.04</td>
<td>11,619.99</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>5,52,298.57</strong></td>
<td><strong>5,34,361.46</strong></td>
<td><strong>4,26,330.37</strong></td>
</tr>
</tbody>
</table>

*Investment in subsidiaries are measured at cost as per Ind AS 27, ‘Separate financial statements’ and hence, not presented here.

### B. Fair values hierarchy

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

- **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).

#### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio loans</td>
<td>-</td>
<td>3,70,973.92</td>
<td>-</td>
<td>3,70,973.92</td>
</tr>
<tr>
<td>Investments at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposits</td>
<td>26,428.34</td>
<td>-</td>
<td>-</td>
<td>26,428.34</td>
</tr>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td>Derivative financial assets at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency and interest swaps</td>
<td>-</td>
<td>186.99</td>
<td>-</td>
<td>186.99</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at March 31, 2018</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>3.32</td>
<td>3.32</td>
</tr>
<tr>
<td>Investments at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposits</td>
<td>4,707.34</td>
<td>-</td>
<td>-</td>
<td>4,707.34</td>
</tr>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial liabilities at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency and interest swaps</td>
<td>-</td>
<td>117.58</td>
<td>-</td>
<td>117.58</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

As at April 1, 2017 | Level 1 | Level 2 | Level 3 | Total
---|---|---|---|---
**Assets**

**Investments at fair value through other comprehensive income**

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
<th>Significant unobservable inputs</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>3.51</td>
<td>Discount rate</td>
<td>13.81%</td>
<td>12.71%</td>
<td>12.38%</td>
</tr>
</tbody>
</table>

**Investments at fair value through profit and loss**

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
<th>Significant unobservable inputs</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>Discount rate</td>
<td>13.81%</td>
<td>12.71%</td>
<td>12.38%</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>2,045.21</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

(a) Eligible portfolio loans valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate for the remaining portfolio tenor. The Company has considered the average valuation impact arrived using risk free, cost of funds and yield free securitisation approach.

(b) The use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

(c) For unquoted equity instruments, the Company has used earning capitalisation method (fair value approach) discounted at a rate to reflect the risk involved in the business.

(d) The value of derivative contracts are determined using forward exchange rates at balance sheet date.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
<th>Significant unobservable inputs</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity investments - income approach</td>
<td>-</td>
<td>3.32</td>
<td>3.51</td>
<td>Discount rate</td>
<td>13.81%</td>
<td>12.71%</td>
<td>12.38%</td>
</tr>
</tbody>
</table>

**Sensitivity analysis**

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on fair value if change in risk adjusted discount rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Impact of increase of 5%</td>
<td>-</td>
<td>(0.13)</td>
</tr>
<tr>
<td>- Impact due to decrease of 5%</td>
<td>-</td>
<td>0.13</td>
</tr>
</tbody>
</table>

The following table presents the changes in level 3 items for the year ended March 31, 2019 and March 31, 2018:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Unquoted equity shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2017</td>
<td>3.51</td>
</tr>
<tr>
<td>Loss recognised in other comprehensive income</td>
<td>(0.19)</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>3.32</td>
</tr>
<tr>
<td>Loss recognised in other comprehensive income</td>
<td>(3.32)</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>-</td>
</tr>
</tbody>
</table>
B.2 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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying value</td>
<td>Fair value</td>
<td>Carrying value</td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,00,387.51</td>
<td>1,00,389.12</td>
<td>44,581.98</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>69,396.52</td>
<td>69,396.52</td>
<td>63,738.23</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>651.56</td>
<td>651.56</td>
<td>18.71</td>
</tr>
<tr>
<td>Loans</td>
<td>75,034.66</td>
<td>75,034.66</td>
<td>4,86,521.95</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td>2,470.55</td>
</tr>
<tr>
<td>Security deposits</td>
<td>234.22</td>
<td>237.55</td>
<td>151.33</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,762.67</td>
<td>1,762.67</td>
<td>3,089.30</td>
</tr>
<tr>
<td>Total</td>
<td>2,47,467.14</td>
<td>2,47,472.08</td>
<td>5,98,572.05</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>129.58</td>
<td>129.58</td>
<td>37.37</td>
</tr>
<tr>
<td>Other payables</td>
<td>1,069.94</td>
<td>1,069.94</td>
<td>644.19</td>
</tr>
<tr>
<td>Debt securities (including interest accrued)</td>
<td>1,00,511.21</td>
<td>1,01,930.95</td>
<td>94,055.81</td>
</tr>
<tr>
<td>Borrowings other than debt securities (including interest accrued)</td>
<td>3,74,393.95</td>
<td>3,77,421.77</td>
<td>3,88,042.60</td>
</tr>
<tr>
<td>Subordinated liabilities (including interest accrued)</td>
<td>54,405.09</td>
<td>55,845.43</td>
<td>37,397.87</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>21,788.80</td>
<td>21,788.80</td>
<td>14,066.04</td>
</tr>
<tr>
<td>Total</td>
<td>5,52,298.57</td>
<td>5,58,186.47</td>
<td>5,34,243.88</td>
</tr>
</tbody>
</table>

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 are determined by applying set of discount rates and then averaged out to arrive at the impact of fair value.

(ii) The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discount rate that reflects the issuer’s borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

43. FINANCIAL RISK MANAGEMENT

Risk Management

The Company’s activities expose it to market risk, liquidity risk and credit risk. The Company’s board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company manages the risk basis policies approved by the board of directors. The board of directors provides 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.
Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company’s exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

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

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

<table>
<thead>
<tr>
<th>Nature</th>
<th>Assets covered</th>
<th>Basis of expected credit loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low credit risk</td>
<td>Cash and cash equivalents (excluding cash on hand), other bank balances,</td>
<td>Life time expected credit loss or 12 month</td>
</tr>
<tr>
<td></td>
<td>investments, loans, trade receivables and other financial assets</td>
<td>expected credit loss</td>
</tr>
<tr>
<td>Moderate credit risk</td>
<td>Loans and other financial assets</td>
<td>Life time expected credit loss or 12 month</td>
</tr>
<tr>
<td>High credit risk</td>
<td>Loans</td>
<td>Life time expected credit loss or fully provided for</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Financial assets that expose the entity to credit risk*

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Low credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>95,464.62</td>
<td>41,786.71</td>
<td>63,675.71</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>69,396.52</td>
<td>63,738.23</td>
<td>62,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>651.56</td>
<td>18.71</td>
<td>88.35</td>
</tr>
<tr>
<td>Loans</td>
<td>4,35,589.25</td>
<td>4,76,813.16</td>
<td>2,85,269.68</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>2,473.87</td>
<td>3.51</td>
</tr>
<tr>
<td>Security deposits</td>
<td>234.22</td>
<td>151.33</td>
<td>93.97</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,762.67</td>
<td>3,089.30</td>
<td>1,980.12</td>
</tr>
<tr>
<td>(ii) Moderate credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>2,871.04</td>
<td>7,452.38</td>
<td>65,767.29</td>
</tr>
<tr>
<td>(iii) High credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>17,788.64</td>
<td>21,523.10</td>
<td>2,180.46</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>138.17</td>
<td>122.48</td>
<td>-</td>
</tr>
</tbody>
</table>

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables
Trade receivables measured at amortised cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost
Other financial assets measured at amortised cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans
The Company closely monitors the credit-worthiness of the borrower’s through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:
- The client’s income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India
- The client’s household must be engaged in some form of economic activity which ensures regular and assured income
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the organisation
- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans.
NOTES TO THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019  
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Category*</th>
<th>Inputs</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro finance loans</td>
<td>1. Ageing of historical data</td>
<td>1. Recoverability assumptions for stage 3 loan assets</td>
</tr>
<tr>
<td>Micro, Small &amp; Medium Enterprises loans</td>
<td>2. Latest available interest rate as discounting factor</td>
<td>2. Averaging of best case and worst case</td>
</tr>
</tbody>
</table>

* The Company has used forward looking information in form of real GDP growth rate and CPI inflation.

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.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

<table>
<thead>
<tr>
<th>Date</th>
<th>Estimated gross carrying amount at default</th>
<th>Expected credit losses</th>
<th>Carrying amount net of impairment provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>95,464.62</td>
<td>-</td>
<td>95,464.62</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>41,786.71</td>
<td>-</td>
<td>41,786.71</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>63,675.71</td>
<td>-</td>
<td>63,675.71</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>69,396.52</td>
<td>-</td>
<td>69,396.52</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>63,738.23</td>
<td>-</td>
<td>63,738.23</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>62,290.94</td>
<td>-</td>
<td>62,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>651.56</td>
<td>-</td>
<td>651.56</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>18.71</td>
<td>-</td>
<td>18.71</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>88.35</td>
<td>-</td>
<td>88.35</td>
</tr>
<tr>
<td>Security deposits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>234.22</td>
<td>-</td>
<td>234.22</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>151.33</td>
<td>-</td>
<td>151.33</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>3.51</td>
<td>-</td>
<td>3.51</td>
</tr>
<tr>
<td>Other financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>1,900.84</td>
<td>138.17</td>
<td>1,762.67</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>3,211.78</td>
<td>122.48</td>
<td>3,089.30</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>1,980.12</td>
<td>-</td>
<td>1,980.12</td>
</tr>
</tbody>
</table>

ii) Expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.
Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross carrying amount as at April 1, 2017</td>
<td>2,85,269.68</td>
<td>65,767.29</td>
<td>2,180.46</td>
</tr>
<tr>
<td>Assets originated*</td>
<td>4,43,706.17</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>226.27</td>
<td>(226.14)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>(6,716.62)</td>
<td>6,716.62</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(23,946.77)</td>
<td>(15,625.94)</td>
<td>39,572.71</td>
</tr>
<tr>
<td>Assets derecognised or collected (excluding write offs)</td>
<td>(2,21,725.57)</td>
<td>(49,179.45)</td>
<td>(469.29)</td>
</tr>
<tr>
<td>Write - offs (including death cases)</td>
<td>-</td>
<td>-</td>
<td>(19,760.65)</td>
</tr>
<tr>
<td>Gross carrying amount as at March 31, 2018</td>
<td>4,76,813.16</td>
<td>7,452.38</td>
<td>21,523.10</td>
</tr>
<tr>
<td>Assets originated*</td>
<td>3,36,211.89</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>154.96</td>
<td>(125.56)</td>
<td>(29.41)</td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>(2,709.66)</td>
<td>2,724.50</td>
<td>(14.84)</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(16,380.71)</td>
<td>(4,929.55)</td>
<td>21,310.26</td>
</tr>
<tr>
<td>Assets derecognised or collected (excluding write offs)</td>
<td>(3,58,500.39)</td>
<td>(2,250.73)</td>
<td>(3,055.46)</td>
</tr>
<tr>
<td>Write - offs (including death cases)</td>
<td>-</td>
<td>-</td>
<td>(19,945.01)</td>
</tr>
<tr>
<td>Gross carrying amount as at March 31, 2019</td>
<td>4,35,589.25</td>
<td>2,871.04</td>
<td>17,788.64</td>
</tr>
</tbody>
</table>

* Assets originated has been presented net of collection made during the year.

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

<table>
<thead>
<tr>
<th>Reconciliation of loss allowance</th>
<th>Loans</th>
<th>Other financial assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Stage 1</td>
<td>Stage 2</td>
</tr>
<tr>
<td>Loss allowance on April 1, 2017</td>
<td>7,253.39</td>
<td>26,177.63</td>
</tr>
<tr>
<td>Increase of provision due to assets originated during the year</td>
<td>13,973.54</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>5.76</td>
<td>(5.76)</td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>(3,295.04)</td>
<td>3,295.04</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(11,070.06)</td>
<td>(2,875.93)</td>
</tr>
<tr>
<td>Assets derecognised or collected</td>
<td>(3,520.79)</td>
<td>(22,175.61)</td>
</tr>
<tr>
<td>Impact of ECL on exposures transferred between stages during the year</td>
<td>325.12</td>
<td>(918.46)</td>
</tr>
<tr>
<td>Loss allowance on March 31, 2018</td>
<td>3,671.92</td>
<td>3,496.91</td>
</tr>
<tr>
<td>Increase of provision due to assets originated during the year</td>
<td>2,217.16</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>1.18</td>
<td>(0.96)</td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>(1,057.48)</td>
<td>1,064.40</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(7,294.77)</td>
<td>(2,804.17)</td>
</tr>
<tr>
<td>Assets derecognised or collected</td>
<td>(936.96)</td>
<td>(749.84)</td>
</tr>
<tr>
<td>Impact of ECL on exposures transferred between stages during the year</td>
<td>5,591.81</td>
<td>(138.39)</td>
</tr>
<tr>
<td>Loss allowance on March 31, 2019</td>
<td>2,192.86</td>
<td>867.95</td>
</tr>
</tbody>
</table>


Notes to the Standalone Financial Statements 
For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

(c) Concentration of Loans

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro finance loans</td>
<td>4,29,104.87</td>
<td>5,01,897.40</td>
<td>3,52,362.95</td>
</tr>
<tr>
<td>Micro, Small &amp; Medium Enterprises (MSME)</td>
<td>26,415.25</td>
<td>7,805.11</td>
<td>4,058.10</td>
</tr>
<tr>
<td>Add: Changes in fair value</td>
<td>3,920.21</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Unamortised processing fee</td>
<td>(3,191.40)</td>
<td>(3,913.87)</td>
<td>(3,203.62)</td>
</tr>
<tr>
<td>Total</td>
<td>4,56,248.93</td>
<td>5,05,788.64</td>
<td>3,53,217.43</td>
</tr>
</tbody>
</table>

(d) Loans secured against collateral

Company’s secured portfolio pertains to MSME loans, which are secured largely against property, plant and equipment, book debts, inventories, margin money and other working capital items. Company’s collateral policy is consistent throughout the period’s presented. The following table presents the maximum exposure to credit risk.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Carrying value</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at March 31, 2019</td>
<td></td>
</tr>
<tr>
<td>MSME loans secured by property, plant and equipment (including land, building and plots)</td>
<td>9,844.30</td>
</tr>
<tr>
<td>MSME loans secured by book debts, inventories, margin money and other working capital items</td>
<td>4,343.67</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td></td>
</tr>
<tr>
<td>MSME loans secured by property, plant and equipment (including land, building and plots)</td>
<td>4,844.29</td>
</tr>
<tr>
<td>MSME loans secured by book debts, inventories, margin money and other working capital items</td>
<td>-</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td></td>
</tr>
<tr>
<td>MSME loans secured by property, plant and equipment (including land, building and plots)</td>
<td>507.44</td>
</tr>
<tr>
<td>MSME loans secured by book debts, inventories, margin money and other working capital items</td>
<td>-</td>
</tr>
</tbody>
</table>

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Company initiate the legal proceedings against the defaulted customers.

(B) Liquidity risk

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

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

(i) Financing arrangements

The Company has access to the following funding facilities:

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>46,732.55</td>
<td>17,730.61</td>
<td>29,001.94</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>7,51,568.74</td>
<td>7,23,368.74</td>
<td>28,200.00</td>
</tr>
<tr>
<td>Total</td>
<td>7,98,301.29</td>
<td>7,41,099.35</td>
<td>57,201.94</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at March 31, 2018</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>29,945.06</td>
<td>14,235.20</td>
<td>15,709.86</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>6,44,545.74</td>
<td>6,14,255.53</td>
<td>29,820.21</td>
</tr>
<tr>
<td>Total</td>
<td>6,74,490.80</td>
<td>6,28,960.73</td>
<td>45,530.07</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at April 1, 2017</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>15,535.00</td>
<td>13,157.78</td>
<td>2,377.22</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>5,46,108.45</td>
<td>5,14,408.45</td>
<td>31,700.00</td>
</tr>
<tr>
<td>Total</td>
<td>5,61,643.45</td>
<td>5,27,566.23</td>
<td>34,077.22</td>
</tr>
</tbody>
</table>
(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:

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-derivatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,00,834.67</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,00,834.67</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>59,407.38</td>
<td>11,511.88</td>
<td>1,737.13</td>
<td>43.05</td>
<td>72,699.44</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>651.56</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>651.56</td>
</tr>
<tr>
<td>Loans</td>
<td>4,20,018.10</td>
<td>80,308.50</td>
<td>5,918.74</td>
<td>19,841.86</td>
<td>5,26,087.20</td>
</tr>
<tr>
<td>Investments</td>
<td>27,005.51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27,005.51</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,959.87</td>
<td>26.37</td>
<td>60.67</td>
<td>148.15</td>
<td>2,195.06</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>186.99</td>
</tr>
<tr>
<td>Total undiscounted financial assets</td>
<td>6,10,064.08</td>
<td>91,846.75</td>
<td>7,716.54</td>
<td>20,033.06</td>
<td>7,29,660.43</td>
</tr>
</tbody>
</table>

| Financial liabilities |                  |          |          |                   |       |
| Non-derivatives       |                  |          |          |                   |       |
| Debt Securities       | 40,712.29         | 33,794.98 | 14,713.92 | 32,678.37        | 1,21,899.56 |
| Borrowings other than debt securities | 2,81,642.98     | 1,06,501.92 | 24,092.23 | 8,452.14         | 4,20,689.27 |
| Subordinated liabilities | 14,272.13       | 10,589.72 | 8,592.61 | 49,963.30        | 83,417.76 |
| Trade payables        | 1,069.94          | -        | -        | -                 | 1,069.94 |
| Other financial liabilities | 21,389.03       | 468.65   | -        | -                 | 21,857.68 |
| Total undiscounted financial liabilities | 3,59,215.95     | 1,51,355.27 | 47,398.76 | 91,093.81        | 6,49,063.79 |
| Net undiscounted financial assets/(liabilities) | 2,50,848.13 (59,508.52) | (39,682.22) | (71,060.75) | 80,596.64 |

<table>
<thead>
<tr>
<th>As at March 31, 2018</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-derivatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>44,766.69</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>44,766.69</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>53,321.31</td>
<td>12,195.84</td>
<td>974.13</td>
<td>1.08</td>
<td>66,492.36</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>18.71</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18.71</td>
</tr>
<tr>
<td>Loans</td>
<td>4,21,497.58</td>
<td>1,70,919.62</td>
<td>1,640.57</td>
<td>5,256.15</td>
<td>5,99,313.92</td>
</tr>
<tr>
<td>Investments</td>
<td>7,505.51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,505.51</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>3,232.38</td>
<td>4.13</td>
<td>45.70</td>
<td>146.57</td>
<td>3,428.78</td>
</tr>
<tr>
<td>Total undiscounted financial assets</td>
<td>5,30,341.98</td>
<td>1,83,119.59</td>
<td>2,660.40</td>
<td>5,403.80</td>
<td>7,21,525.77</td>
</tr>
</tbody>
</table>

| Financial liabilities |                  |          |          |                   |       |
| Non-derivatives       |                  |          |          |                   |       |
| Debt Securities       | 41,052.00         | 42,031.30 | 23,524.87 | 9,211.31         | 1,15,819.48 |
| Borrowings other than debt securities | 2,96,203.15     | 1,15,071.51 | 19,714.27 | 6,314.67         | 4,37,303.60 |
| Subordinated liabilities | 7,793.80        | 11,587.10 | 7,283.25 | 25,587.17        | 52,251.32 |
| Trade payables        | 37.37            | -        | -        | -                 | 37.37 |

contd...
### Notes to the Standalone Financial Statements

#### For the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

#### Corporate Overview

#### Statutory Reports

#### Financial Statements

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Currency</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other payables</td>
<td></td>
<td>644.19</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td></td>
<td>14,066.04</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivatives (net settled)</td>
<td></td>
<td>117.58</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total undiscounted financial liabilities</td>
<td></td>
<td>3,59,914.13</td>
<td>1,68,689.91</td>
<td>50,522.39</td>
</tr>
<tr>
<td>Net undiscounted financial assets/(liabilities)</td>
<td></td>
<td>1,70,427.85</td>
<td>14,429.68</td>
<td>(47,861.99)</td>
</tr>
</tbody>
</table>

As at April 1, 2017

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-derivatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>65,367.84</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>65,367.84</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>49,535.56</td>
<td>10,547.69</td>
<td>4,506.77</td>
<td>550.29</td>
<td>65,140.31</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>88.35</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>88.35</td>
</tr>
<tr>
<td>Loans</td>
<td>3,31,243.26</td>
<td>73,840.90</td>
<td>1,653.67</td>
<td>434.82</td>
<td>4,07,172.65</td>
</tr>
<tr>
<td>Investments</td>
<td>2,050.72</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,050.72</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,986.97</td>
<td>0.80</td>
<td>2.83</td>
<td>142.27</td>
<td>2,132.87</td>
</tr>
<tr>
<td>Total undiscounted financial assets</td>
<td>4,50,272.70</td>
<td>84,389.39</td>
<td>6,163.27</td>
<td>1,127.38</td>
<td>5,41,952.74</td>
</tr>
</tbody>
</table>

#### Financial Liabilities

| Non-derivatives                         |                  |          |          |                   |       |
| Debt Securities                         | 19,958.24        | 25,440.90 | 25,147.65 | 10,180.95         | 80,727.74 |
| Borrowings other than debt securities   | 2,28,699.77      | 1,01,303.70 | 32,255.26 | 7,936.90          | 3,70,195.63 |
| Subordinated liabilities                | 4,143.13         | 4,093.21  | 6,017.20  | 28,576.06         | 42,829.60 |
| Trade payables                          | 40.81            | -        | -        | -                 | 40.81 |
| Other payables                          | 537.66           | -        | -        | -                 | 537.66 |
| Other financial liabilities             | 11,619.99        | -        | -        | -                 | 11,619.99 |
| Total undiscounted financial liabilities| 2,64,999.60      | 1,30,837.81 | 63,420.11 | 46,693.91         | 5,05,951.43 |

#### Net undiscounted financial assets/(liabilities)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Currency</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities</td>
<td>USD</td>
<td>4,259.40</td>
<td>5,042.41</td>
<td>6,053.50</td>
</tr>
<tr>
<td>(Gain)/loss: Derivative contract</td>
<td></td>
<td>(186.99)</td>
<td>117.58</td>
<td>-</td>
</tr>
</tbody>
</table>

(C) Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. To mitigate the Company’s exposure to foreign currency risk, non-rupee cash flows are monitored and derivative contracts are entered into in accordance with the Company’s risk management policies.

#### Foreign currency risk exposure

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows.
NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in Lakhs, unless otherwise stated)

Sensitivity
The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$ sensitivity*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>₹/US$- increase by 5%</td>
<td>212.97</td>
<td>(252.12)</td>
</tr>
<tr>
<td>₹/US$- decrease by 5%</td>
<td>212.97</td>
<td>252.12</td>
</tr>
</tbody>
</table>

* Holding all other variables constant

b) Interest rate risk

(i) Liabilities

The Company’s policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2019, the Company is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

Interest rate risk exposure

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variable rate liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt securities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings other than debt securities</td>
<td>1,54,013.00</td>
<td>1,30,972.67</td>
<td>153,412.46</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fixed rate liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt securities</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td>Borrowings other than debt securities</td>
<td>2,17,986.21</td>
<td>2,55,268.52</td>
<td>1,68,916.54</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>53,919.68</td>
<td>36,918.92</td>
<td>29,304.77</td>
</tr>
<tr>
<td>Total</td>
<td>5,23,505.74</td>
<td>5,15,089.77</td>
<td>4,10,442.68</td>
</tr>
</tbody>
</table>

Sensitivity

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on debt securities, other borrowings and subordinated liabilities. Below is the sensitivity of profit and loss in interest rates.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest sensitivity*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates – increase by 0.50%</td>
<td>696.84</td>
<td>704.77</td>
</tr>
<tr>
<td>Interest rates – decrease by 0.50%</td>
<td>(696.84)</td>
<td>(704.77)</td>
</tr>
</tbody>
</table>

* Holding all other variables constant

(ii) Assets

The Company’s fixed deposits are carried at amortised cost and are fixed and variable rate deposits. The Company is exposed to changes in MIBOR interest rates through fixed deposits at variable interest rates.

MIBOR Interest rate risk exposure

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed deposits</td>
<td>23,725.00</td>
<td>4,333.00</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>23,725.00</td>
<td>4,333.00</td>
<td>-</td>
</tr>
</tbody>
</table>
Sensitivity
The sensitivity of the statement of profit and loss is the effect of the changes in MIBOR interest rates on fixed deposits. Below is the sensitivity of profit and loss in MIBOR interest rates.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest sensitivity*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates – increase by 1.00%</td>
<td>237.25</td>
<td>43.33</td>
</tr>
<tr>
<td>Interest rates – decrease by 1.00%</td>
<td>(237.25)</td>
<td>(43.33)</td>
</tr>
</tbody>
</table>

* Holding all other variables constant

c) Price risk
i) Exposure
The Company’s exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity
The table below summarises the impact of increases/decreases of the index on the Company’s equity and profit for the period:

Impact on profit after tax

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets value – increase by 5%</td>
<td>1,321.44</td>
<td>235.39</td>
</tr>
<tr>
<td>Net assets value – decrease by 5%</td>
<td>(1,321.44)</td>
<td>(235.39)</td>
</tr>
</tbody>
</table>

Impact on other comprehensive income

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity instruments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value per share – increase by 5%</td>
<td>-</td>
<td>0.17</td>
</tr>
<tr>
<td>Value per share – decrease by 5%</td>
<td>-</td>
<td>(0.17)</td>
</tr>
</tbody>
</table>

44. 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

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 (including investments in Subsidiary companies). In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt*</td>
<td>3,59,526.22</td>
<td>4,11,176.07</td>
<td>2,86,540.22</td>
</tr>
<tr>
<td>Total equity</td>
<td>1,15,141.69</td>
<td>89,189.54</td>
<td>45,089.33</td>
</tr>
<tr>
<td>Net debt to equity ratio</td>
<td>3.12</td>
<td>4.61</td>
<td>6.35</td>
</tr>
</tbody>
</table>

* Net debt includes debt securities + borrowings other than debt securities + subordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash and cash equivalents.
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

45. **MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

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

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|-------------|---------------------|-----------------|---------------------|-----------------|-----------------|
|              | Within 12 months    | After 12 months | Within 12 months    | After 12 months | Within 12 months | After 12 months |
| **ASSETS**   |                     |                 |                     |                 |                 |                 |
| Financial assets |                   |                 |                     |                 |                 |                 |
| Cash and cash equivalents | 1,00,387.51 | - | 44,581.98 | - | 65,300.75 | - |
| Bank balances other than cash and cash equivalents | 56,525.24 | 12,871.28 | 50,917.46 | 12,820.77 | 47,354.83 | 14,936.11 |
| Derivative financial instruments | 186.99 | - | - | - | - | - |
| Trade receivables | 651.56 | - | 18.71 | - | 88.35 | - |
| Loans | 3,60,790.14 | 85,218.44 | 3,31,398.52 | 1,53,123.43 | 2,55,342.87 | 63,014.03 |
| Investments | 26,428.85 | 15,760.24 | 7,181.72 | 7,674.59 | 2,049.23 | 4,978.59 |
| Other financial assets | 1,839.58 | 157.31 | 3,103.69 | 136.94 | 1,981.44 | 92.65 |
| **Total Assets** | 5,46,809.87 | 1,14,007.27 | 4,37,202.08 | 1,73,755.73 | 3,72,117.47 | 83,021.38 |
| Non-financial assets |                     |                 |                     |                 |                 |                 |
| Current tax assets (net) | - | - | - | - | - | 45.69 |
| Deferred tax assets (net) | - | 3,115.88 | - | 8,870.78 | - | 11,973.08 |
| Property, plant and equipment | - | 4,301.77 | - | 3,597.52 | - | 3,429.94 |
| Capital work-in-progress | - | 1,614.29 | - | 1,609.31 | - | 977.70 |
| Intangible assets under development | - | 19.60 | - | 13.75 | - | 240.56 |
| Other intangible assets | - | 235.11 | - | 324.18 | - | 345.59 |
| Other non-financial assets | 579.19 | 50.88 | 830.19 | 52.12 | 666.39 | 50.90 |
| **Total Non-financial Assets** | 579.19 | 9,337.53 | 830.19 | 14,467.66 | 712.08 | 17,017.77 |
| **Total Assets** | 5,47,389.06 | 1,23,344.80 | 4,38,032.27 | 1,88,223.39 | 3,72,829.55 | 1,00,039.15 |

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Financial liabilities**

| Derivative financial instruments | - | - | 117.58 | - | - | - |
| Payables |                     |                 |                     |                 |                 |                 |
| Trade payables |                   |                 |                     |                 |                 |                 |
| (i) total outstanding dues of micro enterprises and small enterprises | 6.01 | - | 21.00 | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 123.57 | - | 16.37 | - | 40.81 | - |
| 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 | 1,069.94 | - | 644.19 | - | 537.66 | - |
| **Debt Securities** | 32,617.26 | 64,969.59 | 29,768.64 | 62,161.02 | 11,867.64 | 46,941.27 |
| **Borrowings (other than debt securities)** | 2,45,767.13 | 1,26,232.08 | 2,55,482.08 | 1,30,759.11 | 1,94,645.69 | 1,27,683.31 |
| **Subordinated liabilities** | 7,611.92 | 46,307.76 | 3,655.61 | 33,263.31 | 323.70 | 28,981.07 |
| **Other financial liabilities** | 27,193.54 | 399.77 | 18,472.55 | - | 15,309.22 | - |
| **Total Liabilities and Equity** | 3,14,389.37 | 2,37,909.20 | 3,08,178.02 | 2,26,183.44 | 2,22,724.72 | 2,03,605.65 |

contd...
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

46. TRANSFERRED FINANCIAL ASSETS

In the course of its micro finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Company has securitised its loan assets to an unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee amounting in range of 12% to 18% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

<table>
<thead>
<tr>
<th>Securitisations</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross carrying amount of securitised assets</td>
<td>42,815.87</td>
<td>76,708.32</td>
<td>32,557.02</td>
</tr>
<tr>
<td>Gross carrying amount of associated liabilities</td>
<td>33,891.45</td>
<td>66,827.59</td>
<td>24,886.50</td>
</tr>
<tr>
<td>Carrying value and fair value of securitised assets</td>
<td>42,451.75</td>
<td>76,030.32</td>
<td>27,167.46</td>
</tr>
<tr>
<td>Carrying value and fair value of associated liabilities</td>
<td>33,891.45</td>
<td>66,827.59</td>
<td>24,886.50</td>
</tr>
<tr>
<td>Net position</td>
<td>8,560.30</td>
<td>9,202.73</td>
<td>2,280.96</td>
</tr>
</tbody>
</table>

47. 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, 2019 | For the year ended March 31, 2018
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers contribution to provident and other fund</td>
<td>1,866.79</td>
</tr>
</tbody>
</table>

* There are issues relating to the application of the Honourable Supreme Court’s (SC) judgement dated February 28, 2019 on Provident Fund. The management is examining these issues to identify the potential effects, if any, on compliance with the Provident Fund Act, 1952.

B Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Corporation of India (“LIC”). The liability of Gratuity is recognised on the basis of actuarial valuation.
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of obligation</td>
<td>1,106.97</td>
<td>807.94</td>
<td>591.71</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>694.20</td>
<td>449.76</td>
<td>236.49</td>
</tr>
<tr>
<td>Net obligation recognised in balance sheet as provision</td>
<td>412.77</td>
<td>358.18</td>
<td>355.22</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service cost</td>
<td>269.56</td>
<td>208.14</td>
</tr>
<tr>
<td>Past service cost including curtailment gains/losses</td>
<td>-</td>
<td>18.46</td>
</tr>
<tr>
<td>Interest cost on defined benefit obligation</td>
<td>63.02</td>
<td>43.20</td>
</tr>
<tr>
<td>Interest income on plan assets</td>
<td>(35.08)</td>
<td>(17.26)</td>
</tr>
<tr>
<td>Net impact on profit (before tax)</td>
<td>297.50</td>
<td>252.54</td>
</tr>
</tbody>
</table>

Amount recognised in the other comprehensive income:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial gain/(loss) unrecognised during the year</td>
<td>(57.09)</td>
<td>1.76</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of defined benefit obligation as at the beginning of year</td>
<td>807.94</td>
<td>591.71</td>
</tr>
<tr>
<td>Current service cost</td>
<td>269.56</td>
<td>208.14</td>
</tr>
<tr>
<td>Interest cost</td>
<td>63.02</td>
<td>43.20</td>
</tr>
<tr>
<td>Past service cost including curtailment gains/losses</td>
<td>-</td>
<td>18.47</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(68.06)</td>
<td>(51.83)</td>
</tr>
<tr>
<td>Actuarial loss/(gain) on obligation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (gain)/loss on arising from change in demographic assumption</td>
<td>-</td>
<td>(61.79)</td>
</tr>
<tr>
<td>Actuarial (gain)/loss on arising from change in financial assumption</td>
<td>7.27</td>
<td>(23.01)</td>
</tr>
<tr>
<td>Actuarial loss on arising from experience adjustment</td>
<td>27.24</td>
<td>83.05</td>
</tr>
<tr>
<td>Present value of defined benefit obligation as at the end of the year</td>
<td><strong>1,106.97</strong></td>
<td><strong>807.94</strong></td>
</tr>
</tbody>
</table>
(iv) Major categories of plan assets (as percentage of total plan assets):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds managed by LIC of India</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of plan assets at beginning of year</td>
<td>449.76</td>
<td>236.49</td>
</tr>
<tr>
<td>Actual return on plan assets</td>
<td>12.50</td>
<td>17.30</td>
</tr>
<tr>
<td>Employer’s contribution</td>
<td>300.00</td>
<td>247.80</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(68.06)</td>
<td>(51.83)</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Actuarial loss/(gain) on plan assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fair value of plan assets at the end of the year</td>
<td>694.20</td>
<td>449.76</td>
</tr>
</tbody>
</table>

(vi) Actuarial assumptions

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounting rate</td>
<td>7.66%</td>
<td>7.80%</td>
</tr>
<tr>
<td>Future salary increase</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Retirement age (years)</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Withdrawal rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up to 30 years</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td>From 31 to 44 years</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Above 44 years</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Weighted average duration</td>
<td>3.54</td>
<td>3.53</td>
</tr>
</tbody>
</table>

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

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

(vii) Sensitivity analysis for gratuity liability

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of the change in discount rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of obligation at the end of the year</td>
<td>1,106.97</td>
<td>807.94</td>
</tr>
<tr>
<td>- Impact due to increase of 0.50 %</td>
<td>(26.79)</td>
<td>(19.68)</td>
</tr>
<tr>
<td>- Impact due to decrease of 0.50 %</td>
<td>28.12</td>
<td>20.66</td>
</tr>
<tr>
<td>Impact of the change in salary increase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of obligation at the end of the year</td>
<td>1,106.97</td>
<td>807.94</td>
</tr>
<tr>
<td>- Impact due to increase of 0.50 %</td>
<td>26.81</td>
<td>19.67</td>
</tr>
<tr>
<td>- Impact due to decrease of 0.50 %</td>
<td>(25.85)</td>
<td>(18.94)</td>
</tr>
</tbody>
</table>

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Amount</td>
</tr>
<tr>
<td>0 to 1 year</td>
<td>133.48</td>
<td>99.12</td>
</tr>
<tr>
<td>1 to 2 year</td>
<td>121.11</td>
<td>107.17</td>
</tr>
<tr>
<td>2 to 3 year</td>
<td>129.26</td>
<td>106.74</td>
</tr>
<tr>
<td>3 to 4 year</td>
<td>111.11</td>
<td>85.99</td>
</tr>
<tr>
<td>4 to 5 year</td>
<td>90.87</td>
<td>68.89</td>
</tr>
<tr>
<td>5 to 6 year</td>
<td>73.02</td>
<td>53.44</td>
</tr>
<tr>
<td>6 year onwards</td>
<td>448.12</td>
<td>286.59</td>
</tr>
<tr>
<td>Total</td>
<td>1,106.97</td>
<td>807.94</td>
</tr>
</tbody>
</table>

48. RELATED PARTY DISCLOSURES

A. List of related parties and disclosures

Subsidiaries:
- Taraashna Services Limited
- Satin Housing Finance Limited (w.e.f. April 17, 2017)
- Satin Finserv Limited (w.e.f. August 10, 2018)

Key managerial personnel and their relatives:

<table>
<thead>
<tr>
<th>Name of key managerial personnel</th>
<th>Designation</th>
<th>Relatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. H P Singh</td>
<td>Chairman cum Managing Director</td>
<td>Mr Satvinder Singh</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>Mrs. Anureet H P Singh</td>
</tr>
<tr>
<td>Mr. Choudhary Runveer Krishanan</td>
<td>Company secretary and Compliance officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td>Non-executive and non-independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Rakesh Sachdev</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sundeep Kumar Mehta</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sanjay Kumar Bhatia</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Anil Kumar Kaira</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Arthur Sletteberg</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Goh Colin</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Daniel Simpson Jacobs</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Richard Benjamin Butler</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Suramya Gupta (Till January 07, 2019)</td>
<td>Non-Executive and Non-Independent Director</td>
<td></td>
</tr>
<tr>
<td>Mr. Ramesh G. Dharmaji (Till November 08, 2017)</td>
<td>Nominee Director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sanjaya Gupta (From August 21, 2017 to October 15, 2018)</td>
<td>Non-Executive and Non-Independent Director</td>
<td></td>
</tr>
</tbody>
</table>

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:
- Satin Neo Dimensions Private Limited
- Niryas Food Products Private Limited
- Rental Stay Private Limited
### B. Details of transactions with related parties carried out in the ordinary course of business:

<table>
<thead>
<tr>
<th>Name of related party</th>
<th>Nature of transaction</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. H P Singh</td>
<td>Remuneration</td>
<td>145.41</td>
<td>119.65</td>
</tr>
<tr>
<td></td>
<td>Provident fund and others</td>
<td>41.97</td>
<td>35.73</td>
</tr>
<tr>
<td></td>
<td>Personal guarantees withdrawn</td>
<td>14,750.76</td>
<td>2,774.43</td>
</tr>
<tr>
<td>Mr. H P Singh and Mr Satvinder Singh</td>
<td>Personal guarantees withdrawn (jointly)</td>
<td>-</td>
<td>20,067.77</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Remuneration</td>
<td>91.84</td>
<td>72.00</td>
</tr>
<tr>
<td>Mr. Choudhary Runveer Krishanan</td>
<td>Remuneration</td>
<td>31.01</td>
<td>26.08</td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td>Sitting fees</td>
<td>2.65</td>
<td>2.30</td>
</tr>
<tr>
<td>Mr. Rakesh Sachdeva</td>
<td>Sitting fees</td>
<td>3.10</td>
<td>2.70</td>
</tr>
<tr>
<td>Mr. Sundeep Kumar Mehta</td>
<td>Sitting fees</td>
<td>3.45</td>
<td>2.70</td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>Sitting fees</td>
<td>1.40</td>
<td>1.00</td>
</tr>
<tr>
<td>Mr. Pankaj Sethia</td>
<td>Sitting fees</td>
<td>0.50</td>
<td>0.60</td>
</tr>
<tr>
<td>Mr. Sanjay Kumar Bhatia</td>
<td>Sitting fees</td>
<td>1.55</td>
<td>1.20</td>
</tr>
<tr>
<td>Mr. Anil Kumar Kalra</td>
<td>Sitting fees</td>
<td>1.90</td>
<td>1.20</td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Sitting fees</td>
<td>0.90</td>
<td>0.20</td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Professional charges</td>
<td>14.44</td>
<td>-</td>
</tr>
<tr>
<td>Taraashna Services Limited</td>
<td>Rent received</td>
<td>0.60</td>
<td>0.23</td>
</tr>
<tr>
<td></td>
<td>Share based payment</td>
<td>65.44</td>
<td>6.25</td>
</tr>
<tr>
<td></td>
<td>Received on account of managerial services</td>
<td>32.16</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Investment made</td>
<td>2,000.00</td>
<td>1,200.00</td>
</tr>
<tr>
<td>Satin Housing Finance Limited</td>
<td>Interest income</td>
<td>11.74</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan given</td>
<td>1,400.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan received back</td>
<td>1,300.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Investment made</td>
<td>3,504.00</td>
<td>1,496.00</td>
</tr>
<tr>
<td></td>
<td>Reimbursement of legal and professional expense</td>
<td>-</td>
<td>14.88</td>
</tr>
<tr>
<td></td>
<td>Share based payment</td>
<td>41.32</td>
<td>0.71</td>
</tr>
<tr>
<td></td>
<td>Rent received</td>
<td>0.63</td>
<td>0.23</td>
</tr>
<tr>
<td>Satin Finserv Limited</td>
<td>Interest income</td>
<td>0.28</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan given</td>
<td>50.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Investment made</td>
<td>2,250.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Reimbursement of legal and professional expense</td>
<td>4.46</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Rent received</td>
<td>0.39</td>
<td>-</td>
</tr>
<tr>
<td>Rental Stay Private Limited</td>
<td>Interest income</td>
<td>27.52</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan given</td>
<td>385.50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan received back</td>
<td>250.00</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Interest income</td>
<td>150.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Rent received</td>
<td>4.72</td>
<td>4.26</td>
</tr>
<tr>
<td>Niryas Food Products Private Limited</td>
<td>Interest income</td>
<td>7.80</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan given</td>
<td>4.46</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

C. Key management personnel compensation includes the following expenses:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>310.23</td>
<td>253.46</td>
</tr>
<tr>
<td>Post employment benefits</td>
<td>1.99</td>
<td>16.68</td>
</tr>
<tr>
<td>Other long-term benefits</td>
<td>8.14</td>
<td>(5.68)</td>
</tr>
<tr>
<td>Share based payment</td>
<td>47.77</td>
<td>10.29</td>
</tr>
</tbody>
</table>

D. Outstanding balances with related parties in ordinary course of business:

<table>
<thead>
<tr>
<th>Name of related party</th>
<th>Nature of balance</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. H P Singh</td>
<td>Remuneration</td>
<td>-</td>
<td>1.71</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Personal guarantees</td>
<td>700.00</td>
<td>15,650.76</td>
<td>18,225.19</td>
</tr>
<tr>
<td>Mr. H P Singh and</td>
<td>Personal guarantees (jointly)</td>
<td>97,047.00</td>
<td>87,636.58</td>
<td>1,07,704.35</td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Payable against remuneration</td>
<td>-</td>
<td>0.11</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Davis fredrick Golding</td>
<td>Payable against professional charges</td>
<td>3.60</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Taraashna Services Limited</td>
<td>Investments</td>
<td>8,510.24</td>
<td>6,178.59</td>
<td>4,978.59</td>
</tr>
<tr>
<td></td>
<td>Other recoverables</td>
<td>66.17</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Satin Housing Finance Limited</td>
<td>Investments</td>
<td>5,000.00</td>
<td>1,496.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Inter corporate loan</td>
<td>100.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Investments</td>
<td>2,250.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Satin Finserv Limited</td>
<td>Inter corporate loan</td>
<td>50.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Interest receivable</td>
<td>0.25</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rental Stay Private Limited</td>
<td>Inter corporate loan</td>
<td>135.50</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Interest receivable</td>
<td>2.37</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions</td>
<td>Inter corporate loan</td>
<td>147.11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Private Limited</td>
<td>Interest receivable</td>
<td>2.49</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Niryas Food Products</td>
<td>Security deposit payable</td>
<td>0.34</td>
<td>0.34</td>
<td>0.34</td>
</tr>
<tr>
<td>Private Limited</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

49. LEASES DISCLOSURE AS LESSEE

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 and generator

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lease expenses recognised during the year</td>
<td>1,585.86</td>
<td>1,224.87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum lease obligations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- within one year</td>
<td>173.16</td>
<td>66.97</td>
</tr>
<tr>
<td>- Later than one year but not later than five years</td>
<td>11.82</td>
<td>23.74</td>
</tr>
<tr>
<td>- Later than five years</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
50. **SEGMENT INFORMATION**

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 “Operating segments”, is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, The Company is operating in India which is considered as a single geographical segment.

51. **CONTINGENT LIABILITIES AND COMMITMENTS**

(to the extent not provided for)

a. The Company has received income tax notice under section 143(2) of the “Income Tax Act 1961” dated March 17, 2019 for tax demand amounting to ₹ 118.12 Lakhs on account of disallowance of expenses for assessment year 2017-18. In response to such notice, the Company has filed a rectification application to the concern Additional Commissioner of Income Tax (ACIT).

b. Estimated amount of contract remaining to be executed on capital account and not provided for is ₹ 266.01 Lakhs (March 31, 2018: ₹ 391.95 Lakhs and April 1, 2017: ₹ 955.47 Lakhs).

52. **ASSETS PLEDGED/HYPOTHECATED AS SECURITY**

The carrying amounts of assets pledged/hypothecated as security are:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan assets</td>
<td>3,62,823.50</td>
<td>3,64,775.23</td>
<td>2,99,950.60</td>
</tr>
<tr>
<td>Vehicles</td>
<td>39.50</td>
<td>41.47</td>
<td>5.82</td>
</tr>
<tr>
<td>Buildings</td>
<td>175.82</td>
<td>184.82</td>
<td>194.28</td>
</tr>
<tr>
<td><strong>Total assets pledged as security</strong></td>
<td><strong>3,63,038.82</strong></td>
<td><strong>3,65,001.52</strong></td>
<td><strong>3,00,150.70</strong></td>
</tr>
</tbody>
</table>

53. **EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)**

Pursuant to the approval accorded by shareholders at their Annual General Meeting held on July 6, 2017, the Nomination and Remuneration Committee of the Company formulated a new scheme ‘Satin Employee Stock Option Scheme 2017’ (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding promoters of the Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

Presently, stock options have been granted or shares have been issued under the following scheme:

A. Satin Employee Stock Option Scheme 2009 (ESOS 2009)

B. Satin Employee Stock Option Scheme 2017 (ESOS 2017)
a) Employee stock option schemes:

ESOS 2009: Initially 4,25,000 equity shares of ₹ 10/- each at a premium of ₹ 10/- each were allotted to Satin Employees Welfare Trust on November 27, 2009. (This scheme was terminated vide Shareholders Resolution dated July 6, 2017)

Details of grant and exercise of such options are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant – 1 of ESOS 2009</th>
<th>Grant – 2 of ESOS 2009</th>
<th>Grant – 3 of ESOS 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of options granted</td>
<td>1,50,000</td>
<td>98,300</td>
<td>87,900</td>
</tr>
<tr>
<td>Date of grant of options</td>
<td>January 12, 2010</td>
<td>December 2, 2013</td>
<td>December 2, 2016</td>
</tr>
<tr>
<td>No. of employee to whom such options were granted</td>
<td>2</td>
<td>29</td>
<td>36</td>
</tr>
<tr>
<td>No. of employees who have exercised the option</td>
<td>50,000</td>
<td>25,824</td>
<td>21,100</td>
</tr>
<tr>
<td>No. of options exercised</td>
<td>2</td>
<td>25,824</td>
<td>21,100</td>
</tr>
</tbody>
</table>

Note: There was NIL options vested in F.Y. 2013-14.

ESOS Scheme 2017: All options not exceeding 3,61,400 representing 0.96% of the paid-up Capital of the company as on March 31, 2017 or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time including the shares lying with the Trust that may remain unutilised pursuant to non-exercisability of options granted under Satin ESOS 2009, 2010 (I) and 2010 (II), to or for the benefit of permanent employees of the Company and its subsidiaries whether working in India or outside India. The said ESOS Scheme, 2017 were approved in twenty seventh Annual General Meeting of the Company held on July 6, 2017.

Details of grant and exercise of such options are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant – 1 of ESOS 2017</th>
<th>Grant – 2 of ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of options granted</td>
<td>1,45,200</td>
<td>2,26,600</td>
</tr>
<tr>
<td>Date of grant of options</td>
<td>August 14, 2017</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>No. of employee to whom such options were granted</td>
<td>57</td>
<td>35</td>
</tr>
<tr>
<td>No. of employees who have exercised the option</td>
<td>18</td>
<td>NA</td>
</tr>
<tr>
<td>No. of options exercised</td>
<td>12,200</td>
<td>NA</td>
</tr>
</tbody>
</table>

b) The Company has provided following share based options to its employees:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2009</th>
<th>ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>January 12, 2010, December 2, 2013 and December 2, 2016</td>
<td>August 14, 2017 and May 30, 2018</td>
</tr>
<tr>
<td>Date of board meeting, where ESOP/ESOS were approved</td>
<td>November 27, 2009</td>
<td>May 26, 2017</td>
</tr>
<tr>
<td>Date of committee meeting where grant of options were approved</td>
<td>January 12, 2010 November 12, 2013 and November 09, 2016</td>
<td>August 14, 2017 and May 30, 2018</td>
</tr>
<tr>
<td>Date of shareholders’ approval</td>
<td>June 1, 2009</td>
<td>July 06, 2017</td>
</tr>
<tr>
<td>No. of options granted</td>
<td>336,200 out of 425,000</td>
<td>3,71,800</td>
</tr>
</tbody>
</table>

contd...
## Notes to the standalone financial statements

For the year ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2009</th>
<th>ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method of settlement</td>
<td>Equity</td>
<td>Share/Cashless route</td>
</tr>
<tr>
<td>Vesting conditions</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme.</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017.</td>
</tr>
<tr>
<td>Vesting period</td>
<td>Option will be vested at the End of Year 1 – 33.33% End of Year 2 – 33.33% End of Year 3 – 33.34% End of Year Subject to lock in period of one year from the date of transfer of shares and other terms as stipulated in the Scheme and prescribed under the law in force.</td>
<td>Grant 1 of ESOS 2017 Option will be vested at the End of Year 1 – 33.33% End of Year 2 – 33.33% End of Year 3 – 33.34% End of Year Grant 2 of ESOS 2017 Option will be vested at the End of Year 1 – 50% End of Year 2 – 50% End of Year</td>
</tr>
<tr>
<td>Exercise period</td>
<td>It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grant of options</td>
<td>It shall commence from the date of vesting of options and expire not later than 1 Year from the vesting date of each grant of options</td>
</tr>
</tbody>
</table>

Note: These scheme were repealed in terms of Resolution passed by the Shareholders at their meeting held on July 6, 2017.

### Details of Vesting and Exercise of Options (ESOS 2009):

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Vested options</th>
<th>No of options exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 12, 2011</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>January 12, 2012</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>January 12, 2013</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>December 2, 2014</td>
<td>29,090</td>
<td>25,824</td>
</tr>
<tr>
<td>December 2, 2015</td>
<td>29,100</td>
<td>22,633</td>
</tr>
<tr>
<td>December 2, 2016</td>
<td>29,110</td>
<td>27,243</td>
</tr>
<tr>
<td>December 2, 2017</td>
<td>22,300</td>
<td>21,100</td>
</tr>
<tr>
<td>December 2, 2018</td>
<td>19,300</td>
<td>19,300</td>
</tr>
</tbody>
</table>

### Details of Vesting and Exercise of Options (ESOS 2017):

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Vested options</th>
<th>No of options exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 14, 2018*</td>
<td>21,400</td>
<td>12,200</td>
</tr>
</tbody>
</table>

* These options are available for exercise till August 13, 2019
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

i) The details of ESOS 2009 are summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th></th>
<th>As at March 31, 2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of options</td>
<td>Weighted average exercise price</td>
<td>No. of options</td>
<td>Weighted average exercise price</td>
</tr>
<tr>
<td>Outstanding options at the beginning of the year*</td>
<td>-</td>
<td>-</td>
<td>1,20,700</td>
<td>20</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>19,300</td>
<td>20</td>
<td>21,100</td>
<td>20</td>
</tr>
<tr>
<td>Number of shares arising as a result of exercise of options</td>
<td>19,300</td>
<td>20</td>
<td>21,100</td>
<td>20</td>
</tr>
<tr>
<td>Expired/ lapsed during the year</td>
<td>6,000</td>
<td>20</td>
<td>12,900</td>
<td>20</td>
</tr>
<tr>
<td>Options shifted to new ESOS Scheme 2017</td>
<td>6,000</td>
<td>-</td>
<td>1,33,600</td>
<td>-</td>
</tr>
<tr>
<td>Exercisable at the end of the year</td>
<td>19,300</td>
<td>-</td>
<td>44,600</td>
<td>20</td>
</tr>
<tr>
<td>Weighted average remaining contractual life (in years) of the option exercisable</td>
<td>0.70</td>
<td>-</td>
<td>1.17</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average fair value of the options exercisable</td>
<td></td>
<td></td>
<td>420.75</td>
<td></td>
</tr>
<tr>
<td>Loan repaid by the Trust during the year from exercise price received (amount in Lakhs)</td>
<td>6.20</td>
<td>-</td>
<td>4.22</td>
<td>-</td>
</tr>
</tbody>
</table>

* Being ESOS 2009 doesn’t exist as of March 31, 2019, the above reporting has been made for the options granted earlier.

(ii) Weighted average exercise price of share during the year ended March 31, 2019: ₹ 213.96 (March 31, 2018: ₹ 436.03).

iii) The details of ESOS Scheme 2017 are summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th></th>
<th>As at March 31, 2018</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of options</td>
<td>Weighted average exercise price</td>
<td>No. of options</td>
<td>Weighted average exercise price</td>
</tr>
<tr>
<td>Outstanding options at the beginning of the year</td>
<td>3,06,200</td>
<td>At a discount/ premium on fair value</td>
<td>3,61,400</td>
<td>At a discount/ premium on fair value</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>2,26,600</td>
<td>160</td>
<td>1,45,200</td>
<td>160</td>
</tr>
<tr>
<td>Forfeited during the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>12,200</td>
<td>160</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Number of shares arising as a result of exercise of options</td>
<td>12,200</td>
<td>160</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expired/ lapsed during the year under ESOS Scheme, 2017</td>
<td>40,100</td>
<td>160</td>
<td>67,800</td>
<td>160</td>
</tr>
<tr>
<td>Options expired/ lapsed under earlier ESOP Scheme’s (adjusted)</td>
<td>6,000</td>
<td>-</td>
<td>22,200</td>
<td>-</td>
</tr>
<tr>
<td>Outstanding options at the end of the year</td>
<td>1,25,700</td>
<td>-</td>
<td>3,06,200</td>
<td>-</td>
</tr>
<tr>
<td>Exercisable at the end of the year</td>
<td>2,51,700</td>
<td>160</td>
<td>77,400</td>
<td>160</td>
</tr>
<tr>
<td>Weighted average remaining contractual life (in years) of the option exercisable</td>
<td>0.69</td>
<td>-</td>
<td>1.37</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average fair value of the options exercisable</td>
<td>Grant -1</td>
<td>166.98</td>
<td>Grant -1</td>
<td>166.98</td>
</tr>
<tr>
<td></td>
<td>Grant -2</td>
<td>254.54</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loan repaid by the Trust during the year from exercise price received (amount in Lakhs)</td>
<td>19.42</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* Outstanding Options of previous ESOS schemes has been transferred to new ESOS scheme 2017
iv) Weighted average exercise price of share during the year ended March 31, 2019: ₹ 283.78 (March 31, 2018: Nil).

The detail of exercise price for stock option at the end of the financial year 2018-2019 is:

<table>
<thead>
<tr>
<th>Series</th>
<th>Range of exercise price</th>
<th>No. of options outstanding for Exercise</th>
<th>Weighted average remaining contractual life of options (in years)</th>
<th>Weighted average exercise price</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant-3 ESOS 2009</td>
<td>20/- per option</td>
<td>19,300</td>
<td>0.67</td>
<td>20</td>
<td>Scheme Repealed</td>
</tr>
<tr>
<td>Grant-1 ESOS Scheme 2017</td>
<td>160/- per option</td>
<td>41,600</td>
<td>0.87</td>
<td>160</td>
<td>New Scheme</td>
</tr>
<tr>
<td>Grant-2 ESOS Scheme 2017</td>
<td>160/- per option</td>
<td>2,10,100</td>
<td>0.66</td>
<td>160</td>
<td>New Scheme</td>
</tr>
</tbody>
</table>

v) Employee wise details (name of employee, designation, number of options granted during the year, exercise price)

(a) Following employees has received a grant in the reporting year of option amounting to 5% or more of option granted during that year:

<table>
<thead>
<tr>
<th>Name of Employee</th>
<th>Name of the Company</th>
<th>Designation</th>
<th>No of Options granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mr Dev Verma</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Operating Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>2. Mr Jugal Kataria</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Financial Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>3. Mr Sanjay Mahajan</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Information Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>4. Mr Subir Roy Chowdhury</td>
<td>Satin Creditcare Network Limited</td>
<td>Head - Human Resource</td>
<td>24,000</td>
</tr>
<tr>
<td>5. Mr Sanjeev Vij</td>
<td>Tarashna Services Limited</td>
<td>Chief Executive Officer and Whole Time Director</td>
<td>24,000</td>
</tr>
<tr>
<td>6. Mr Amit Sharma</td>
<td>Satin Housing Finance Limited</td>
<td>Chief Executive Officer and Whole Time Director</td>
<td>24,000</td>
</tr>
</tbody>
</table>

(b) There is no identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

vi) The fair value of the options granted is determined on the date of the grant using the “Black-Scholes option pricing model” with the following assumptions, as certified by an independent valuer:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant 3 ESOS 2009</th>
<th>Grant 1 ESOS 2017</th>
<th>Grant 2 ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>3rd tranche of vesting</td>
<td>1st tranche of vesting</td>
<td>2nd tranche of vesting</td>
</tr>
<tr>
<td>December 2, 2016</td>
<td>438.40</td>
<td>267.38</td>
<td>267.38</td>
</tr>
<tr>
<td>August 14, 2017</td>
<td>20.00</td>
<td>160.00</td>
<td>160.00</td>
</tr>
<tr>
<td>August 14, 2017</td>
<td>60.39%</td>
<td>55.86%</td>
<td>62.90%</td>
</tr>
<tr>
<td>August 14, 2017</td>
<td>3.08</td>
<td>1.50</td>
<td>2.50</td>
</tr>
<tr>
<td>May 30, 2018</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>May 30, 2018</td>
<td>6.03%</td>
<td>6.35%</td>
<td>6.40%</td>
</tr>
</tbody>
</table>

The expected volatility was determined based on historical volatility data of the Company’s shares listed on the National Stock Exchange of India Limited.

vii) The Company has recognised share based payment expense of ₹ 317.86 Lakhs (March 31, 2018: ₹ 189.08 Lakhs) during the year as proportionate cost.

viii) The Company has ₹ 89.24 Lakhs (March 31, 2018: ₹ 95.44 Lakhs and April 1, 2017: ₹ 99.36 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
54. ADDITIONAL DISCLOSURES AS REQUIRED BY THE RESERVE BANK OF INDIA: -
(A) Disclosure as per Master Direction DNB.RPD.008/03.10.119/2016-17 (updated as on February 23, 2018) are as under:-

(i) Capital to Risk Assets Ratio ("CRAR"):-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRAR (%)</td>
<td>28.49</td>
<td>21.18</td>
</tr>
<tr>
<td>CRAR – Tier I capital (%)</td>
<td>19.94</td>
<td>14.56</td>
</tr>
<tr>
<td>CRAR – Tier II capital (%)</td>
<td>8.55</td>
<td>6.62</td>
</tr>
<tr>
<td>Amount of subordinated debt included in Tier-II capital</td>
<td>44,772.09</td>
<td>24,725.33</td>
</tr>
<tr>
<td>Amount raised by issue of perpetual debt instruments</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(ii) Disclosure of investments:-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Value of investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) Gross value of investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) In India</td>
<td>42,189.09</td>
<td>14,856.31</td>
</tr>
<tr>
<td>b) Outside India</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ii) Provisions of depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) In India</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>b) Outside India</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iii) Net Value of investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) In India</td>
<td>42,189.09</td>
<td>14,856.31</td>
</tr>
<tr>
<td>b) Outside India</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2) Movement of provisions held towards depreciation on investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>i) Opening balance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ii) Add: Provision made during the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iii) Less: Write-off/Write back of excess provision during the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>iv) Closing balance</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(iii) Derivatives :-
Forward Rate Agreement / Cross Currency Swaps

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notional Principal of swap agreements</td>
<td>4,223.21</td>
<td>5,149.32</td>
</tr>
<tr>
<td>Loss/(profit) which would be incurred if counterparties failed to fulfil their obligations under the agreements</td>
<td>(186.99)</td>
<td>117.58</td>
</tr>
<tr>
<td>Collateral required by the applicable NBFC upon entering into swaps</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Concentration of credit risk arising from swaps</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fair value of the swap book</td>
<td>(186.99)</td>
<td>117.58</td>
</tr>
</tbody>
</table>

(iv) (a) Disclosures relating to securitisation:-
The Company has entered into various agreements for the securitisation of loans with assignees, wherein it has securitised a part of its loans portfolio amounting to ₹ 58,437.97 Lakhs during the year ended March 31, 2019 (March 31, 2018 ₹ 1,21,410.54 Lakhs), being the principal value outstanding as on the date of the deals that are outstanding. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers. In terms of the said securitisation agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms. contd...
## Notes to the Standalone Financial Statements
### For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

**Particulars** | As at March 31, 2019 | As at March 31, 2018
--- | --- | ---
1 No of SPVs sponsored by the NBFC for securitisation transaction | 11 | 11
2 Total amount of securitised assets as per books of the SPVs sponsored by the NBFC | 42,884.57 | 77,301.90
3 Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet
   a) Off Balance sheet exposures
      * First loss
      * Others
   b) On Balance sheet exposures
      * First loss
      * Others
4 Amount of exposures to securitisation transactions other than MRR
   a) Off Balance sheet exposures
      i) Exposure to own securitisations
         * First loss
         * Others
      ii) Exposure to third party securitisations
         * First loss
         * Others
   b) On Balance sheet exposures
      i) Exposure to own securitisations
         * First loss
         * Others
      ii) Exposure to third party securitisations
         * First loss
         * Others

In addition to exposures mentioned above, on balance sheet exposure also includes over collateralisation of ₹ 8,879.78 Lakhs (March 31, 2018: ₹ 10,296.98 Lakhs)

(b) Disclosure as per RBI circular no.DBOD.No.BP.BC.60/21.04.048/2005-06 dated February 1, 2006.

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
--- | --- | ---
1 Total number of loan assets securitised during the year | 3,04,041 | 7,48,704 |
2 Book value of loans assets securitised during the year | 58,437.97 | 1,21,410.54 |
3 Sale consideration received during the year | 58,437.97 | 1,21,410.54 |
4 Credit enhancement provided during the year | 8,626.38 | 17,651.74 |
5 Unamortised interest spread as at year end | - | - |
6 Interest spread recognised in the statement of profit and loss during the year (including amortisation of unamortised interest spread) | - | - |

* Under Ind AS 109, securitised loan assets does not meet de-recognition criteria and accordingly, the Company continue to recognise such loan assets and in addition recognises a liability for the amount received. Accordingly, securitised loan assets and related liability is measured at amortised cost using effective interest method.
(v) **Detail of assignment transactions undertaken:**

The Company has entered into various agreements for the assignments of loans with assignees, wherein it has assigned a part of its loans portfolio amounting to ₹ 1,61,458.52 Lakhs during the year ended March 31, 2019 (March 31 2018 Nil), being the principal value outstanding as on the date of the deals that are outstanding. In terms of accounting policy mentioned in Significant Accounting Policies, The Company has de-recognised these loan portfolios. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers. In terms of the said assignment agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

### Particulars

<table>
<thead>
<tr>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>i)</strong> Total number of loans assets assigned during the year</td>
<td>8,86,715</td>
</tr>
<tr>
<td><strong>ii)</strong> Book value of loans assets assigned during the year</td>
<td>1,61,458.82</td>
</tr>
<tr>
<td><strong>iii)</strong> Sale consideration received during the year</td>
<td>1,61,458.82</td>
</tr>
<tr>
<td><strong>iv)</strong> Interest spread recognised in the statement of profit and loss during the year (including amortisation of unamortised interest spread)</td>
<td>13,345.54</td>
</tr>
</tbody>
</table>

(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 and previous year.

(vii) **Detail of non-performing financial asset purchased/sold:**

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

(viii) **Asset Liability Management Maturity pattern of certain items of assets and liabilities:**

### As at March 31, 2019

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1 Day to 30/31 (One Month)</th>
<th>Over 1 Month to 2 months</th>
<th>Over 2 months upto 3 months</th>
<th>Over 3 months upto 6 months</th>
<th>Over 6 months upto 1 Year</th>
<th>Over 1 Year upto 3 Year</th>
<th>Over 3 Year upto 5 Year</th>
<th>Over 5 Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings from Banks</td>
<td>21,375.46</td>
<td>11,684.40</td>
<td>20,223.23</td>
<td>29,817.73</td>
<td>52,638.41</td>
<td>48,032.22</td>
<td>5,732.09</td>
<td>20,000.00</td>
<td>2,09,503.54</td>
</tr>
<tr>
<td>Market Borrowings (other than Banks)</td>
<td>20,342.81</td>
<td>11,718.52</td>
<td>15,917.47</td>
<td>56,283.95</td>
<td>53,117.81</td>
<td>1,13,934.26</td>
<td>46,126.43</td>
<td>-</td>
<td>3,17,541.25</td>
</tr>
<tr>
<td>Foreign Borrowings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>288.21</td>
<td>288.21</td>
<td>576.43</td>
<td>2,305.71</td>
<td>864.64</td>
<td>-</td>
</tr>
<tr>
<td>Payable towards assignment and securitisation transactions</td>
<td>19,708.59</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19,708.59</td>
</tr>
</tbody>
</table>

| **Assets** |                             |                          |                             |                             |                          |                        |                        |             |       |
| Advances | 1,16,871.71 | 51,527.37 | 57,919.02 | 1,06,735.02 | 1,69,685.49 | 86,882.30 | 22,430.97 | 3,011.48 | 6,15,063.36 |
| a) Portfolio (Own) | 35,862.53 | 38,131.08 | 31,970.22 | 97,805.23 | 1,42,056.82 | 74,053.26 | 22,388.17 | 3,011.48 | 4,45,279.35 |
| b) Advances- Others | 81,009.18 | 13,396.29 | 25,948.80 | 8,929.79 | 27,628.67 | 12,828.48 | - | - | - | 1,69,784.01 |
| Investments | - | - | - | - | - | - | - | - | 15,760.75 | 42,189.08 |

**Notes:**

i) Above mentioned portfolio (own) does not include undrawn facilities amounting to ₹ 3,850 Lakhs, since there are no sanctioned disbursement schedule.

ii) Unamotised processing fees and unamortised transaction costs are not included in portfolio and borrowing respectively.
## Notes to the Standalone Financial Statements

**For the Year Ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>1 Day to 30/31 (One Month)</th>
<th>Over 1 Month to 2 months</th>
<th>Over 2 months up to 3 months</th>
<th>Over 3 months up to 6 months</th>
<th>Over 6 months up to 1 Year</th>
<th>Over 1 Year up to 3 Year</th>
<th>Over 3 Year up to 5 Year</th>
<th>Over 5 Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings from Banks</td>
<td>12,701.61</td>
<td>10,910.42</td>
<td>27,705.07</td>
<td>41,499.62</td>
<td>63,038.66</td>
<td>70,488.18</td>
<td>2,508.37</td>
<td>6.71</td>
<td>2,28,858.64</td>
</tr>
<tr>
<td>Market Borrowings (other than Banks)</td>
<td>16,337.74</td>
<td>8,222.78</td>
<td>13,880.35</td>
<td>48,478.75</td>
<td>55,396.31</td>
<td>1,17,309.34</td>
<td>23,953.42</td>
<td>6,078.79</td>
<td>2,89,657.48</td>
</tr>
<tr>
<td>Foreign Borrowings</td>
<td>-</td>
<td>291.69</td>
<td>264.12</td>
<td>528.25</td>
<td>2,216.38</td>
<td>1,720.27</td>
<td>-</td>
<td>-</td>
<td>5,020.71</td>
</tr>
<tr>
<td>Payable towards assignment and securitisation transactions</td>
<td>11,756.75</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,756.75</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances</td>
<td>63,970.67</td>
<td>47,826.63</td>
<td>36,207.00</td>
<td>90,265.31</td>
<td>1,78,057.95</td>
<td>1,68,733.11</td>
<td>10,035.25</td>
<td>1,660.11</td>
<td>5,96,756.03</td>
</tr>
<tr>
<td>a) Portfolio (Own)</td>
<td>25,483.69</td>
<td>28,174.27</td>
<td>25,212.24</td>
<td>84,834.18</td>
<td>1,57,123.74</td>
<td>1,55,913.38</td>
<td>10,034.21</td>
<td>1,660.11</td>
<td>4,88,435.82</td>
</tr>
<tr>
<td>b) Advances- Others</td>
<td>38,486.98</td>
<td>19,652.36</td>
<td>10,994.76</td>
<td>5,431.13</td>
<td>20,934.21</td>
<td>12,819.73</td>
<td>1.04</td>
<td>-</td>
<td>1,08,320.21</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>2,470.55</td>
<td>-</td>
<td>-</td>
<td>4,707.33</td>
<td>-</td>
<td>-</td>
<td>7,878.42</td>
<td>14,856.30</td>
</tr>
</tbody>
</table>

**Notes:**

i) Unamotised processing fees and unamortised transaction costs are not included in portfolio and borrowing respectively.

(ix) Exposures:-
   (a) Exposure to real state sector:-Nil (March 31, 2018 : Nil)
   (b) Exposure to capital market:-Nil (March 31, 2018 : Nil)

(x) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by applicable NBFC.
    The Company does not have single or group borrower exceeding the limits.

(xii) Details of financing of parent Company product:-
    This disclosure is not applicable as the Company does not have any holding/parent Company.

(xiii) Registration obtained from other financial sector regulators:-
    The Company is registered with following other financial sector regulators:
    (a) Ministry of Corporate Affairs (MCA)
    (b) Ministry of Finance (Financial Intelligence Unit)
    (c) Securities and Exchange Board of India (SEBI)
    (d) Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)

(xiv) Disclosure of Penalties imposed by RBI & other regulators:-
    No major penalty has been imposed by RBI and other regulators during current and previous year.

(xv) Related party transactions:-
    Please refer to note no 48
### Rating assigned by credit rating agencies and migration of ratings during the year

The Credit Analysis & Research Limited has reaffirmed the MFI grading, MFI 1, during the year.

During the year, the Company’s various instruments were rated, the details of these ratings are as under:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Amount (' in Crores)</th>
<th>Credit rating agency</th>
<th>Current rating</th>
<th>Previous rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Non Convertible Debentures</td>
<td>45.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>2</td>
<td>Non Convertible Debentures</td>
<td>33.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>3</td>
<td>Non Convertible Debentures</td>
<td>2.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>4</td>
<td>Non Convertible Debentures</td>
<td>60.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>5</td>
<td>Non Convertible Debentures</td>
<td>50.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>6</td>
<td>Subordinate Debt</td>
<td>15.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>7</td>
<td>Subordinate Debt</td>
<td>13.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>8</td>
<td>Subordinate Debt</td>
<td>25.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>9</td>
<td>Subordinate Debt</td>
<td>25.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>10</td>
<td>Subordinate Debt</td>
<td>40.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>11</td>
<td>Subordinate Debt</td>
<td>10.00</td>
<td>ICRA Limited</td>
<td>[ICRA]A- (Stable)</td>
<td>[ICRA]BBB+ (Stable)</td>
</tr>
<tr>
<td>13</td>
<td>Preference Share</td>
<td>45.00</td>
<td>ICRA Limited</td>
<td>[ICRA]BBB+ (hyb) (Stable)</td>
<td>[ICRA]BBB (hyb) (Stable)</td>
</tr>
<tr>
<td>14</td>
<td>Non Convertible Debentures</td>
<td>97.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>15</td>
<td>Non Convertible Debentures</td>
<td>30.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>16</td>
<td>Non Convertible Debentures</td>
<td>38.70</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>17</td>
<td>Non Convertible Debentures</td>
<td>213.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>18</td>
<td>Non Convertible Debentures</td>
<td>12.50</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>19</td>
<td>Non Convertible Debentures</td>
<td>12.50</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
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<td>Non Convertible Debentures</td>
<td>96.30</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
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<td>Non Convertible Debentures</td>
<td>100.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>22</td>
<td>Non Convertible Debentures</td>
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<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>23</td>
<td>Non Convertible Debentures</td>
<td>60.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>24</td>
<td>Non Convertible Debentures</td>
<td>20.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>25</td>
<td>Non Convertible Debentures</td>
<td>65.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
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<td>Non Convertible Debentures</td>
<td>18.00</td>
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<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>27</td>
<td>Non Convertible Debentures</td>
<td>50.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>28</td>
<td>Non Convertible Debentures</td>
<td>26.28</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>29</td>
<td>Non Convertible Debentures</td>
<td>12.50</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>30</td>
<td>Non Convertible Debentures</td>
<td>68.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>31</td>
<td>Non Convertible Debentures</td>
<td>33.75</td>
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<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>32</td>
<td>Non Convertible Debentures</td>
<td>25.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>33</td>
<td>Non Convertible Debentures</td>
<td>15.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>34</td>
<td>Subordinate Debt</td>
<td>21.00</td>
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<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>35</td>
<td>Commercial Paper</td>
<td>200.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A1</td>
<td>CARE A2</td>
</tr>
<tr>
<td>36</td>
<td>Fund Based -Long Term Bank Facilities</td>
<td>2,800.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE A-; Stable</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>37</td>
<td>Preference Share</td>
<td>25.00</td>
<td>Credit Analysis &amp; Research Ltd</td>
<td>CARE BBB+ (RPS); Stable</td>
<td>CARE BBB (RPS); Stable</td>
</tr>
<tr>
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<td>Non Convertible Debentures</td>
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<td>India Rating &amp; Research</td>
<td>IND A-</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>39</td>
<td>Fund Based -Short Term Bank Facilities</td>
<td>200.00.00</td>
<td>CRISIL Limited</td>
<td>CRISIL A1</td>
<td>CARE BBB+; Stable</td>
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<tr>
<td>40</td>
<td>Commercial Paper</td>
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<td>CRISIL Limited</td>
<td>CRISIL A1</td>
<td>CARE BBB+; Stable</td>
</tr>
<tr>
<td>41</td>
<td>Securitisation</td>
<td>210.23</td>
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<td>CRISIL A-(SD)</td>
<td>CRISIL A-(SD)</td>
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<tr>
<td>42</td>
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<td>CRISIL A (SD)</td>
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<td>43</td>
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<td>CRISIL Limited</td>
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<td>CRISIL A-(SD)</td>
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<td>44</td>
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<td>72.38</td>
<td>CRISIL Limited</td>
<td>CRISIL A-(SD)</td>
<td>CRISIL A-(SD)</td>
</tr>
</tbody>
</table>

contd...
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Amount (` in Crores)</th>
<th>Credit rating agency</th>
<th>Current rating</th>
<th>Previous rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
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<td>46</td>
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<td>CRISIL AA(SO)</td>
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</tr>
<tr>
<td>47</td>
<td>Securitisation</td>
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</tr>
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<td>Securitisation</td>
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<td>CRISIL Limited</td>
<td>CRISIL AA-(SO)</td>
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</tr>
<tr>
<td>51</td>
<td>Securitisation</td>
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</tr>
<tr>
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<td>Securitisation</td>
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<td>ICRA Limited</td>
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<td></td>
</tr>
<tr>
<td>53</td>
<td>Securitisation</td>
<td>2.40</td>
<td>ICRA Limited</td>
<td>[ICRA]A(SO)</td>
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</tr>
<tr>
<td>54</td>
<td>Securitisation</td>
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</tr>
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<td>Securitisation</td>
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<td>ICRA Limited</td>
<td>[ICRA]BBB+(SO)</td>
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</tr>
<tr>
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<td>IND A(SO);Stable</td>
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</tr>
<tr>
<td>57</td>
<td>Securitisation</td>
<td>0.44</td>
<td>India Rating &amp; Research</td>
<td>IND BBB+(SO);Stable</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>Securitisation</td>
<td>75.25</td>
<td>India Rating &amp; Research</td>
<td>IND A(SO);Stable</td>
<td></td>
</tr>
<tr>
<td>59</td>
<td>Securitisation</td>
<td>3.38</td>
<td>India Rating &amp; Research</td>
<td>IND BBB+(SO);Stable</td>
<td></td>
</tr>
</tbody>
</table>

(xvii) Remuneration of directors:-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Remuneration</th>
<th>Provident fund and others</th>
<th>Sitting fees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
<td>For the year ended March 31, 2018</td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td>Mr. H P Singh</td>
<td>145.41</td>
<td>119.65</td>
<td>41.97</td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Rakesh Sachdeva</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Sundeep Kumar Mehta</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Goh Colin</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Sanjay Kumar Bhatia</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Anil Kumar Kalra</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Davis F. Golding</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(xviii) Additional disclosures:-

(a) Provisions and contingencies:-

<table>
<thead>
<tr>
<th>Break up of ‘Provisions and Contingencies shown under the head expenditure in statement of profit and loss</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for depreciation on investment</td>
<td>(3.32)</td>
<td>(0.19)</td>
</tr>
<tr>
<td>Provision towards NPA</td>
<td>(6,918.33)</td>
<td>12,668.34</td>
</tr>
<tr>
<td>Provision made towards income tax</td>
<td>6,662.45</td>
<td>1,478.95</td>
</tr>
<tr>
<td>Other provision and contingencies (with details)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>i) Provision for compensated absences</td>
<td>285.43</td>
<td>94.86</td>
</tr>
<tr>
<td>ii) Provision for gratuity</td>
<td>297.50</td>
<td>252.54</td>
</tr>
<tr>
<td>Provision for Standard assets</td>
<td>(4,108.01)</td>
<td>(26,262.18)</td>
</tr>
</tbody>
</table>
(b) Draw down from reserves:-

There has been no draw down from reserve during the year ended March 31, 2019 (Previous year: ₹ Nil)

(c) Concentration of advances, exposures and NPAs:-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concentration of advances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total advance to twenty largest borrowers</td>
<td>11,200.00</td>
<td>1,169.26</td>
</tr>
<tr>
<td>% of advance to twenty largest borrowers to total advances</td>
<td>2.51%</td>
<td>0.24%</td>
</tr>
<tr>
<td>Concentration of exposures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total exposure to twenty largest borrowers/customers</td>
<td>12,814.29</td>
<td>2,342.10</td>
</tr>
<tr>
<td>% of exposure to twenty largest borrowers/customers to total exposure</td>
<td>2.87%</td>
<td>0.48%</td>
</tr>
<tr>
<td>Concentration of NPAs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total exposure of top four NPA account</td>
<td>58.62</td>
<td>34.12</td>
</tr>
<tr>
<td>% of exposure to top four NPA account</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
</tbody>
</table>

(d) Sector-wise NPAs:-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>Percentage of NPAs to total advance to that sector</td>
<td></td>
</tr>
<tr>
<td>1 Agriculture and allied activities</td>
<td>4.22%</td>
<td>3.61%</td>
</tr>
<tr>
<td>2 MSME</td>
<td>3.77%</td>
<td>5.71%</td>
</tr>
<tr>
<td>3 Corporate borrowers</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>4 Services</td>
<td>4.46%</td>
<td>5.65%</td>
</tr>
<tr>
<td>5 Unsecured personal loans</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>6 Auto loans</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>7 Other personal loans</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

(e) Movement of NPAs:-

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Net NPAs to net advance (%)</td>
<td>2.36%</td>
<td>1.51%</td>
</tr>
<tr>
<td>ii) Movement of NPAs (Gross)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Opening balance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) Addition during the year</td>
<td>21,522.46</td>
<td>2,179.47</td>
</tr>
<tr>
<td>c) Reduction/ write off during the year</td>
<td>11,145.49</td>
<td>37,260.62</td>
</tr>
<tr>
<td>d) Closing balance</td>
<td>17,787.49</td>
<td>21,522.46</td>
</tr>
<tr>
<td>iii) Movement of NPAs (Net)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Opening balance</td>
<td>7,424.60</td>
<td>749.96</td>
</tr>
<tr>
<td>b) Addition during the year</td>
<td>3,966.95</td>
<td>23,162.76</td>
</tr>
<tr>
<td>c) Reduction/ write off during the year</td>
<td>782.60</td>
<td>16,488.12</td>
</tr>
<tr>
<td>d) Closing balance</td>
<td>10,607.95</td>
<td>7,424.60</td>
</tr>
<tr>
<td>iv) Movement of provisions for NPAs (excluding provisions on standard assets)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Opening balance</td>
<td>14,097.86</td>
<td>1,429.51</td>
</tr>
<tr>
<td>b) Addition during the year</td>
<td>7,179.54</td>
<td>14,097.86</td>
</tr>
<tr>
<td>c) Reduction/ write off during the year</td>
<td>14,097.86</td>
<td>1,429.51</td>
</tr>
<tr>
<td>d) Closing balance</td>
<td>7,179.54</td>
<td>14,097.86</td>
</tr>
</tbody>
</table>

(f) Overseas assets (for those with Joint Ventures and subsidiaries abroad) – Nil

(g) Off-balance sheet SPVs sponsored – N.A.
(h) Customer complaints:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Number of complaints pending at the beginning of the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>b) Number of complaint received during the year</td>
<td>2,173</td>
<td>3,310</td>
</tr>
<tr>
<td>c) Number of complaint redressed during the year</td>
<td>2,173</td>
<td>3,310</td>
</tr>
<tr>
<td>d) Number of complaint pending at the end of the year</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(i) Instances of fraud:

<table>
<thead>
<tr>
<th>Nature of fraud (cash embezzlement)</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of cases</td>
<td>201</td>
<td>18</td>
</tr>
<tr>
<td>Amount of fraud</td>
<td>290.44</td>
<td>94.01</td>
</tr>
<tr>
<td>Recovery</td>
<td>32.45</td>
<td>25.86</td>
</tr>
<tr>
<td>Amount written off</td>
<td>257.99</td>
<td>64.38</td>
</tr>
</tbody>
</table>

(B) Information on Net Interest Margin:

Quarterly net interest margin

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average lending rate</td>
<td>Quarter 1</td>
</tr>
<tr>
<td>Average effective cost of borrowing*</td>
<td>12.09%</td>
</tr>
</tbody>
</table>

*Represents the average effective cost of borrowings for preceding quarter.

The Company has calculated above average lending rate and effective cost of borrowing as per pricing of credit guidelines prescribed in master direction issued by Reserve Bank of India no. DNBR.PD. 008/03.10119/2016-17.

(C) Disclosure as required by Para 18 of Non-Banking Financial Company – systemically important non-deposit taking Company and deposit taking Company (Reserve Bank) Directions, 2016 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount Outstanding</th>
<th>Amount Overdue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Debentures :</td>
<td></td>
<td></td>
</tr>
<tr>
<td>: Secured</td>
<td>84,917.54</td>
<td>-</td>
</tr>
<tr>
<td>: Unsecured</td>
<td>33,975.01</td>
<td>-</td>
</tr>
<tr>
<td>(other than falling within the meaning of Public deposits)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Deferred Credits</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c) Term Loans</td>
<td>3,53,383.86</td>
<td>-</td>
</tr>
<tr>
<td>(d) Inter-corporate loans and borrowing</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(e) Commercial Paper</td>
<td>8,805.66</td>
<td>-</td>
</tr>
<tr>
<td>(f) Public deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(g) Other Loans:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other unsecured loans against assets of the Company</td>
<td>80.39</td>
<td>-</td>
</tr>
<tr>
<td>Secured loans against assets of the Company</td>
<td>318.41</td>
<td>-</td>
</tr>
<tr>
<td>Overdraft facility</td>
<td>5,914.98</td>
<td>-</td>
</tr>
</tbody>
</table>
## Notes to the Standalone Financial Statements

### For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount Outstanding</th>
<th>Amount Overdue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities side:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) In the form of Unsecured debentures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Other public deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets side:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Break-up of Loans and advances including bills receivables (other than those included in (4) below):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Secured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Unsecured</td>
<td>14,187.97</td>
<td>4,42,060.96</td>
</tr>
<tr>
<td><strong>Assets side:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(I) Lease assets including lease rentals under sundry debtors:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Financial lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Operating lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(II) Stock on hire including hire charges under sundry debtors:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Assets on hire</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Repossessed Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(III) Other loans counting towards AFC activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Loans where assets have been repossessed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Loans other than (a) above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Break-up of Investments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Quoted:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(I) Shares:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Preference</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(II) Debentures and Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(III) Units of mutual funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(IV) Government Securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(V) Others (please specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Unquoted:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(I) Shares:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Preference</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(II) Debentures and Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(III) Units of mutual funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(IV) Government Securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(V) Others:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Certificate of Deposit</td>
<td>26,428.34</td>
<td></td>
</tr>
<tr>
<td>(b) Commercial Paper</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Long Term Investments:**

1. Quoted:

2. Unquoted:

### contd...
NOTES TO THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019  
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Liability side:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount Outstanding</td>
<td>Amount Overdue</td>
<td></td>
</tr>
<tr>
<td>(a) Equity</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(b) Preference</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(II) Debentures and Bonds</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(III) Units of mutual funds</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(IV) Government Securities</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(V) Others (please specify)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

2. Unquoted:
   (I) Shares:
      (a) Equity | 15,760.24 |
      (b) Preference | - |
      (II) Debentures and Bonds | - |
      (III) Units of mutual funds | - |
      (IV) Government Securities | 0.51 |
      (V) Others (please specify) | - |

Total | 42,189.09 |

<p>| 6 Borrower group-wise classification of assets financed as in (2) and (3) above: |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Particulars</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Provision</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Related Parties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Subsidiaries</td>
<td>150.25</td>
<td>-</td>
<td>0.70</td>
<td>149.55</td>
<td></td>
</tr>
<tr>
<td>(b) Companies in the same group</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(c) Other related parties</td>
<td>-</td>
<td>287.47</td>
<td>1.35</td>
<td>286.12</td>
<td></td>
</tr>
<tr>
<td>2. Other than related Parties</td>
<td>14,037.72</td>
<td>441,773.49</td>
<td>10,238.30</td>
<td>445,572.91</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14,187.97</td>
<td>442,060.96</td>
<td>10,240.35</td>
<td>446,008.58</td>
<td></td>
</tr>
</tbody>
</table>

<p>| 7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Market Value/Breakup or fair value or NAV</th>
<th>Book Value (Net of Provision)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Related Parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Subsidiaries</td>
<td>15,760.24</td>
<td>15,760.24</td>
</tr>
<tr>
<td>(b) Companies in the same group</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(c) Other related parties</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2. Other than related Parties</td>
<td>26,428.85</td>
<td>26,428.85</td>
</tr>
<tr>
<td>Total</td>
<td>42,189.09</td>
<td>42,189.09</td>
</tr>
</tbody>
</table>

<p>| 8 Other information |</p>
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(I) Gross Non-Performing Assets</td>
<td>17,787.49</td>
</tr>
<tr>
<td>(a) Related parties</td>
<td>-</td>
</tr>
<tr>
<td>(b) Other than related parties</td>
<td>17,787.49</td>
</tr>
<tr>
<td>(II) Net Non-Performing Assets</td>
<td>10,607.95</td>
</tr>
<tr>
<td>(a) Related parties</td>
<td>-</td>
</tr>
<tr>
<td>(b) Other than related parties</td>
<td>10,607.95</td>
</tr>
<tr>
<td>(III) Assets acquired in satisfaction of debt</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

55. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.</td>
<td>6.01</td>
<td>21.00</td>
<td>-</td>
</tr>
<tr>
<td>The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The amount of interest accrued and remaining unpaid at the end of each accounting year.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

56. EXPLANATION OF TRANSITION TO IND AS

These are the Company’s first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017 (the Company’s date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows is set out in the following tables and notes.

Reconciliation of total equity as at March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
</tr>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>44,581.98</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td></td>
<td>63,738.23</td>
</tr>
<tr>
<td>Trade receivables</td>
<td></td>
<td>18.71</td>
</tr>
<tr>
<td>Loans 3, 6 and 8</td>
<td></td>
<td>4,22,894.05</td>
</tr>
<tr>
<td>Investments</td>
<td>5</td>
<td>14,849.45</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4</td>
<td>3,306.30</td>
</tr>
<tr>
<td>Total financial assets</td>
<td></td>
<td>5,49,388.72</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td>10</td>
<td>3,790.36</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td>3,597.52</td>
</tr>
</tbody>
</table>

contd...
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
</tr>
<tr>
<td>Capital work-in-progress</td>
<td></td>
<td>1,609.31</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td></td>
<td>13.75</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td></td>
<td>324.18</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>1 and 4</td>
<td>2,128.72</td>
</tr>
<tr>
<td>Total non-financial assets</td>
<td></td>
<td>11,463.84</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>5,60,852.56</td>
</tr>
</tbody>
</table>

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Financial liabilities**

Derivative financial instruments

Payables

Trade payables

(i) total outstanding dues of micro enterprises and small enterprises

(ii) total outstanding dues of creditors other than micro enterprises and small enterprises

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

Debt securities

Borrowings (other than debt securities)

Subordinated liabilities

Other financial liabilities

Total financial liabilities

**Non-financial liabilities**

Current tax liabilities (net)

Provisions

Other non-financial liabilities

Total non-financial liabilities

**EQUITY**

Equity share capital

Other equity

Total equity

**TOTAL LIABILITIES AND EQUITY**

|                                    |      | 5,60,852.56 | 65,403.10 | 6,26,255.66 |

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.*
Reconciliation of total equity as at April 1, 2017

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>65,300.75</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td></td>
<td>62,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td></td>
<td>88.35</td>
</tr>
<tr>
<td>Loans</td>
<td>3, 6 and 8</td>
<td>3,17,026.20</td>
</tr>
<tr>
<td>Investments</td>
<td>5</td>
<td>7,029.31</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4</td>
<td>2,132.87</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td></td>
<td>4,53,868.42</td>
</tr>
<tr>
<td><strong>Non-financial assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax assets (net)</td>
<td></td>
<td>45.69</td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td>10</td>
<td>2,268.50</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td>3,429.94</td>
</tr>
<tr>
<td>Capital work-in-progress</td>
<td></td>
<td>977.70</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td></td>
<td>240.56</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td></td>
<td>345.59</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>1 and 4</td>
<td>2,018.18</td>
</tr>
<tr>
<td><strong>Total non-financial assets</strong></td>
<td></td>
<td>9,326.16</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>4,63,194.58</td>
</tr>
</tbody>
</table>

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Financial liabilities**

Payables

(i) total outstanding dues of micro enterprises and small enterprises

(ii) total outstanding dues of creditors other than micro enterprises and small enterprises

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

Debt securities

Borrowings (other than debt securities)

Subordinated liabilities

Other financial liabilities

**Total financial liabilities**

**Non-financial liabilities**

contd..
# Notes to the Standalone Financial Statements

## For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

## Corporate Overview

### Statutory Reports

### Financial Statements

### Particulars | Note | Previous GAAP* | Effect of transition to Ind AS | Ind AS
|---|---|---|---|---
| Provisions | | 920.38 | - | 920.38
| Other non-financial liabilities | | 528.62 | - | 528.62
| Total non-financial liabilities | | 1,449.00 | - | 1,449.00

### EQUITY

| Particulars | Note | Previous GAAP* | Effect of transition to Ind AS | Ind AS
|---|---|---|---|---
| Equity share capital | 9 | 6,214.30 | (2,500.00) | 3,714.30
| Other equity | | 60,007.62 | (18,632.59) | 41,375.03
| Total equity | | 66,221.92 | (21,132.59) | 45,089.33

### TOTAL LIABILITIES AND EQUITY

| Particulars | | Previous GAAP* | Effect of transition to Ind AS | Ind AS
|---|---|---|---|---
| | | 4,63,194.61 | 9,674.09 | 4,72,868.70

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

## Reconciliation of Statement of Profit and Loss for the year ended March 31, 2018

### Particulars | Note | Previous GAAP* | Effect of transition to Ind AS | Ind AS
|---|---|---|---|---
| Income | | | | |
| Revenue from operations | | | | |
| Interest income | 3 and 8 | 95,625.86 | 105.34 | 95,731.20
| Fees and commission income | | 226.41 | - | 226.41
| Net gain on fair value changes | 5 | 1,583.69 | 8.54 | 1,592.23
| Other operating income | 4 | 103.52 | 14.51 | 118.03
| Total revenue from operations | | 97,539.48 | 128.39 | 97,667.87
| Other income | | 6.71 | - | 6.71
| Total income | | 97,546.19 | 128.39 | 97,674.58

### Expenses

| Particulars | | | | |
|---|---|---|---|---
| Finance costs | 1, 2, 8 and 9 | 48,159.31 | 5,010.66 | 53,169.97
| Impairment on financial instruments | 6 | 21,461.12 | (17,014.85) | 4,446.27
| Employee benefits expenses | 11 | 18,913.56 | 1.76 | 18,915.32
| Depreciation and amortisation | | 1,406.00 | - | 1,406.00
| Other expenses | 4 and 8 | 7,246.46 | (171.28) | 7,075.18
| Total expenses | | 97,186.45 | (12,173.71) | 85,012.74

### Profit before tax

| Particulars | | | | |
|---|---|---|---|---
| Tax expense: | | | | |
| Current tax | | 1,478.95 | - | 1,478.95
| Deferred tax charge | 10 | (1,521.84) | 4,489.98 | 2,968.14
| Profit for the year | | 402.63 | 7,812.12 | 8,214.75

### Other comprehensive income

| Particulars | | | | |
|---|---|---|---|---
| Items that will not be reclassified to profit and loss | | | | |
| Re-measurements of the defined benefit plans | 11 | - | 1.76 | 1.76
| Equity instruments through other comprehensive income | 11 | - | (0.19) | (0.19)
| Income tax relating to above items | 10 | - | (0.61) | (0.61)
| Other comprehensive income | | - | 0.96 | 0.96
| Total comprehensive income | | 402.63 | 7,813.08 | 8,215.71

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

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B. Ind AS optional exemptions

1. Deemed cost for property, plant and equipment and intangible assets
   Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. Designation of previously recognised financial instruments
   Ind AS 101 permits a first-time adopter to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

3. Share based payments
   Ind AS 102 share based payments requires an entity to recognise the equity settled share based payment plans based on fair value of the stock options granted to employees instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is April 1, 2017. The Company has elected to apply this exemptions for such vested options.

4. Deemed cost for investments in subsidiaries
   Ind AS 101 permits a first-time adopter to continue previous GAAP carrying value for investment in equity instrument of subsidiaries. Accordingly, the Company has elected to apply the said exemption.

5. Long term foreign currency monetary items
   Ind AS 101 permits a first-time adopter to continue with the policy of the previous GAAP for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in financial statements on or before April 1, 2017.

C. Ind AS mandatory exceptions

1. Estimates
   An entity’s estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

   Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

   a) Investment in equity instruments carried at FVOCI
   b) Impairment of financial assets based on expected credit loss model

2. Classification and measurement of financial assets and liabilities
   Classification of financial asset is required to be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, if it is impracticable for the Company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

3. De-recognition of financial assets
   The Company have applied de-recognition principles of Ind AS 109 prospectively from the date of transition to Ind AS.

D. Reconciliations between previous GAAP and Ind AS
   Ind AS 101 requires an entity to reconcile total equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.
1. Reconciliation of total equity as at March 31, 2018 and April 1, 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity (shareholder’s funds) as per previous GAAP</td>
<td>1,09,506.16</td>
<td>66,221.92</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurement of financial assets and financial liabilities at amortised cost</td>
<td>Note 1, 2, 3 and 4</td>
<td>(3,187.79)</td>
</tr>
<tr>
<td>Fair valuation of investments</td>
<td>Note 5</td>
<td>6.86</td>
</tr>
<tr>
<td>Liability component of compound financial instruments</td>
<td>Note 9</td>
<td>(7,582.83)</td>
</tr>
<tr>
<td>Interest expense on liability component of compound financial instruments</td>
<td>Note 9</td>
<td>(371.24)</td>
</tr>
<tr>
<td>Preference share capital reclassified to liabilities</td>
<td>Note 9</td>
<td>(2,500.00)</td>
</tr>
<tr>
<td>Expected credit loss</td>
<td>Note 6</td>
<td>(11,762.04)</td>
</tr>
<tr>
<td>Deferred tax impact</td>
<td>Note 10</td>
<td>5,080.42</td>
</tr>
<tr>
<td>Total adjustments</td>
<td></td>
<td>(20,316.62)</td>
</tr>
<tr>
<td>Total equity as per Ind AS</td>
<td>89,189.54</td>
<td>45,089.33</td>
</tr>
</tbody>
</table>

2. Reconciliation of total comprehensive income for the year

<table>
<thead>
<tr>
<th>Note</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit after tax as per previous GAAP</td>
<td>402.63</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
</tr>
<tr>
<td>Measurement of financial assets and financial liabilities at amortised cost</td>
<td>Note 1, 2, 3 and 4</td>
</tr>
<tr>
<td>Fair valuation of investments</td>
<td>Note 5</td>
</tr>
<tr>
<td>Expected credit loss</td>
<td>Note 6</td>
</tr>
<tr>
<td>Dividend paid on redeemable preference shares</td>
<td>Note 9</td>
</tr>
<tr>
<td>Interest expense on liability component of compound financial instruments</td>
<td>Note 9</td>
</tr>
<tr>
<td>Remeasurement of defined benefit obligations</td>
<td>Note 11</td>
</tr>
<tr>
<td>Tax impact on above</td>
<td>Note 10</td>
</tr>
<tr>
<td>Total adjustments</td>
<td></td>
</tr>
<tr>
<td>Profit after tax as per Ind AS</td>
<td>8,214.75</td>
</tr>
<tr>
<td>Remeasurement of defined benefit obligations</td>
<td>Note 11</td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td>Note 11</td>
</tr>
<tr>
<td>Tax impact on above</td>
<td>Note 10</td>
</tr>
<tr>
<td>Total comprehensive income as per Ind AS</td>
<td></td>
</tr>
</tbody>
</table>

3. Impact of Ind AS adoption on statement of cash flows for the year ended on March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Previous GAAP*</th>
<th>Adjustments</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash used in operating activity</td>
<td>(1,52,779.82)</td>
<td>-</td>
<td>(1,52,779.82)</td>
</tr>
<tr>
<td>Net cash used in investing activity</td>
<td>(8,028.86)</td>
<td>-</td>
<td>(8,028.86)</td>
</tr>
<tr>
<td>Net cash flows from financing activity</td>
<td>1,39,012.49</td>
<td>-</td>
<td>1,39,012.49</td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalent</td>
<td>(21,796.19)</td>
<td>-</td>
<td>(21,796.19)</td>
</tr>
<tr>
<td>Cash and cash equivalent as at April 1, 2017</td>
<td>64,642.97</td>
<td>-</td>
<td>64,642.97</td>
</tr>
<tr>
<td>Cash and cash equivalent as at March 31, 2018</td>
<td>42,846.78</td>
<td>-</td>
<td>42,846.78</td>
</tr>
</tbody>
</table>

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.
NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

NOTES TO FIRST TIME ADOPTION

1. **Borrowings (including debt securities and subordinate liabilities)**
   Under previous GAAP, transaction costs incurred towards origination of borrowings were charged to statement of profit and loss on straight-line basis over the period of borrowing. Under Ind AS, such transaction costs are netted off from the carrying amount of borrowings on initial recognition. These transactions costs are then recognised in the statement of profit and loss over the tenure of the such borrowings as part of the interest expense by applying the effective interest rate method.

2. **Security deposits received**
   Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance costs was recognised based on contractual terms, if any. Under Ind AS, such security deposits other than perpetual are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value is recognised in statement of profit and loss unless it quantifies for recognition as some other type of liability.

3. **Loan assets**
   Under previous GAAP, transaction costs received towards origination of loan assets were recognised to statement of profit and loss. Under Ind AS, such transaction costs are adjusted from the carrying amount of loans on initial recognition. These transactions costs are recognised in the statement of profit and loss over the tenure of the such loans as part of the interest income by applying the effective interest rate method.

4. **Security deposits paid**
   Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance income was recognised based on contractual terms, if any. Under Ind AS, such security deposits are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value is recognised in statement of profit and loss unless it quantifies for recognition as some other type of asset.

5. **Financial instruments carried at fair value through profit and loss or through other comprehensive income**
   Under previous GAAP, investments in long-term equity instrument were carried at cost and tested for other than temporary diminution. Under Ind AS, such investments are carried either at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVOCI) (except for investment in subsidiaries).

5. **Impairment of loan assets**
   Under previous GAAP, the Company were created impairment allowance on loan assets basis the provisioning norms prescribed by Reserve Bank of India (‘RBI’). Under Ind AS, impairment allowance has been determined based on expected credit loss (‘ECL’) model.

7. **Share based payment**
   Under the previous GAAP, the Company had the option to measure the cost of equity-settled employee share-based plan either using the intrinsic value method or using the fair value method. Under Ind AS, the cost of equity-settled share-based plan is recognised based on the fair value of the options as at the grant date.

8. **Securitisation**
   Under previous GAAP, the Company used to de-recognise the securitised loan assets and excess interest spread income was recognised on receipt basis. Under Ind AS 109, securitised loan assets does not meet de-recognition criteria and accordingly, the Company continue to recognise such loan assets and in addition recognises a liability for the amount received. Accordingly, securitised loan assets and related liability is measured at amortised cost using effective interest method.
9. **Preference share capital**
   Under previous GAAP, preference share capital was a part of share capital. Under Ind AS, the instrument is evaluated to determine whether it is a liability or contains both liability and equity component. If there a contractual obligation to deliver cash then, such instrument is recognised as a financial liability under Ind AS. Where the instrument contains both the features (equity and liability), it is classified as compound financial instruments and accordingly, the transaction value of the instrument is allocated to equity and liability components. Further, the liability component is subsequently measured at amortised cost.

10. **Tax impact on adjustments**
    Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

11. **Other comprehensive income**
    Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes re-measurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.
INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF SATIN CREDITCARE NETWORK LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of Satin Creditcare Network Limited (‘the Holding Company’) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (‘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 consolidated state of affairs (consolidated financial position) of the Group as at March 31, 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

3. 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 Consolidated 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

<table>
<thead>
<tr>
<th>Key audit matter</th>
<th>How our audit addressed the key audit matter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected Credit Losses on loans</td>
<td></td>
</tr>
<tr>
<td>[Refer Note 3(i) for the accounting policy and Note 43 for the related disclosures]</td>
<td></td>
</tr>
</tbody>
</table>

As at March 31, 2019, the Holding Company has financial assets (loans) amounting to ₹ 4,46,008.58 lakh including loans which are carried at fair value through other comprehensive income amounting to ₹ 3,70,973.92 lakh. As per Ind AS 109- Financial Instruments, the Holding Company is required to recognise allowance for expected credit losses on financial assets carried at fair value.

Since this was the first year for the preparation and presentation of the consolidated financial statements under Ind-AS framework, the management had to estimate the provision for expected credit losses for the loans outstanding as at April 1, 2017 (the opening balance sheet date), March 31, 2018 (the comparative balance sheet as at March 31, 2018.

Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the consolidated financial statements were reasonable and the related disclosures in the consolidated financial statements made by the management were adequate. These procedures included, but not limited, to the following:

(a) obtaining an understanding of the model adopted by the Holding Company for calculation of expected credit losses including how management of the Holding Company calculated the expected credit losses and the appropriateness data on which the calculation is based;
### Key audit matter

Expected credit loss cannot be measured precisely, but can only be estimated through use of statistics. The calculation of expected credit losses is complex and requires exercise of judgement around both the timing of recognition of impairment provisions and estimation of the amount of provisions required in relation to loss events.

The management of the Holding Company has recognised a provision reversal of Rs 9,689.45 lakh in the Consolidated Statement of Profit and Loss for the year ended March 31, 2019.

Considering the significance of the above matter to the consolidated financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.

### How our audit addressed the key audit matter

- (b) testing the operating effectiveness of the key controls over calculation of the expected credit losses;
- (c) testing the accuracy of inputs through substantive procedures and assessing the reasonableness of the assumptions used;
- (d) developing a point estimate by making reference to the expected credit losses recognised by entities that carry comparable financial assets;
- (e) testing the arithmetical calculation of the expected credit losses;
- (f) verifying the adequacy of the related disclosures; and
- (g) obtaining written representations from management and those charged with governance of Holding Company whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

### Adoption of Indian Accounting Standards Framework

[Refer Note 3 for the accounting policy and Note 57 for the related disclosures]

The consolidated financial statements for the year ended March 31, 2019 are the first financial statements prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under Section 133 of the Act.

The Group has applied Ind AS 101, First-time Adoption of Indian Accounting Standards. Note 57 in the consolidated financial statements sets forth the reconciliation of balances from previous GAAP to the new Ind AS framework as at the transition date and the impact of restatement on the consolidated financial position of the comparative year due to such transition. Refer to Note 3 for significant accounting policies selected by the Company on transition to the Ind-AS.

This change in the financial reporting framework required an end-to-end evaluation of the potential impact on each item included in the consolidated financial statements including presentation thereof, additional notes and disclosures. This evaluation required significant audit efforts.

Considering the significance of the matter in the current year to the consolidated financial statements and the audit efforts required, this matter has been identified as a key audit matter for the current year audit.

Our key audit procedures in respect of the first time adoption of Ind-AS framework included, but were not limited to, the following:

- (a) obtaining an understanding of management’s processes and controls to identify the potential impact areas in the financial statements due to the adoption of Ind AS;
- (b) reviewing the implementation of exemptions availed and options chosen by the Group in accordance with the Ind AS 101;
- (c) assessing the appropriateness of the adjustments made to the opening consolidated balance sheet as at April 1, 2017;
- (d) assessing the appropriateness of the adjustments recorded in the consolidated financial statements as of and for the year ended March 31, 2018 which were prepared in the previous GAAP;
- (e) evaluating the appropriateness of accounting policies selected by the Group on transition to Ind AS on the basis of our understanding of the Group, the nature and size of its operations and the requirements of the relevant accounting standards under the Ind AS framework;
- (f) evaluating the adequacy and appropriateness of the consolidated financial statements disclosures arising on adoption of the Ind AS to determine if these are in compliance with the requirements of the Ind AS; and
- (g) obtaining written representations from management and those charged with governance of the Holding Company on whether the consolidated financial statements comply with the Ind AS in all respects.
INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON

6. The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

7. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors / management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the financial reporting process of the Group.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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

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

- Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

12. 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.

13. 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.

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

**OTHER MATTERS**

15. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of `17,146.82 lakh and net assets of `12,192.80 lakh, total revenues of `7,545.90 lakh and net cash outflows amounting to `396.26 lakh for the year ended on that date, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The comparative financial information for the transition date opening balance sheet as at April 1, 2017 prepared in accordance with Ind AS included in these consolidated financial statements, is based on the previously issued statutory financial statements for the year ended March 31, 2017 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The consolidated
financial statements for the year ended March 31, 2017 were audited by the predecessor auditor whose audit report dated May 26, 2017 expressed an unmodified opinion on those consolidated financial statements. The consolidated financial statements for the year ended March 31, 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management. Our opinion is not modified in respect of this matter.

17. The Holding Company had prepared separate consolidated financial results for the year ended March 31, 2018, based on the consolidated financial statements for the year ended March 31, 2018 prepared in accordance with Accounting Standard ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India, on which we issued auditor’s report dated May 30, 2018. These consolidated financial results for the year ended March 31, 2018 have been adjusted for the differences in accounting principles adopted by the Group on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

18. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company, its subsidiary companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

19. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

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

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

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

   e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in Annexure A;

   g) With respect to the other matters to be included in the Auditor’s Report in accordance with 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 51 to the consolidated financial statements;
ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended March 31, 2019;

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 8, 2016 to December 30, 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandio & Co LLP
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Lalit Kumar
Partner
Membership No.: 095256

Place: Noida
Date: May 8, 2019
Independent Auditor's 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 consolidated financial statements of Satin Creditcare Network Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its 3 subsidiary companies which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies covered under the Act, are 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 ('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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary companies, as aforesaid.

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 consolidate 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 consolidated 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 and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. We did not audit the IFCoFR in so far as it relates to 3 subsidiary companies which are companies covered under the Act, whose financial statements / financial information reflect total assets of ₹17,146.82 lakh and net assets of ₹12,192.80 lakh as at March 31, 2019, total revenues of ₹7,545.90 lakh and net cash outflows amounting to ₹396.26 lakh for the year ended on that date, as considered in the consolidated financial statements, which are companies covered under the Act, whose IFCoFR have not been audited by us. The IFCoFR in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Lalit Kumar
Partner
Membership No.: 095256

Place: Noida
Date: May 8, 2019
# CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

(All amounts in Lakhs, unless otherwise stated)

### ASSETS

#### Financial assets

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4 1,02,496.82</td>
<td>47,087.53</td>
<td>66,492.68</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>5 73,345.19</td>
<td>66,290.94</td>
<td>64,166.70</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>6 186.99</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>7 1,377.63</td>
<td>1,177.17</td>
<td>678.20</td>
</tr>
<tr>
<td>Loans</td>
<td>8 4,54,862.48</td>
<td>4,84,727.92</td>
<td>3,18,356.90</td>
</tr>
<tr>
<td>Investments</td>
<td>9 2,642.85</td>
<td>7,181.72</td>
<td>2,049.23</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>10 2,003.99</td>
<td>3,287.87</td>
<td>2,123.53</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,60,561.95</td>
<td>6,09,753.15</td>
<td>4,53,867.24</td>
</tr>
</tbody>
</table>

#### Non-financial assets

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax assets (net)</td>
<td>11 834.28</td>
<td>786.98</td>
<td>570.45</td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td>12 3,409.94</td>
<td>9,260.63</td>
<td>12,029.41</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>13 4,456.26</td>
<td>3,797.80</td>
<td>3,545.62</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td>14 19.60</td>
<td>13.75</td>
<td>240.56</td>
</tr>
<tr>
<td>Goodwill</td>
<td>3,370.66</td>
<td>3,370.66</td>
<td>3,370.66</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>15 236.46</td>
<td>328.67</td>
<td>357.79</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>16 770.98</td>
<td>981.81</td>
<td>789.75</td>
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<tr>
<td><strong>Total</strong></td>
<td>16,712.47</td>
<td>20,149.61</td>
<td>21,881.94</td>
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### LIABILITIES AND EQUITY

#### Liabilities

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative financial instruments</td>
<td>17 -</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade payables</td>
<td>18 6.01</td>
<td>21.00</td>
<td>-</td>
</tr>
<tr>
<td>Other payables</td>
<td>19 182.10</td>
<td>1,659.96</td>
<td>1,244.61</td>
</tr>
<tr>
<td>Debt securities</td>
<td>20 97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>21 3,75,553.88</td>
<td>3,87,239.88</td>
<td>3,23,199.58</td>
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<tr>
<td>Subordinated liabilities</td>
<td>22 53,919.68</td>
<td>36,918.92</td>
<td>29,304.77</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>23 28,266.20</td>
<td>19,518.43</td>
<td>15,677.76</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,56,669.55</td>
<td>5,38,233.70</td>
<td>4,28,838.87</td>
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#### Non-financial liabilities

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax liabilities (net)</td>
<td>24 1,178.58</td>
<td>914.36</td>
<td>-</td>
</tr>
<tr>
<td>Provisions</td>
<td>25 1,515.48</td>
<td>1,131.60</td>
<td>1,019.34</td>
</tr>
<tr>
<td>Other non-financial liabilities</td>
<td>26 938.38</td>
<td>938.38</td>
<td>581.85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,660.23</td>
<td>2,984.34</td>
<td>1,601.19</td>
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</tbody>
</table>

### EQUITY

<table>
<thead>
<tr>
<th>Notes</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital</td>
<td>27 4,853.07</td>
<td>4,726.91</td>
<td>3,716.30</td>
</tr>
<tr>
<td>Other equity</td>
<td>28 11,091.57</td>
<td>83,749.45</td>
<td>41,372.33</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>1,14,944.64</td>
<td>88,476.56</td>
<td>45,086.63</td>
</tr>
</tbody>
</table>

### CONSOLIDATED BALANCE SHEET

**Statement of significant accounting policies and other explanatory notes.**

This balance sheet referred to in our report of even date.

For Walker Chandiolk & Co LLP Chartered Accountants Firm’s registration number: 001076N/N500013

For and on behalf of the Board of Directors Satin Creditcare Network Limited

Lalit Kumar H P Singh Satinder Singh
Partner Chairman cum Managing Director Director
Membership Number: 095256 DIN: 00333754 DIN: 00332521

Sanjay Kumar Bhatia Choudhary Runveer Krishan
Chairman Audit Committee cum Director Company Secretary and Compliance Officer
DIN: 07033027 FCS: 7437

Jugal Kataria
Chief Financial Officer

Place: Noida Place: New Delhi Date: May 8, 2019 Date: May 8, 2019
### CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>I. INCOME</th>
<th>Notes</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from operations</td>
<td>18</td>
<td>1,44,261.00</td>
<td>1,03,070.13</td>
</tr>
<tr>
<td>Interest income</td>
<td>29</td>
<td>1,18,606.93</td>
<td>95,950.47</td>
</tr>
<tr>
<td>Fees and commission income</td>
<td>30</td>
<td>9,090.27</td>
<td>5,406.46</td>
</tr>
<tr>
<td>Net gain on fair value changes</td>
<td>31</td>
<td>3,049.79</td>
<td>1,592.23</td>
</tr>
<tr>
<td>Net gain on derecognition of financial instruments under amortised cost category</td>
<td>32</td>
<td>13,345.54</td>
<td>-</td>
</tr>
<tr>
<td>Other operating income</td>
<td>33</td>
<td>168.47</td>
<td>120.97</td>
</tr>
<tr>
<td><strong>Total revenue from operations</strong></td>
<td>34</td>
<td>1,44,803.66</td>
<td>1,03,124.23</td>
</tr>
<tr>
<td>Other income</td>
<td>34</td>
<td>542.66</td>
<td>54.10</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>34</td>
<td>1,45,346.32</td>
<td>1,03,178.33</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>II. EXPENSES</th>
<th>Notes</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance costs</td>
<td>35</td>
<td>64,248.74</td>
<td>53,405.70</td>
</tr>
<tr>
<td>Impairment on financial instruments</td>
<td>36</td>
<td>5,242.11</td>
<td>4,447.11</td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>37</td>
<td>30,547.81</td>
<td>22,048.19</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>38</td>
<td>1,251.12</td>
<td>1,474.27</td>
</tr>
<tr>
<td>Other expenses</td>
<td>39</td>
<td>11,932.94</td>
<td>10,162.84</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>40</td>
<td>1,13,222.72</td>
<td>91,538.11</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
<td>31,580.94</td>
<td>11,586.12</td>
</tr>
<tr>
<td><strong>Net profit before tax</strong></td>
<td>41</td>
<td>31,580.94</td>
<td>11,586.12</td>
</tr>
</tbody>
</table>

Statement of significant accounting policies and other explanatory notes.
This statement of profit and loss referred to in our report of even date.

For **Walker Chandiock & Co LLP**
Chartered Accountants
Firm’s registration number: 001076/N/N500013

For and on behalf of the Board of Directors
**Satin Creditcare Network Limited**

**Lalit Kumar H p Singh Satvinder Singh**
Partner
Membership Number: 095256

**H P Singh**
Chairman cum Managing Director
DIN: 00333754

**Sanjay Kumar Bhatia**
Chairman Audit Committee cum Director
DIN: 07033027

**Choudhary Runveer Krishnan**
Company Secretary and Compliance Officer
FCS: 7437

**Jugal Kataria**
Chief Financial Officer

Place : Noida
Date : May 8, 2019

For **Walker Chandiock & Co LLP**
Chartered Accountants
Firm’s registration number: 001076/N/N500013

For and on behalf of the Board of Directors
**Satin Creditcare Network Limited**

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**Choudhary Runveer Krishnan**
Company Secretary and Compliance Officer
FCS: 7437

**Jugal Kataria**
Chief Financial Officer

Place : New Delhi
Date : May 8, 2019
<table>
<thead>
<tr>
<th>A</th>
<th>Cash flow from operating activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit before tax</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Adjustments for:</strong></td>
</tr>
<tr>
<td></td>
<td>Depreciation and amortisation</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Net (gain)/loss on derecognition of property, plant and equipment</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Gain on sale of liquid funds</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Unrealised (gain)/loss on fair value changes of derivatives and investments</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Property, plant and equipment written off</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Impairment on financial instruments</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Gain on sale of loan portfolio through assignment</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>First loss default guarantee expenses</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Share based payment to employees</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Effective interest rate adjustment for financial instruments</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Unrealised exchange fluctuation loss (net)</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Operating profit before working capital changes</strong></td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Movement in working capital</strong></td>
</tr>
<tr>
<td></td>
<td>Increase in trade receivables</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Decrease/(increase) in loans</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Increase in deposits</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Decrease/(increase) in other financial assets</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Decrease/(increase) in other non-financial assets</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Decrease/(increase) in trade and other payables</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Increase in other financial liabilities</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Increase in provisions</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Increase in other non-financial liabilities</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Cash flows from/(used in) operating activities post working capital changes</strong></td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Income tax paid (net)</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Net cash flows from/ (used in) operating activities (A)</strong></td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td>B</td>
<td>Cash flows from investing activities</td>
</tr>
<tr>
<td></td>
<td>Payments for property, plant and equipment and capital work-in-progress and intangible assets</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Proceeds from sale of property, plant and equipment and intangible assets</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Payment for acquisition of subsidiary, net of cash acquired</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td>Purchase of other investments (net)</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
<tr>
<td></td>
<td><strong>Net cash used in investing activities (B)</strong></td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2019</td>
</tr>
<tr>
<td></td>
<td>For the year ended March 31, 2018</td>
</tr>
</tbody>
</table>

(contd...)
## CONSOLIDATED CASH FLOW STATEMENT

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Cash flows from financing activities*</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from issue of share capital and share warrants (including premium)</td>
<td>11.51</td>
<td>35,683.20</td>
</tr>
<tr>
<td>Proceeds from debt securities</td>
<td>40,370.00</td>
<td>42,300.00</td>
</tr>
<tr>
<td>Repayment of debt securities</td>
<td>(34,702.86)</td>
<td>(9,074.48)</td>
</tr>
<tr>
<td>Proceeds from borrowings other than debt securities</td>
<td>3,29,267.50</td>
<td>3,52,092.11</td>
</tr>
<tr>
<td>Repayment of borrowings other than debt securities</td>
<td>(3,45,753.07)</td>
<td>(2,89,257.84)</td>
</tr>
<tr>
<td>Proceeds from subordinated liabilities</td>
<td>20,000.00</td>
<td>8,000.00</td>
</tr>
<tr>
<td>Repayment of subordinated liabilities</td>
<td>(369.81)</td>
<td>(369.74)</td>
</tr>
<tr>
<td>Net cash flows from financing activities (C)</td>
<td>8,823.27</td>
<td>1,39,373.25</td>
</tr>
</tbody>
</table>

| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 51,238.21 | (20,254.86) |
| Cash and cash equivalents at the beginning of the year# | 45,343.46 | 65,598.32 |
| Cash and cash equivalents at the end of the year | 96,581.67 | 45,343.46 |

### Notes:

- Cash and cash equivalents (as per note 4 to the financial statements)
  - For the year ended March 31, 2019: 1,02,496.82
  - For the year ended March 31, 2018: 47,087.53
- Less: Overdraft facility against term deposits
  - For the year ended March 31, 2019: (5,915.15)
  - For the year ended March 31, 2018: (1,744.07)

### For Walker Chandiock & Co LLP
Chartered Accountants
Firm’s registration number: 001076N/N500013

**Lalit Kumar**
Partner
Membership Number: 095256

### For and on behalf of the Board of Directors
**Satin Creditcare Network Limited**

**H P Singh**
Chairman cum Managing Director
DIN: 00333754

**Satvinder Singh**
Director
DIN: 00332521

**Sanjay Kumar Bhatia**
Chairman Audit Committee cum Director
DIN: 07033027

**Jugal Kataria**
Chief Financial Officer
FCS: 7437

### For Choudhary Runveer Krishnan
Company Secretary and Compliance Officer
FCS: 7437

**Choudhary Runveer Krishnan**
Company Secretary and Compliance Officer
FCS: 7437

**Sanjay Kumar Bhatia**
Chairman Audit Committee cum Director
DIN: 07033027

**Jugal Kataria**
Chief Financial Officer
FCS: 7437
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Balance as at April 1, 2017</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2018</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital</td>
<td>3,714.30</td>
<td>1,012.61</td>
<td>4,726.91</td>
<td>126.16</td>
<td>4,853.07</td>
</tr>
</tbody>
</table>

**A. EQUITY SHARE CAPITAL**

**Particulars**

<table>
<thead>
<tr>
<th>Component</th>
<th>Balance as at April 1, 2017</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2018</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory</td>
<td>- 2,861.66</td>
<td>47,001.28</td>
<td>29.94</td>
<td>277.00</td>
<td>(138.82)</td>
</tr>
<tr>
<td>Securities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>General reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital redemption reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign currency translation difference account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Share options outstanding account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total statutory reserves</td>
<td>2,861.66</td>
<td>47,001.28</td>
<td>29.94</td>
<td>277.00</td>
<td>(138.82)</td>
</tr>
</tbody>
</table>

**B. OTHER EQUITY**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Balance as at April 1, 2017</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2018</th>
<th>Change during the year</th>
<th>Balance as at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>6,841.05</td>
<td>83,342.21</td>
<td>29.94</td>
<td>277.00</td>
<td>(153.92)</td>
</tr>
</tbody>
</table>

Statement of significant accounting policies and other explanatory notes. This statement of changes in equity referred to in our report of even date.

For Walker Chandik & Co LLP
Chartered Accountants
Firm’s registration number: 001076N/N500013

Lalit Kumar
Partner
Membership Number: 095256

For and on behalf of the Board of Directors
Satin Creditcare Network Limited

H P Singh
Chairman cum Managing Director
DIN: 00333754

Sanjay Kumar Bhatia
Chairman Audit Committee cum Director
DIN: 07633027

Salvinder Singh
Director
DIN: 00332521

Sanjiv Kumar Bhatia
Chairman Audit Committee cum Director
DIN: 07633027

Choudhary Runveer Krishnan
Company Secretary and Compliance Officer
FCS: 7437

Jugal Kataria
Chief Financial Officer

Place : Noida
Date : May 8, 2019
1. **GROUP OVERVIEW**

Satin Creditcare Network Limited (‘the Company’ or ‘the Holding Company’) is a public limited company and incorporated under the provisions of Companies Act. The Company is a non-deposit accepting Non-Banking Financial Company (‘NBFC-ND’) and is registered as a Non-Banking Financial Company – Micro Finance Institution (‘NBFC-MFI’) with the Reserve Bank of India (‘RBI’) in November 2013. The Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organised as Joint Liability Groups (‘JLG’). The Company is domiciled in India and its registered office is situated at 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

During the year, the Company has acquired 8.89% (previously held stake 91.11%) equity shares of Taraashna Services Limited (‘TSL’), thereby becoming its wholly owned subsidiary w.e.f July 27, 2018. TSL is engaged in the Business Correspondent (‘BC’) activity with various banks/NBFC’s.

The Company owns 100% equity shares of Satin Housing Finance Limited (‘SHFL’). The SHFL is engaged in the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase/ construction/ repair and renovation of new/existing flats/ houses for residential purposes.

During the year, the Company has incorporated (with 100% stake in equity shares) Satin Finserv Limited (‘SFL’) on August 10, 2018. The SFL is engaged in the business of providing various financial services to small entrepreneurs, MSMEs, Indian consumers and other eligible consumers as permissible under applicable laws.

2. **BASIS OF PREPARATION**

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

These Consolidated 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 Group has uniformly applied the accounting policies for all the periods presented in this consolidated financial statements.

The consolidated financial statements for the year ended March 31, 2019 are the first consolidated financial statements which have been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India (‘RBI’).

The consolidated financial statements upto and for the year ended March 31, 2018 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and other applicable guidelines issued by the RBI, which have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS.

As these are the Group’s first consolidated financial statements prepared in accordance with Ind AS, the Group has applied, First-time Adoption Standard (Ind AS 101) of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 57.

The consolidated financial statements for the year ended March 31, 2019 were authorised and approved for issue by the Board of Directors on May 8, 2019.

(ii) **Historical cost convention**

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated 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.

B. **BASIS OF CONSOLIDATION**

The consolidated financial statements has comprised financial statements of the Company...
and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary’s statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

**Business combination**

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognised for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

**Transition to Ind AS**

The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2019

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 capitalisation 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 Group. All other repair and maintenance costs are recognised in statement of profit and loss.

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 Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

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

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written-down method over the useful life of the assets as prescribed under Part ‘C’ of Schedule II of the Companies Act, 2013.

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Useful life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>60 years</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>5-15 years</td>
</tr>
<tr>
<td>Office equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>10 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>8-10 years</td>
</tr>
</tbody>
</table>

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 de-recognised 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 recognised in the statement of profit and loss, when the asset is de-recognised.

Capital work-in-progress

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

Transition to Ind AS

The Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount as its deemed cost on the date of transition of Ind AS i.e. April 01, 2017.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

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

Intangible assets are amortised over a period of 3 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Transition to Ind AS

The Group has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition of Ind AS i.e. April 01, 2017.
c) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Group can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project
- The Group has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

d) Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges are recognised only when it is reasonable certain that the ultimate collection will be made.

Income from assignment transactions

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Commission income

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

Dividend income

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

Miscellaneous income

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

e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use, are capitalised. Borrowing cost consists of interest and other cost that the Group incurred in connection with the borrowing of funds. 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.

f) Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group’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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. 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).

**g) Employee benefits**

**Short-term employee benefits**

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

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

**Defined contribution plans**

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

**Defined benefit plans**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee’s length of service and last drawn salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

**Other long-term employee benefits**

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after 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.
h) Share based payments
The Holding Company has formulated an Employees Stock Option Schemes to be administered through a Trust. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Holding Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

i) Impairment of non-financial assets
At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset’s net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Compensation for impairment
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are recognised in Statement of Profit and Loss when the compensation becomes receivable.

j) Impairment of financial assets
 Loan assets
The Group follows a ‘three-stage’ model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

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

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

Exposure at Default (EAD) - EAD is based on the amounts the Group expects to be owed at the time of default.

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

Trade receivables
In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

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

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

Write-offs
Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents
Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Group has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement.

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

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

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

m) Leases
At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance leases
Assets leased to the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. A finance lease is recognised as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability. The Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases
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.

n) Financial instruments
A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

Non-derivative financial assets
Subsequent measurement
i. Financial assets carried at 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.

ii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

De-recognition of financial assets
Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are de-recognised (i.e. removed from the Group’s balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

First loss default guarantee
First loss default guarantee contracts are contracts that require the Group to make specified payments to reimburse the bank and financial institution for
a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of agreements. Such financial guarantees are given to banks and financial institutions, for whom the Group acts as ‘Business Correspondent’.

These contracts are initially measured at fair value and subsequently measure at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- Maximum amount payable as on the reporting date to the respective bank/financial institution which is based on the amount of loans overdue for more 75-90 days in respect to agreements with banks and financial institutions.

Further, the maximum liability is restricted to the cash outflow agreed in the agreement.

**Compound financial instruments**

Optionally convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders’ equity, net of income tax effects, and not subsequently re-measured.

**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.

**Derivative contracts**

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

**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.

**Segment reporting**

The Group identifies segment basis of the internal organisation 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 reviewed by the CODM (‘chief operating decision maker’) and in assessing performance. The accounting policies adopted for segment reporting are line with the accounting policies of the Group. 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.

**Foreign currency**

**Functional and presentation currency**

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements have been prepared and presented in Indian Rupees (₹), which is the Group’s functional and presentation currency.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-
monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

**Transition to Ind AS**

The Group has elected to exercise the option for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the consolidated financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

**r) Government grants**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. Grant or subsidy relates to revenue, it is recognised as income on a systematic basis in statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

**s) Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Group’s consolidated 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 recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

**Business model assessment** - The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

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

**Classification of leases** – The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset’s economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

**Expected credit loss (‘ECL’)** – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

FOR THE YEAR ENDED MARCH 31, 2019

• Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
• Establishing groups of similar financial assets for the purposes of measuring ECL.

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

Significant estimates

Useful lives of depreciable/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.

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.

Standards issued but not yet effective as on date

Ind AS 116 ‘Leases’
On March 30, 2019, Ministry of Corporate Affairs (‘MCA’) has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of ‘low-value’ assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Group is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

Amendment to Ind AS 12, Income taxes
On March 30, 2019, Ministry of Corporate Affairs (‘MCA’) has notified Appendix C to Ind-AS 12 Income taxes – “Uncertainty over Income Tax Treatments”. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability accordingly. The effective date of amendment is April 1, 2019. Further, there has been amendments in relevant paragraphs in Ind-AS 12 “Income Taxes” which clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events in accordance with Ind-AS 109. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 19, Employee benefits
On March 30, 2019, Ministry of Corporate Affairs (‘MCA’) has issued an amendment to Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset) as per the requirement of the standard, it shall determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). The effective date of amendment is April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.
Amendment to Ind AS 109, Financial instruments
On March 30, 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 109 in respect of prepayment features with negative compensation, which amends the existing requirements in Ind-AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 23, Borrowing costs
On March 30, 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 23 “Borrowing Costs” clarifies that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 28, Investments in associates and joint ventures
On March 30, 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 28 “Investments in Associates and Joint Ventures” in relation to long-term interests in associates and joint ventures. The amendment clarifies that an entity applies Ind-AS 109 to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 103, Business combinations
On March 30, 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 103, “Business Combinations”. The amendment clarifies that when an entity obtains control of a business that is a joint operation, it shall need to re-measure the previously held interests in that business. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.

Amendment to Ind AS 111, Joint arrangements
On March 30, 2019, Ministry of Corporate Affairs (“MCA”) issued an amendment to Ind-AS 111, “Joint Arrangements”. The amendment clarifies that when an entity obtains joint control of a business that is a joint operation, the entity shall not re-measure previously held interests in that business. This amendment is effective for annual periods beginning on or after April 1, 2019. The Group is evaluating the requirements of the amendments and their impact on the consolidated financial statements.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

4. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>4,953.54</td>
<td>2,974.16</td>
<td>1,817.81</td>
</tr>
<tr>
<td>Balances with banks and financial institutions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Balance with banks in current accounts</td>
<td>26,820.11</td>
<td>22,482.90</td>
<td>34,894.73</td>
</tr>
<tr>
<td>- Deposits for original maturity of less than 3 months</td>
<td>37,616.29</td>
<td>6,787.26</td>
<td>29,780.14</td>
</tr>
<tr>
<td>- Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees</td>
<td>6,000.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Deposits (includes commercial papers and certificate of deposits)</td>
<td>27,106.88</td>
<td>14,843.21</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>1,02,496.82</td>
<td>47,087.53</td>
<td>66,492.68</td>
</tr>
</tbody>
</table>

5. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits for remaining maturity of more than 3 months and upto 12 months</td>
<td>13,743.27</td>
<td>32,810.86</td>
<td>30,025.30</td>
</tr>
<tr>
<td>Deposits with remaining maturity more than 12 months</td>
<td>287.14</td>
<td>1,761.90</td>
<td>3,976.30</td>
</tr>
<tr>
<td>Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees</td>
<td>59,314.78</td>
<td>31,718.18</td>
<td>30,165.10</td>
</tr>
<tr>
<td>Total</td>
<td>73,345.19</td>
<td>66,290.94</td>
<td>64,166.70</td>
</tr>
</tbody>
</table>

The amount under lien as security against term loan and overdraft facility availed, assets securitised, first loss default guarantee are as follows (included above in note 4 and 5):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loans</td>
<td>19,945.57</td>
<td>18,733.83</td>
<td>19,467.64</td>
</tr>
<tr>
<td>Overdraft facilities</td>
<td>34,289.26</td>
<td>2,674.39</td>
<td>3,731.42</td>
</tr>
<tr>
<td>Securitisations</td>
<td>5,449.31</td>
<td>7,355.75</td>
<td>4,432.56</td>
</tr>
<tr>
<td>Derivatives</td>
<td>500.00</td>
<td>500.00</td>
<td>500.00</td>
</tr>
<tr>
<td>Security against first loss default guarantee</td>
<td>5,128.50</td>
<td>2,453.21</td>
<td>2,032.48</td>
</tr>
<tr>
<td>Security against facilities</td>
<td>2.14</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Total</td>
<td>65,314.78</td>
<td>31,718.18</td>
<td>30,165.10</td>
</tr>
</tbody>
</table>

6. DERIVATIVE FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 01, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notional amounts (₹)</td>
<td>Fair value</td>
<td>Notional amounts (₹)</td>
<td>Fair value</td>
</tr>
<tr>
<td>Currency and interest swap (refer note 43)</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
<tr>
<td>Included in above are derivative held for risk management purpose as follows: Undesignated derivative</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
<tr>
<td>Total of derivative financial instruments</td>
<td>4,323.21</td>
<td>186.99</td>
<td>-</td>
</tr>
</tbody>
</table>

The table above represents the fair value of derivatives financial instruments recorded as assets together with the notional amounts. The notional amounts indicates the value of transaction outstanding at the year end and are not indicative of either the market risk or credit risk.
## 7. Trade Receivables (At Amortised Cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Considered good - unsecured</td>
<td>1,237.63</td>
<td>1,177.17</td>
<td>678.20</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,237.63</strong></td>
<td><strong>1,177.17</strong></td>
<td><strong>678.20</strong></td>
</tr>
</tbody>
</table>

The Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk.

## 8. Loans

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 01, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>At fair value through other comprehensive income</strong></td>
<td><strong>At amortised cost</strong></td>
<td><strong>At amortised cost</strong></td>
</tr>
<tr>
<td><strong>Portfolio loans</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsecured</td>
<td>3,79,984.68</td>
<td>61,926.03</td>
<td>500,944.35</td>
</tr>
<tr>
<td>Housing and other loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Less: Impairment loss allowance | (9,010.76) | (1,265.84) | (21,267.53) | (34,860.53) |
| Sub total                     | 3,70,973.92 | 83,888.56 | 4,84,727.92 | 3,18,356.90 |
| Total loans                   | 4,54,862.48 | 4,84,727.92 | 3,18,356.90 |

(i) Secured by property, plant and equipment including land and building 17,744.81 5,051.10 507.44
(ii) Secured by book debts, inventories, margin money and other working capital items 5,483.57 - -
(iii) Unsecured 4,41,910.70 5,00,944.35 3,52,709.99

**Total Gross**

4,65,139.08 5,05,995.45 3,53,217.43

**Less: Impairment loss allowance**

(10,276.60) (21,267.53) (34,860.53)

**Total Net**

4,54,862.48 4,84,727.92 3,18,356.90

Loans in India

(i) Public sector

(ii) Others 4,65,139.08 5,05,995.45 3,53,217.43

**Total Gross**

4,65,139.08 5,05,995.45 3,53,217.43

**Less: Impairment loss allowance**

(10,276.60) (21,267.53) (34,860.53)

**Total Net**

4,54,862.48 4,84,727.92 3,18,356.90

*The Holding Company has reassessed its business model and with the background of series of assignment transactions, has changed its business model on March 31, 2019 from 'hold to collect' to 'hold to collect and sell'. Accordingly, the Holding Company has reclassified its eligible portfolio from amortised category to fair value through other comprehensive income (FVOCI) category and hence recorded a fair value gain in other comprehensive income.*
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

### 9. INVESTMENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 01, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amortised cost</td>
<td>At fair value</td>
<td>Amortised cost</td>
</tr>
<tr>
<td></td>
<td>Through other comprehensive income</td>
<td>Through profit and loss</td>
<td>Total</td>
</tr>
<tr>
<td><strong>Equity instruments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Mutual funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil (March 31, 2018: Nil and April 1, 2017: 44,938.11 units in Reliance Money Manager fund - Direct Growth Plan)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Government securities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>500 (March 31, 2018: 500 and April 1, 2017: 500), Government of India, Inscribed stock having face value `100 each</td>
<td>-</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td><strong>Certificate of deposit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in Axis Bank Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in Axis Bank Limited</td>
<td>-</td>
<td>-</td>
<td>2,470.55</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in HDFC Bank Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in ICICI Bank Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in ICICI Bank Limited</td>
<td>-</td>
<td>-</td>
<td>6,820.22</td>
</tr>
<tr>
<td>Nil (March 31, 2018: 500 and April 1, 2017: Nil) units in IndusInd Bank Limited</td>
<td>-</td>
<td>-</td>
<td>19,608.12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>26,428.85</td>
</tr>
<tr>
<td><strong>(i) Investments in India</strong></td>
<td>-</td>
<td>-</td>
<td>26,428.85</td>
</tr>
<tr>
<td><strong>(ii) Investments outside India</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>26,428.85</td>
</tr>
</tbody>
</table>
### 10. OTHER FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security deposits</td>
<td>268.38</td>
<td>187.65</td>
<td>118.53</td>
</tr>
<tr>
<td>Staff advances</td>
<td>140.42</td>
<td>192.41</td>
<td>821.04</td>
</tr>
<tr>
<td>Insurance recoverable</td>
<td>1,110.03</td>
<td>1,528.71</td>
<td>656.49</td>
</tr>
<tr>
<td>Other recoverables</td>
<td>623.33</td>
<td>1,501.58</td>
<td>527.47</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,142.16</td>
<td>3,410.35</td>
<td>2,123.53</td>
</tr>
<tr>
<td>Less: Impairment loss allowance</td>
<td>(138.17)</td>
<td>(122.48)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,003.99</td>
<td>3,287.87</td>
<td>2,123.53</td>
</tr>
</tbody>
</table>

### 11. CURRENT TAX ASSETS (NET)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advance income tax (net)</td>
<td>834.28</td>
<td>786.98</td>
<td>570.45</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>834.28</td>
<td>786.98</td>
<td>570.45</td>
</tr>
</tbody>
</table>

### 12. DEFERRED TAX ASSETS (NET)

**(A) Deferred tax assets**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for employee benefits</td>
<td>521.88</td>
<td>390.63</td>
<td>341.64</td>
</tr>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>322.00</td>
<td>193.99</td>
<td>9.63</td>
</tr>
<tr>
<td>Unabsorbed business losses and depreciation</td>
<td>51.49</td>
<td>315.26</td>
<td>-</td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>119.88</td>
<td>1,369.20</td>
<td>167.96</td>
</tr>
<tr>
<td>Impairment loss allowance and first loss default guarantee</td>
<td>3,744.43</td>
<td>7,423.41</td>
<td>11,950.33</td>
</tr>
<tr>
<td>Minimum alternate tax credit entitlement*</td>
<td>145.24</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
<td>7.10</td>
<td>4.39</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Total deferred tax assets</strong></td>
<td>4,912.02</td>
<td>9,696.88</td>
<td>12,469.77</td>
</tr>
</tbody>
</table>

**(B) Deferred tax liabilities**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>1.28</td>
<td>-</td>
<td>17.41</td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>130.30</td>
<td>433.27</td>
<td>422.95</td>
</tr>
<tr>
<td>Fair valuation of financial instruments through profit and loss</td>
<td>0.62</td>
<td>2.98</td>
<td>-</td>
</tr>
<tr>
<td>Fair valuation of loan assets through other comprehensive income</td>
<td>1,369.88</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total deferred tax liabilities</strong></td>
<td>1,502.08</td>
<td>436.25</td>
<td>440.36</td>
</tr>
<tr>
<td><strong>Net deferred tax asset</strong></td>
<td>3,409.94</td>
<td>9,260.63</td>
<td>12,029.41</td>
</tr>
</tbody>
</table>
### i) Movement in deferred tax assets (net)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2018</th>
<th>(Charged)/credited to statement of profit and loss</th>
<th>(Charged)/credited to other comprehensive income</th>
<th>Charged to equity</th>
<th>As at March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for employee benefits</td>
<td>390.63</td>
<td>113.89</td>
<td>17.36</td>
<td>-</td>
<td>521.88</td>
</tr>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>193.99</td>
<td>128.01</td>
<td>-</td>
<td>-</td>
<td>322.00</td>
</tr>
<tr>
<td>Unabsorbed business losses and depreciation</td>
<td>315.26</td>
<td>(263.77)</td>
<td>-</td>
<td>-</td>
<td>51.49</td>
</tr>
<tr>
<td>Financial assets measured at amortised cost</td>
<td>1,369.20</td>
<td>(1,249.32)</td>
<td>-</td>
<td>-</td>
<td>119.88</td>
</tr>
<tr>
<td>Impairment loss allowance and first loss default guarantee</td>
<td>7,423.41</td>
<td>(3,678.98)</td>
<td>-</td>
<td>-</td>
<td>3,744.43</td>
</tr>
<tr>
<td>Minimum alternate tax credit entitlement*</td>
<td>-</td>
<td>145.24</td>
<td>-</td>
<td>-</td>
<td>145.24</td>
</tr>
<tr>
<td>Others</td>
<td>4.39</td>
<td>2.71</td>
<td>-</td>
<td>-</td>
<td>7.10</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference in written down value as per Companies Act and Income Tax Act</td>
<td>-</td>
<td>1.28</td>
<td>-</td>
<td>-</td>
<td>1.28</td>
</tr>
<tr>
<td>Financial liabilities measured at amortised cost</td>
<td>433.27</td>
<td>(302.97)</td>
<td>-</td>
<td>-</td>
<td>130.30</td>
</tr>
<tr>
<td>Fair valuation of financial instruments through profit and loss</td>
<td>2.98</td>
<td>(2.36)</td>
<td>-</td>
<td>-</td>
<td>0.62</td>
</tr>
<tr>
<td>Fair valuation of loan assets through other comprehensive income</td>
<td>-</td>
<td>-</td>
<td>1,369.88</td>
<td>-</td>
<td>1,369.88</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,260.63</td>
<td>(4,498.17)</td>
<td>(1,352.52)</td>
<td>-</td>
<td>3,409.94</td>
</tr>
</tbody>
</table>

* Minimum alternate tax credit pertains to financial year ended March 31, 2019 having expiry financial year ended March 31, 2034.
13. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Notes to the consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR THE YEAR ENDED MARCH 31, 2019</td>
</tr>
<tr>
<td>(All amounts in Lakhs, unless otherwise stated)</td>
</tr>
</tbody>
</table>

**13. Property, Plant and Equipment**

<table>
<thead>
<tr>
<th>Gross Block</th>
<th>Land</th>
<th>Buildings (refer note (iii))</th>
<th>Plant &amp; Equipment</th>
<th>Office Equipment</th>
<th>Furniture &amp; Fixtures</th>
<th>Vehicles (refer note (iv))</th>
<th>Total</th>
<th>Capital work in progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at April 1, 2017 (refer note (i))</td>
<td>1,518.37</td>
<td>692.12</td>
<td>908.27</td>
<td>504.73</td>
<td>985.86</td>
<td>134.00</td>
<td>4,743.35</td>
<td>977.70</td>
</tr>
<tr>
<td>Additions</td>
<td>–</td>
<td>–</td>
<td>896.00</td>
<td>109.04</td>
<td>272.99</td>
<td>85.59</td>
<td>1,363.62</td>
<td>631.61</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–</td>
<td>(4.12)</td>
<td>(1.01)</td>
<td>(28.75)</td>
<td>(16.61)</td>
<td>(50.49)</td>
<td>–</td>
</tr>
<tr>
<td>Balance as at March 31, 2018</td>
<td>1,518.37</td>
<td>692.12</td>
<td>1,800.15</td>
<td>612.76</td>
<td>1,230.10</td>
<td>202.98</td>
<td>6,056.48</td>
<td>1,609.31</td>
</tr>
<tr>
<td>Additions</td>
<td>–</td>
<td>895.20</td>
<td>519.17</td>
<td>104.62</td>
<td>198.97</td>
<td>12.88</td>
<td>1,730.84</td>
<td>900.18</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–</td>
<td>(157.96)</td>
<td>(119.99)</td>
<td>(110.85)</td>
<td>(15.52)</td>
<td>(404.32)</td>
<td>(895.20)</td>
</tr>
<tr>
<td>Balance as at March 31, 2019</td>
<td>1,518.37</td>
<td>1,587.32</td>
<td>2,161.36</td>
<td>597.39</td>
<td>1,318.22</td>
<td>200.34</td>
<td>7,383.00</td>
<td>1,614.29</td>
</tr>
</tbody>
</table>

**Accumulated depreciation**

<table>
<thead>
<tr>
<th>Notes to the consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR THE YEAR ENDED MARCH 31, 2019</td>
</tr>
<tr>
<td>(All amounts in Lakhs, unless otherwise stated)</td>
</tr>
</tbody>
</table>

| Balance as at April 1, 2017 (refer note (i)) | – | 141.73 | 497.64 | 195.24 | 276.06 | 87.06 | 1,197.73 | – |
| Additions | – | 141.51 | 558.93 | 158.99 | 205.94 | 23.75 | 1,089.12 | – |
| Adjustment on account of disposals | – | – | (2.28) | (0.79) | (14.06) | (11.04) | (28.17) | – |
| Balance as at March 31, 2018 | – | 283.24 | 1,054.29 | 353.44 | 467.94 | 99.77 | 2,258.68 | – |
| Depreciation charge for the year | – | 60.78 | 569.63 | 134.73 | 221.41 | 33.17 | 1,019.72 | – |
| Adjustment on account of disposals | – | – | (148.44) | (106.12) | (87.58) | (9.52) | (351.66) | – |
| Balance as at March 31, 2019 | – | 344.02 | 1,475.48 | 382.05 | 601.77 | 123.42 | 2,926.74 | – |

**Net block**

<table>
<thead>
<tr>
<th>Notes to the consolidated financial statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>FOR THE YEAR ENDED MARCH 31, 2019</td>
</tr>
<tr>
<td>(All amounts in Lakhs, unless otherwise stated)</td>
</tr>
</tbody>
</table>

| Balance as at April 1, 2017 | 1,518.37 | 550.39 | 410.63 | 309.49 | 709.80 | 46.94 | 3,545.62 | 977.70 |
| Balance as at March 31, 2018 | 1,518.37 | 408.88 | 745.86 | 259.32 | 762.16 | 103.21 | 3,797.80 | 1,609.31 |
| Balance as at March 31, 2019 | 1,518.37 | 1,243.30 | 685.88 | 215.34 | 716.45 | 76.92 | 4,456.26 | 1,614.29 |

**Notes:**

(i) Deemed cost of property, plant and equipment – reconciliation of gross block and net carrying amount

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Land</th>
<th>Buildings (refer note (iii))</th>
<th>Plant and equipment</th>
<th>Office equipment</th>
<th>Furniture and fixtures</th>
<th>Vehicles (refer note (iv))</th>
<th>Total</th>
<th>Capital work in progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Block as at April 1, 2017</td>
<td>1,518.37</td>
<td>692.12</td>
<td>908.27</td>
<td>504.73</td>
<td>985.86</td>
<td>134.00</td>
<td>4,743.35</td>
<td>977.70</td>
</tr>
<tr>
<td>Accumulated Depreciation as at April 1, 2017</td>
<td>–</td>
<td>(141.73)</td>
<td>(497.64)</td>
<td>(195.24)</td>
<td>(276.06)</td>
<td>(87.06)</td>
<td>(1,197.73)</td>
<td>–</td>
</tr>
<tr>
<td>Carrying Amount as at April 01, 2017</td>
<td>1,518.37</td>
<td>550.39</td>
<td>410.63</td>
<td>309.49</td>
<td>709.80</td>
<td>46.94</td>
<td>3,545.62</td>
<td>977.70</td>
</tr>
</tbody>
</table>

Notes:

(iii) Buildings acquired under amalgamation continue in the name of Satin Intellicomm Limited.

(iii) For disclosure of contractual commitments to be executed on capital account, refer note 51.

(iv) Vehicles are taken on finance lease; monthly installments are paid as per agreed terms and conditions.

(v) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 52.
# Intangible Assets Under Development

<table>
<thead>
<tr>
<th>Gross Block</th>
<th>Intangible assets under development</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at April 1, 2017</strong></td>
<td>240.56</td>
<td>240.56</td>
</tr>
<tr>
<td>Additions</td>
<td>13.75</td>
<td>13.75</td>
</tr>
<tr>
<td>Disposals/capitalised during the year</td>
<td>(240.56)</td>
<td>(240.56)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2018</strong></td>
<td>13.75</td>
<td>13.75</td>
</tr>
<tr>
<td>Additions</td>
<td>112.42</td>
<td>112.42</td>
</tr>
<tr>
<td>Disposals/capitalised during the year</td>
<td>(106.57)</td>
<td>(106.57)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2019</strong></td>
<td>19.60</td>
<td>19.60</td>
</tr>
</tbody>
</table>

**Net block**

<table>
<thead>
<tr>
<th>Balance as at April 1, 2017</th>
<th>240.56</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at March 31, 2018</td>
<td>13.75</td>
</tr>
<tr>
<td>Balance as at March 31, 2019</td>
<td>19.60</td>
</tr>
</tbody>
</table>

# Other Intangible Assets

<table>
<thead>
<tr>
<th>Gross Block</th>
<th>Intangible assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at April 1, 2017 (refer note i)</strong></td>
<td>648.27</td>
<td>648.27</td>
</tr>
<tr>
<td>Additions</td>
<td>356.03</td>
<td>356.03</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2018</strong></td>
<td>1,004.30</td>
<td>1,004.30</td>
</tr>
<tr>
<td>Additions</td>
<td>145.72</td>
<td>145.72</td>
</tr>
<tr>
<td>Disposals</td>
<td>(111.19)</td>
<td>(111.19)</td>
</tr>
<tr>
<td><strong>Balance as at March 31, 2019</strong></td>
<td>1,038.83</td>
<td>1,038.83</td>
</tr>
</tbody>
</table>

**Accumulated amortisation**

| Balance as at April 1, 2017 (refer note i) | 290.48 |
| Amortisation charge for the year          | 385.15 |
| **Balance as at March 31, 2018**          | 675.63 |
| Amortisation charge for the year          | 231.40 |
| Adjustment on account of disposals        | (104.66) |
| **Balance as at March 31, 2019**          | 802.37 |

**Net block**

<table>
<thead>
<tr>
<th>Balance as at April 1, 2017</th>
<th>357.79</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at March 31, 2018</td>
<td>328.67</td>
</tr>
<tr>
<td>Balance as at March 31, 2019</td>
<td>236.46</td>
</tr>
</tbody>
</table>

(i) Deemed cost of other intangible assets - Reconciliation of gross block and net carrying amount

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Computer software</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross block as at April 1, 2017</td>
<td>648.27</td>
<td>648.27</td>
</tr>
<tr>
<td>Accumulated amortisation as at April 1, 2017</td>
<td>(290.48)</td>
<td>(290.48)</td>
</tr>
<tr>
<td>Carrying amount as at April 1, 2017</td>
<td>357.79</td>
<td>357.79</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

16. OTHER NON-FINANCIAL ASSETS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid expenses</td>
<td>404.26</td>
<td>299.68</td>
<td>358.11</td>
</tr>
<tr>
<td>Balances with government authorities</td>
<td>126.35</td>
<td>47.32</td>
<td>39.91</td>
</tr>
<tr>
<td>Capital advances</td>
<td>69.95</td>
<td>88.35</td>
<td>135.36</td>
</tr>
<tr>
<td>Other assets</td>
<td>170.42</td>
<td>546.46</td>
<td>256.37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>770.98</strong></td>
<td><strong>981.81</strong></td>
<td><strong>789.75</strong></td>
</tr>
</tbody>
</table>

17. DERIVATIVE FINANCIAL INSTRUMENTS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Notional amounts (t)</strong></td>
<td><strong>Fair value</strong></td>
<td><strong>Notional amounts (t)</strong></td>
</tr>
<tr>
<td>Currency and interest swap (refer note 43)</td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
<tr>
<td>Included in above are derivative held for risk management purpose as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated derivatives</td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>5,149.32</td>
</tr>
</tbody>
</table>

Refer note 6 for explanation on derivative financial instruments.

18. TRADE PAYABLES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises (refer note 54)</td>
<td>6.01</td>
<td>21.00</td>
<td>-</td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>182.10</td>
<td>1,659.96</td>
<td>1,244.61</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>188.11</td>
<td>1,680.96</td>
<td>1,244.61</td>
</tr>
</tbody>
</table>

19. OTHER PAYABLES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total outstanding dues of micro enterprises and small enterprises</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td>1,154.83</td>
<td>828.27</td>
<td>603.24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,154.83</td>
<td>828.27</td>
<td>603.24</td>
</tr>
</tbody>
</table>

20. DEBT SECURITIES (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-convertible debentures</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>97,586.85</strong></td>
<td><strong>91,929.66</strong></td>
<td><strong>58,808.91</strong></td>
</tr>
<tr>
<td>Debt securities in India</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td>Debt securities outside India</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>97,586.85</strong></td>
<td><strong>91,929.66</strong></td>
<td><strong>58,808.91</strong></td>
</tr>
</tbody>
</table>
## (A) Non-convertible debentures (secured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Nil (March 31, 2018: Nil and April 1, 2017: 62.5%), @12.30% Secured listed redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is August 26, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemed on August 28, 2017, payable monthly.</td>
<td>-</td>
<td>-</td>
<td>625.00</td>
</tr>
<tr>
<td>2 72 (March 31, 2018: 72 and April 1, 2017: 72), @13.15% (Previous year: 14.70%), Secured, listed, redeemable, non-convertible debentures of face value of ₹25,00,000 each, The date of allotment is September 27, 2013. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on September 27, 2019, subject to call/put option after three years.</td>
<td>1,800.00</td>
<td>1,800.00</td>
<td>1,800.00</td>
</tr>
<tr>
<td>3 Nil (March 31, 2018: 65 and April 1, 2017: 195), @11.00% Secured, rated, listed, redeemable non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is October 3, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on October 3, 2018, payable monthly.</td>
<td>-</td>
<td>650.00</td>
<td>1,950.00</td>
</tr>
<tr>
<td>4 200 (March 31, 2018: 200 and April 1, 2017: 200), @12.75% (March 31, 2018: 12.75% and April 1, 2017: 14.70%), Secured, listed, redeemable, non-convertible debentures of face value of ₹25,00,000 each, The date of allotment is July 15, 2014. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on June 15, 2020, subject to call/put option on July 15, 2017.</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>5 Nil (March 31, 2018: Nil and April 1, 2017: 200), @12.50% Secured, rated, redeemable, unlisted non-convertible debentures of face value of ₹10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeem on October 31, 2017.</td>
<td>-</td>
<td>-</td>
<td>2,000.00</td>
</tr>
<tr>
<td>Particulars</td>
<td>Terms of repayment</td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
<td>As at April 1, 2017</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>--------------------------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>6 Nil (March 31, 2018: 270 and April 1, 2017: 270), @13.75 % Secured, rated, listed, redeemable, transferable, taxable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is July 31, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on July 30, 2019, subject to call/put option after three years of allotment.</td>
<td>-</td>
<td>2,700.00</td>
<td>2,700.00</td>
</tr>
<tr>
<td>7 Nil (March 31, 2018: 75 and April 1, 2017: 75), @14.10% Secured, listed, redeemable, non-convertible debentures of face value of ₹ 25,00,000 each, The date of allotment is September 14, 2012. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on September 14, 2018.</td>
<td>-</td>
<td>1,875.00</td>
<td>1,875.00</td>
</tr>
<tr>
<td>8 Nil (March 31, 2018: 500 and April 1, 2017: 500), @14.65% Secured, rated, listed, redeemable, transferable, taxable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is September 24, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on September 24, 2018.</td>
<td>-</td>
<td>5,000.00</td>
<td>5,000.00</td>
</tr>
<tr>
<td>9 300 (March 31, 2018: Nil and April 1, 2017: Nil), @10.60% Secured, rated, unlisted redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is August 29, 2018 (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on August 25, 2021, payable monthly.</td>
<td>2,416.66</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10 600 (March 31, 2018: 1000 and April 1, 2017: Nil) (Series A 400, Series B 600), @10.75% Secured, unlisted, redeemable, nonconvertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 19, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 31, 2018, (Series A) and November 30, 2019 (Series B) payable monthly.</td>
<td>4,000.00</td>
<td>10,000.00</td>
<td>-</td>
</tr>
<tr>
<td>Particulars</td>
<td>Terms of repayment</td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
<td>As at April 1, 2017</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------</td>
<td>----------------------</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>11 Nil (March 31, 2018: 4644 and April 1, 2017: 4,644), @14.00% Secured, rated, listed, senior, redeemable, non-convertible debentures of face value of ₹ 1,00,000 each, The date of allotment is December 22, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on January 13, 2019.</td>
<td>-</td>
<td>4,644.00</td>
<td>4,644.00</td>
</tr>
<tr>
<td>12 600 (March 31, 2018: 600 and April 1, 2017: Nil), @11.95% Secured, listed, redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is February 8, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on February 8, 2021, Payable annually</td>
<td>4,000.00</td>
<td>6,000.00</td>
<td>-</td>
</tr>
<tr>
<td>13 Nil (March 31, 2018: 125 and April 1, 2017: 125), @14.30% Secured, rated, redeemable, listed non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is March 29, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on March 28, 2019.</td>
<td>-</td>
<td>1,250.00</td>
<td>1,250.00</td>
</tr>
<tr>
<td>14 20 (March 31, 2018: 20 and April 1, 2017: 20), @14.50 % Secured, senior, rated, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is May 8, 2015. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on December 18, 2020, subject to put option on May 8, 2019.</td>
<td>200.00</td>
<td>200.00</td>
<td>200.00</td>
</tr>
<tr>
<td>15 2,130 (March 31, 2018: Nil and April 1, 2017: Nil), @11.095% Secured, rated, listed redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 14, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on December 14, 2023, payable half yearly.</td>
<td>21,300.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>16 680 (March 31, 2018: 680 and April 1, 2017: 680), @13.25% Secured, rated, redeemable, listed non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 15, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on June 15, 2025, subject to call/put option after three years from date of allotment.</td>
<td>6,800.00</td>
<td>6,800.00</td>
<td>6,800.00</td>
</tr>
</tbody>
</table>
### Particulars

<table>
<thead>
<tr>
<th></th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>Nil (March 31, 2018: 200 and April 1, 2017: 200), @ 12.50% Secured, rated, redeemable, unlisted, non-convertible debentures of face value of `10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.) Redeemable on June 30, 2019.</td>
<td>-</td>
<td>2,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>18</td>
<td>Nil (March 31, 2018: 200 and April 1, 2017: 200), @ 12.50% Secured, rated, redeemable, unlisted, non-convertible debentures of face value of `10,00,000 each, The date of allotment is June 30, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.) Redeemable on June 30, 2019.</td>
<td>-</td>
<td>2,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>19</td>
<td>200 (March 31, 2018: 200 and April 1, 2017: Nil), @13.50% Secured, listed, redeemable non-convertible debentures of face value of `10,00,000 each, The date of allotment is September 20, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.) Redeemable at par on September 20, 2019.</td>
<td>2,000.00</td>
<td>2,000.00</td>
<td>-</td>
</tr>
<tr>
<td>20</td>
<td>250 (March 31, 2018: 250 and April 1, 2017: 250), @12.00% Secured, rated, listed, redeemable non-convertible debentures of face value of `10,00,000 each, The date of allotment is November 11, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.) Redeemable on November 11, 2019.</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>21</td>
<td>Nil (March 31, 2018: 0.0515 and April 1, 2017: 515), @14.37% Secured, listed, redeemable non-convertible debentures of face value of `10,00,000 each, The date of allotment is September 26, 2014 (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.) Redeemable on November 13, 2019, subject to call/put option.</td>
<td>-</td>
<td>0.52</td>
<td>5,150.00</td>
</tr>
<tr>
<td>22</td>
<td>250 (March 31, 2018: Nil and April 1, 2017: Nil), @10.35% Secured, rated, unlisted redeemable non-convertible debentures of face value of `10,00,000 each, The date of allotment is February 27, 2019. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.) Redeemable on May 8, 2020,</td>
<td>2,500.00</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>23 650 (March 31, 2018: 650 and April 1, 2017: Nil), @12.06% Secured, listed, redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is October 3, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on October 3, 2022, subject to call/put Option after three years from date of allotment.</td>
<td>6,500.00</td>
<td>6,500.00</td>
<td>-</td>
</tr>
<tr>
<td>24 250 (March 31, 2018: 250 and April 1, 2017: 250), @13.35% Secured, rated, redeemable, listed, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is November 3, 2016. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on November 30, 2020.</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>25 450 (March 31, 2018: 450 and April 1, 2017: Nil), @11.34% Secured, unlisted, redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 7, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 7, 2020.</td>
<td>4,500.00</td>
<td>4,500.00</td>
<td>-</td>
</tr>
<tr>
<td>26 330 (March 31, 2018: 330 and April 1, 2017: Nil), @11.99% Secured, unlisted, redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 8, 2017. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable at par on December 8, 2020.</td>
<td>3,300.00</td>
<td>3,300.00</td>
<td>-</td>
</tr>
<tr>
<td>27 970 (March 31, 2018: Nil and April 1, 2017: Nil), @11.67% Secured, rated, listed redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is July 31, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on July 31, 2023, subject to call/put option after three years of allotment.</td>
<td>9,700.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>28 387 (March 31, 2018: Nil and April 1, 2017: Nil), @11.00% Secured, rated, listed redeemable non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is October 26, 2018. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding.)</td>
<td>Redeemable on October 26, 2021.</td>
<td>3,870.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total (A)</strong></td>
<td></td>
<td><strong>82,886.66</strong></td>
<td><strong>71,219.52</strong></td>
<td><strong>47,994.00</strong></td>
</tr>
</tbody>
</table>
### Notes to the Consolidated Financial Statements

**For the Year Ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

#### (B) Non convertible debentures (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>600 (March 31, 2018: 1000 and April 1, 2017: Nil) (Series A 400, Series B 600), @11.15%, Unsecured, rated, redeemable, nonconvertible debentures of face value of `10,00,000 each, The date of allotment is December 19, 2017.</td>
<td>Redeemable on December 19, 2018 (Corrigendum date December 31, 2018) (Series A) and November 19, 2019 (Corrigendum date November 30, 2019) (Series B).</td>
<td>4,000.00</td>
<td>10,000.00</td>
</tr>
<tr>
<td>2</td>
<td>125 (March 31, 2018: 125 and April 1, 2017: 125), @14.30%, Unsecured, rated, senior, redeemable, taxable, transferable, non-convertible debentures of face value of `10,00,000 each, The date of allotment is April 5, 2016.</td>
<td>Redeemable on April 4, 2019.</td>
<td>1,250.00</td>
<td>1,250.00</td>
</tr>
<tr>
<td>3</td>
<td>67,489 (March 31, 2018: 67,489 and April 1, 2017: 67,489), @13.00%, Unsecured, rated, senior, redeemable, taxable, transferable, nonconvertible debentures of face value of `5,000 each, The date of allotment is May 27, 2016.</td>
<td>Redeemable on May 28, 2019.</td>
<td>3,374.45</td>
<td>3,374.45</td>
</tr>
<tr>
<td>4</td>
<td>2,628 (March 31, 2018: 2628 and April 1, 2017: 2,628), @14.15%, Unsecured, rated, listed, senior, redeemable, taxable, transferable, non-convertible debentures of face value of `1,00,000 each, The date of allotment is October 5, 2015.</td>
<td>Redeemable on September 15, 2021, subject to call put option of 4th year September 16, 2019.</td>
<td>2,628.00</td>
<td>2,628.00</td>
</tr>
<tr>
<td>5</td>
<td>150 (March 31, 2018: 150 and April 1, 2017: 150), @12.25%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of `10,00,000 each, The date of allotment is December 26, 2016.</td>
<td>Redeemable on December 9, 2019.</td>
<td>1,500.00</td>
<td>1,500.00</td>
</tr>
<tr>
<td>6</td>
<td>250 (March 31, 2018: 250 and April 1, 2017: 250), @13.35%, Unsecured, rated, listed, redeemable, nonconvertible debentures of face value of `10,00,000 each, The date of allotment is November 4, 2016.</td>
<td>Redeemable on November 30, 2020.</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

| Total (B) | 15,252.45 | 21,252.45 | 11,252.45 |
| Total (A+B) | 98,139.11 | 92,471.97 | 59,246.45 |
| Less: Unamortised transaction costs | (552.26) | (542.31) | (437.54) |
| Total | 97,586.85 | 91,929.66 | 58,808.91 |
21. BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>1,69,329.74</td>
<td>1,85,133.15</td>
<td>1,80,498.37</td>
</tr>
<tr>
<td>From other parties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>1,54,511.50</td>
<td>1,18,440.68</td>
<td>1,02,813.80</td>
</tr>
<tr>
<td>Unsecured</td>
<td>361.42</td>
<td>1,981.84</td>
<td>634.00</td>
</tr>
<tr>
<td>Overdraft facility against term deposits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From banks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>5,914.98</td>
<td>1,735.20</td>
<td>894.23</td>
</tr>
<tr>
<td>Unsecured</td>
<td>0.17</td>
<td>0.87</td>
<td>0.13</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured</td>
<td>2,738.96</td>
<td>3,234.14</td>
<td>3,874.58</td>
</tr>
<tr>
<td>Commercial paper</td>
<td>8,805.66</td>
<td>9,878.41</td>
<td>9,597.97</td>
</tr>
<tr>
<td>Liability against securitised assets (net of over collateralisation amount)</td>
<td>33,891.45</td>
<td>66,827.59</td>
<td>24,886.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,75,553.88</strong></td>
<td><strong>3,87,239.88</strong></td>
<td><strong>3,23,199.58</strong></td>
</tr>
<tr>
<td>Borrowings in India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings outside India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,75,553.88</strong></td>
<td><strong>3,87,239.88</strong></td>
<td><strong>3,23,199.58</strong></td>
</tr>
</tbody>
</table>

22. SUBORDINATED LIABILITIES (AT AMORTISED COST)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preference shares other than those that qualify as equity (refer notes A (i))</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability component of compound financial instruments (refer notes A (ii) and (iii))</td>
<td>5,157.12</td>
<td>7,925.97</td>
<td>-</td>
</tr>
<tr>
<td>Non-convertible debentures (refer note B)</td>
<td>18,274.53</td>
<td>18,229.95</td>
<td>18,184.75</td>
</tr>
<tr>
<td>Term loans from banks</td>
<td>25,500.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Term loans from parties other than banks</td>
<td>997.56</td>
<td>6,495.38</td>
<td>6,493.20</td>
</tr>
<tr>
<td>External commercial borrowings</td>
<td>1,503.24</td>
<td>1,786.57</td>
<td>2,151.96</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>53,919.68</strong></td>
<td><strong>36,918.92</strong></td>
<td><strong>29,304.77</strong></td>
</tr>
<tr>
<td>Subordinated liabilities in India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subordinated liabilities outside India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>53,919.68</strong></td>
<td><strong>36,918.92</strong></td>
<td><strong>29,304.77</strong></td>
</tr>
</tbody>
</table>

**Notes:**

A Preference shares

(i) During the year ended March 31, 2017, the Holding Company allotted 2,50,00,000, 12.10% Rated, Cumulative, Non-Participative, Non-Convertible, Compulsorily Redeemable Preference Shares of face value of `10 each fully paid-up for cash at an issue price of `10 and are redeemable on April 22, 2021.

(ii) During the year ended March 31, 2018, the Holding Company allotted 12,30,098, 0.01% Optionally Convertible, Redeemable Preference Shares ("OCRPS") of face value of `10 each fully paid-up for cash at an issue price of `284.53 per share. Each preference share is either convertible into equivalent number of equity shares of the Holding Company of `10 each at the option of allottee within a time frame not exceeding 12 months from the date of allotment or subject to redemption by the Holding Company at the end of such time frame and on such terms and conditions, as may be deemed appropriate by the Board of Directors. Further, these OCRPS were converted into equivalent number of equity shares (i.e., 12,30,098 equity shares) of face value of `10 each on May 30, 2018. the Holding Company has measured this as compound financial instruments and accordingly, equity and liability component is recognised.

(iii) During the year ended March 31, 2018, the Holding Company allotted 13,43,283, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of `10 each fully paid-up for cash at an issue price of `335 per share. Each preference share is either convertible into equivalent number of equity shares of the Holding Company of `10 each at the option of allottee within a time frame not exceeding 18 months from the date of allotment or subject to redemption by the Holding Company at the end of such time frame and on such terms and conditions along with applicable yield of 12% per annum of the consideration paid by allottee, as may be deemed appropriate by the Board of Directors; the Holding Company has measured this as compound financial instruments and accordingly, equity and liability component is recognised.
B) Non-convertible debentures (unsecured)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Terms of repayment</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 84 (March 31, 2018: 84 and April 1, 2017: 84), @18.00%, Unsecured, listed, redeemable, non-convertible debentures of face value of ₹ 25,00,000 each, The date of allotment is July 15, 2014.</td>
<td>Redeemable at par on October 16, 2019</td>
<td>2,100.00</td>
<td>2,100.00</td>
<td>2,100.00</td>
</tr>
<tr>
<td>2 150 (March 31, 2018: 150 and April 1, 2017: 150), @16.90%, Unsecured, listed, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is March 20, 2015.</td>
<td>Redeemable at par on September 20, 2020</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>1,500.00</td>
</tr>
<tr>
<td>3 130 (March 31, 2018: 130 and April 1, 2017: 130), @17.75%, Unsecured, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is March 31, 2015.</td>
<td>Redeemable at par on December 18, 2020</td>
<td>1,300.00</td>
<td>1,300.00</td>
<td>1,300.00</td>
</tr>
<tr>
<td>4 250 (March 31, 2018: 250 and April 1, 2017: 250), SBI Base rate + 6.15% i.e. 15.85%, Unsecured, rated, redeemable, listed, taxable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 30, 2015.</td>
<td>Redeemable on June 30, 2021</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>5 250 (March 31, 2018: 250 and April 1, 2017: 250), @15.50%, Unsecured, rated, subordinated, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is December 30, 2015.</td>
<td>Redeemable on April 15, 2022</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td>6 100 (March 31, 2018: 100 and April 1, 2017: 100), @15.50%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 28, 2016.</td>
<td>Redeemable on September 28, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>7 100 (March 31, 2018: 100 and April 1, 2017: 100), @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on September 30, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>8 100 (March 31, 2018: 100 and April 1, 2017: 100), @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on December 31, 2022</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>9 100 (March 31, 2018: 100 and April 1, 2017: 100), @15.00% Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 29, 2016.</td>
<td>Redeemable on March 31, 2023</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>10 350 (March 31, 2018: 350 and April 1, 2017: 350), @13.85%, Unsecured, unrated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is March 29, 2017.</td>
<td>Redeemable on April 30, 2023</td>
<td>3,500.00</td>
<td>3,500.00</td>
<td>3,500.00</td>
</tr>
<tr>
<td>11 100 (March 31, 2018: 100 and April 1, 2017: 100), @15.00%, Unsecured, rated, unlisted, redeemable, non-convertible debentures of face value of ₹ 10,00,000 each, The date of allotment is June 30, 2017.</td>
<td>Redeemable on June 30, 2023</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>18,400.00</strong></td>
<td><strong>18,400.00</strong></td>
<td><strong>18,400.00</strong></td>
</tr>
<tr>
<td><strong>Less: Unamortised transaction costs</strong></td>
<td></td>
<td><strong>(125.47)</strong></td>
<td><strong>(170.05)</strong></td>
<td><strong>(215.25)</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>18,274.53</strong></td>
<td><strong>18,229.95</strong></td>
<td><strong>18,184.75</strong></td>
</tr>
</tbody>
</table>
Reconciliation of liabilities arising from financing activities
The changes in the Group’s liabilities arising from financing activities can be classified as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Debt securities</th>
<th>Borrowings (other than debt)</th>
<th>Subordinated liabilities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2017</td>
<td>58,808.91</td>
<td>3,23,199.58</td>
<td>29,304.77</td>
<td>4,11,313.26</td>
</tr>
<tr>
<td>Cash flows:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Repayment</td>
<td>(9,074.48)</td>
<td>(2,89,257.84)</td>
<td>(369.74)</td>
<td>(2,98,702.06)</td>
</tr>
<tr>
<td>- Proceeds from overdraft facility</td>
<td>-</td>
<td>849.71</td>
<td>-</td>
<td>849.71</td>
</tr>
<tr>
<td>- Proceeds other than overdraft facility</td>
<td>42,300.00</td>
<td>3,52,092.11</td>
<td>8,000.00</td>
<td>4,02,392.11</td>
</tr>
<tr>
<td>Non cash:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Foreign exchange</td>
<td>-</td>
<td>(5.12)</td>
<td>(2.76)</td>
<td>(7.88)</td>
</tr>
<tr>
<td>- Amortisation of upfront fees and others</td>
<td>(104.77)</td>
<td>361.44</td>
<td>(13.35)</td>
<td>243.32</td>
</tr>
<tr>
<td>March 31, 2018</td>
<td>91,929.66</td>
<td>3,87,239.88</td>
<td>36,918.92</td>
<td>5,16,088.46</td>
</tr>
<tr>
<td>Cash flows:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Repayment</td>
<td>(34,702.86)</td>
<td>(3,45,753.07)</td>
<td>(369.81)</td>
<td>(3,80,825.74)</td>
</tr>
<tr>
<td>- Proceeds from overdraft facility</td>
<td>-</td>
<td>4,171.08</td>
<td>-</td>
<td>4,171.08</td>
</tr>
<tr>
<td>- Proceeds other than overdraft facility</td>
<td>40,370.00</td>
<td>3,29,267.50</td>
<td>20,000.00</td>
<td>3,89,637.50</td>
</tr>
<tr>
<td>Non cash:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Conversion of Optionally Convertible, Redeemable Preference Shares</td>
<td>-</td>
<td>-</td>
<td>(3,500.00)</td>
<td>(3,500.00)</td>
</tr>
<tr>
<td>- Foreign exchange</td>
<td>-</td>
<td>149.75</td>
<td>80.63</td>
<td>230.38</td>
</tr>
<tr>
<td>- Amortisation of upfront fees and others</td>
<td>(9.95)</td>
<td>478.74</td>
<td>789.94</td>
<td>1,258.73</td>
</tr>
<tr>
<td>March 31, 2019</td>
<td>97,586.85</td>
<td>3,75,553.88</td>
<td>53,919.68</td>
<td>5,27,060.41</td>
</tr>
</tbody>
</table>

Note:

i) The borrowings together with debt securities and subordinate liabilities referred in notes 20, 21 and 22 are secured by way of hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits. The same have also been guaranteed by two of the directors of the Company in their personal capacity.

ii) Vehicles and building are hypothecated for respective borrowings availed for purchase of property plant and equipments.

23. OTHER FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest accrued on debt securities</td>
<td>2,924.36</td>
<td>2,126.15</td>
<td>1,780.00</td>
</tr>
<tr>
<td>Interest accrued on borrowings other than debt securities</td>
<td>2,412.27</td>
<td>1,812.03</td>
<td>1,499.72</td>
</tr>
<tr>
<td>Interest accrued on subordinated liabilities</td>
<td>485.41</td>
<td>478.95</td>
<td>414.94</td>
</tr>
<tr>
<td>Payable towards assignment and securitisation transactions</td>
<td>19,708.59</td>
<td>11,756.75</td>
<td>10,606.16</td>
</tr>
<tr>
<td>Margin money received from customers</td>
<td>506.02</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>First loss default guarantee</td>
<td>870.03</td>
<td>1,036.18</td>
<td>363.11</td>
</tr>
<tr>
<td>Payable to employees</td>
<td>883.99</td>
<td>1,134.83</td>
<td>304.00</td>
</tr>
<tr>
<td>Security deposit received</td>
<td>26.99</td>
<td>4.69</td>
<td>0.34</td>
</tr>
<tr>
<td>Insurance payables</td>
<td>448.54</td>
<td>1,168.85</td>
<td>709.49</td>
</tr>
<tr>
<td>Total</td>
<td>28,266.20</td>
<td>19,518.43</td>
<td>15,677.76</td>
</tr>
</tbody>
</table>
Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2019 are as follows:

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due within 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>93,361.61</td>
<td>25,992.12</td>
<td>1,091.79</td>
<td>174.80</td>
<td>1,20,629.04</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>25,488.40</td>
<td>10,104.16</td>
<td>9,790.33</td>
<td>735.26</td>
<td>52,568.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>3,485.60</td>
<td>1,402.87</td>
<td>1,152.86</td>
<td>864.64</td>
<td>5,992.38</td>
<td></td>
</tr>
<tr>
<td>Quarterly</td>
<td>9% to 12%</td>
<td>62,485.84</td>
<td>22,131.67</td>
<td>624.87</td>
<td>150.00</td>
<td>85,592.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>3,485.60</td>
<td>1,402.87</td>
<td>1,152.86</td>
<td>864.64</td>
<td>5,992.38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>284.09</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>284.09</td>
<td></td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>42,843.25</td>
<td>32,917.86</td>
<td>16,748.21</td>
<td>10,685.71</td>
<td>8,185.71</td>
<td>1,11,380.74</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>3,485.60</td>
<td>1,402.87</td>
<td>1,152.86</td>
<td>864.64</td>
<td>5,992.38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>284.09</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>284.09</td>
<td></td>
</tr>
<tr>
<td>Annually</td>
<td>9% to 12%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>3,485.60</td>
<td>1,402.87</td>
<td>1,152.86</td>
<td>864.64</td>
<td>5,992.38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>284.09</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>284.09</td>
<td></td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>3,485.60</td>
<td>1,402.87</td>
<td>1,152.86</td>
<td>864.64</td>
<td>5,992.38</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>284.09</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>284.09</td>
<td></td>
</tr>
<tr>
<td>On demand</td>
<td>Variable rates</td>
<td>5,915.15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,915.15</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,210</td>
<td>1,85,368.91</td>
<td>1,08,398.67</td>
<td>20,610.41</td>
<td>44,344.47</td>
<td>5,29,114.94</td>
</tr>
</tbody>
</table>

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2018 are as follows:

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due within 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>1,37,357.38</td>
<td>46,008.17</td>
<td>1,956.91</td>
<td>22.54</td>
<td>1,85,368.91</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>16,827.75</td>
<td>35,478.12</td>
<td>24.69</td>
<td>-</td>
<td>23,161.56</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>Quarterly</td>
<td>9% to 12%</td>
<td>41,367.63</td>
<td>35,478.12</td>
<td>24.69</td>
<td>-</td>
<td>23,161.56</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>19,353.45</td>
<td>10,200.00</td>
<td>-</td>
<td>10,500.00</td>
<td>35,700.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>27,350.00</td>
<td>19,887.50</td>
<td>5,575.00</td>
<td>15,000.00</td>
<td>57,975.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>Annually</td>
<td>9% to 12%</td>
<td>2,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>On demand</td>
<td>Variable rates</td>
<td>5,915.15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,915.15</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,002</td>
<td>29,92,927.62</td>
<td>1,50,522.04</td>
<td>8,893.80</td>
<td>25,436.96</td>
<td>5,22,235.39</td>
</tr>
</tbody>
</table>

Notes to the Consolidated Financial Statements
For the Year ended March 31, 2019
(All amounts in Lakhs, unless otherwise stated)
### Terms of repayment of debt securities, other borrowings and subordinated liabilities as on April 1, 2017 are as follows:

<table>
<thead>
<tr>
<th>Repayment</th>
<th>Interest rate range</th>
<th>Due within 1 year</th>
<th>Due within 1 to 2 years</th>
<th>Due within 2 to 3 years</th>
<th>Due within 3 to 4 years</th>
<th>Due after 4 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>No. of installments</td>
<td>Amount</td>
<td>Amount</td>
</tr>
<tr>
<td>Monthly</td>
<td>9% to 12%</td>
<td>363</td>
<td>65,017.63</td>
<td>222</td>
<td>21,372.31</td>
<td>102</td>
<td>4,068.78</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>307</td>
<td>31,093.47</td>
<td>87</td>
<td>9,516.74</td>
<td>10</td>
<td>2,042.15</td>
</tr>
<tr>
<td>Quarterly</td>
<td>9% to 12%</td>
<td>73</td>
<td>25,223.35</td>
<td>53</td>
<td>17,690.64</td>
<td>24</td>
<td>8,043.05</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>127</td>
<td>4,257.11</td>
<td>52</td>
<td>23,014.71</td>
<td>14</td>
<td>2,690.52</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>13</td>
<td>313.52</td>
<td>10</td>
<td>261.82</td>
<td>2</td>
<td>59.09</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>9% to 12%</td>
<td>14</td>
<td>19,850.00</td>
<td>14</td>
<td>19,850.00</td>
<td>8</td>
<td>12,387.50</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>1</td>
<td>500.00</td>
<td>2</td>
<td>1,000.00</td>
<td>2</td>
<td>1,000.00</td>
</tr>
<tr>
<td>Bullet</td>
<td>9% to 12%</td>
<td>4</td>
<td>10,979.97</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>2,500.00</td>
</tr>
<tr>
<td></td>
<td>12.01% to 15%</td>
<td>2</td>
<td>10,150.00</td>
<td>6</td>
<td>18,843.45</td>
<td>6</td>
<td>19,978.00</td>
</tr>
<tr>
<td></td>
<td>Above 15%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>2,100.00</td>
</tr>
<tr>
<td>Bullet</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>On demand</td>
<td>Variable rates</td>
<td>894.36</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>904</td>
<td>2,09,717.61</td>
<td>446</td>
<td>1,11,549.67</td>
<td>170</td>
<td>54,869.09</td>
</tr>
</tbody>
</table>

*# All the above mentioned repayments disclosed as per the contractual maturities of debt securities, borrowing other than debt securities and subordinate liabilities at gross carrying value.*
## 24. CURRENT TAX LIABILITIES (NET)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for tax (net)</td>
<td>1,178.58</td>
<td>914.36</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,178.58</td>
<td>914.36</td>
<td>-</td>
</tr>
</tbody>
</table>

## 25. PROVISIONS

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for gratuity</td>
<td>423.19</td>
<td>359.61</td>
<td>362.85</td>
</tr>
<tr>
<td>Provision for compensation absences</td>
<td>1,092.29</td>
<td>771.99</td>
<td>656.49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,515.48</td>
<td>1,131.60</td>
<td>1,019.34</td>
</tr>
</tbody>
</table>

## 26. OTHER NON-FINANCIAL LIABILITIES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received in advance</td>
<td>11.23</td>
<td>150.78</td>
<td>-</td>
</tr>
<tr>
<td>Deferred income</td>
<td>103.29</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Statutory dues payables</td>
<td>851.65</td>
<td>787.60</td>
<td>581.85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>966.17</td>
<td>938.38</td>
<td>581.85</td>
</tr>
</tbody>
</table>

## 27. EQUITY SHARE CAPITAL

### A. Authorised

<table>
<thead>
<tr>
<th>Equity share capital of face value of ₹ 10 each</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the beginning of the year</td>
<td>6,50,00,000</td>
<td>6,500.00</td>
<td>5,50,00,000</td>
</tr>
<tr>
<td>Additions during the year</td>
<td></td>
<td>5,500.00</td>
<td>5,500.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,50,00,000</td>
<td>6,500.00</td>
<td>5,500.00</td>
</tr>
</tbody>
</table>

### B. Issued and subscribed

<table>
<thead>
<tr>
<th>Equity share capital of face value of ₹ 10 each</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the beginning of the year</td>
<td>4,77,20,269</td>
<td>4,772.03</td>
<td>3,76,15,287</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td>1,01,04,982</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,89,50,367</td>
<td>4,895.04</td>
<td>3,76,15,287</td>
</tr>
</tbody>
</table>

### C. Fully paid-up

<table>
<thead>
<tr>
<th>Equity share capital of face value of ₹ 10 each</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the beginning of the year</td>
<td>4,76,73,769</td>
<td>4,767.38</td>
<td>3,75,68,787</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td>1,01,04,982</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,89,03,867</td>
<td>4,890.39</td>
<td>3,75,68,787</td>
</tr>
</tbody>
</table>

Less: Amount recoverable from Satin Employees Welfare Trust (Equity shares of ₹ 10 each allotted to the Satin Employees Welfare Trust)

<table>
<thead>
<tr>
<th>Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>(3,96,700)</td>
<td>(39.67)</td>
</tr>
<tr>
<td>(4,28,200)</td>
<td>(42.82)</td>
</tr>
<tr>
<td>(4,49,300)</td>
<td>(44.93)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

Add: Forfeited shares (amount originally paid on 46,500 equity shares)

<table>
<thead>
<tr>
<th>Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.35</td>
<td></td>
</tr>
<tr>
<td>2.35</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,85,07,167</td>
<td>4,853.07</td>
</tr>
<tr>
<td>4,850.72</td>
<td>4,724.56</td>
</tr>
<tr>
<td>4,72,45,569</td>
<td>3,71,19,487</td>
</tr>
<tr>
<td>4,726.91</td>
<td>3,714.30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>
D. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Amount</td>
<td>Number</td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>4,76,73,769</td>
<td>4,767.38</td>
<td>3,75,68,787</td>
</tr>
<tr>
<td>Add: Issued during the year</td>
<td>12,30,098</td>
<td>123.01</td>
<td>1,01,04,982</td>
</tr>
<tr>
<td></td>
<td>4,89,03,867</td>
<td>4,890.39</td>
<td>4,76,73,769</td>
</tr>
</tbody>
</table>

E. Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year

<table>
<thead>
<tr>
<th></th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Amount</td>
<td>Number</td>
</tr>
<tr>
<td>Balance at the beginning of the year</td>
<td>4,28,200</td>
<td>42.82</td>
<td>4,49,300</td>
</tr>
<tr>
<td>Less: Allotted to employees during the year</td>
<td>31,500</td>
<td>3.15</td>
<td>21,100</td>
</tr>
<tr>
<td></td>
<td>3,96,700</td>
<td>39.67</td>
<td>4,28,200</td>
</tr>
</tbody>
</table>

F During the year ended March 31, 2018, the authorised share capital of the Group was increased vide approval of equity shareholders from ` 5,500 Lakhs divided into 5,50,00,000 equity shares of ` 10 each to ` 6,500 Lakhs divided into 6,50,00,000 equity shares of ` 10 each.

G (i) During the year ended March 31, 2018 the Holding Company allotted 15,43,187 equity shares of ` 10 each at an issue price of ` 416.67 per share including premium of ` 406.67 per share on preferential basis to Asian Development Bank (an entity belonging to non-promoter group).

(ii) During the year ended March 31, 2018, the Holding Company allotted 6,58,690 equity shares of ` 10 each at an issue price of ` 455.45 per share including premium of ` 445.45 per share on preferential basis pursuant to conversion of fully convertible warrants to Trishashna Holdings & Investments Private Limited (an entity belonging to promoter group).

(iii) During the year ended March 31, 2018, subsequent to the approval of Board of Directors of the Holding Company and shareholders of the Holding Company, the working Committee of the Board, has offered for Qualified Institutions Placement for an amount upto ` 15,000 Lakhs to Qualified Institutional Buyers in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009, as amended and in accordance with Chapter VIII of the SEBI ICDR Regulations, the Working Committee of the Board of Directors of the Holding Company approved the allotment of 49,18,032 equity shares of face value of ` 10 each to qualified institutional buyers (QIBs) at the issue price of ` 305 per equity share (including a premium of ` 295), aggregating to ` 15,000 Lakhs.

(iv) During the year ended March 31, 2018, the Holding Company allotted 23,88,059 and 5,97,014 equity shares of ` 10 each at an issue price of ` 335 per share including premium of ` 325 per share on preferential basis to Kora Investment 1 LLC and Nordic Microfinance Initiative Fund III KS, respectively (entities belonging to non-promoter group).

(v) During the year, the Holding Company has allotted 12,30,098 equity shares of ` 10 each at issue price of ` 284.53 per share including premium of ` 274.53 per share on preferential basis pursuant to conversion of 12,30,098, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares (“OCRPS”) of face value of ` 10 each fully paid-up to Capital First Limited (entities belonging to non-promoter group).

H Rights, preferences and restrictions

The Group 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 subject to corporate dividend tax. In the event of liquidation of the Group, the holders of equity share will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
I. Details of shareholder holding more than 5% share capital:

<table>
<thead>
<tr>
<th>Name of the equity share holder</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Trishashna Holdings &amp; Investments Private Limited (THIPL) *</td>
<td>1,18,63,415</td>
<td>24.26%</td>
<td>-</td>
</tr>
<tr>
<td>DSP Equity &amp; Bond Fund #</td>
<td>36,76,910</td>
<td>7.52%</td>
<td>27,36,930</td>
</tr>
<tr>
<td>Nordic Microfinance Initiative Fund III KS</td>
<td>33,69,318</td>
<td>6.89%</td>
<td>33,69,318</td>
</tr>
<tr>
<td>SBI FMO Emerging Asia Financial Sector Fund Pte. Ltd.</td>
<td>33,13,609</td>
<td>6.78%</td>
<td>33,13,609</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Trustee Private Limited A/C</td>
<td>30,48,306</td>
<td>6.23%</td>
<td>24,32,553</td>
</tr>
<tr>
<td>Aditya Birla Sun Life Small Cap Fund</td>
<td>-</td>
<td>-</td>
<td>34,85,520</td>
</tr>
<tr>
<td>MV Mauritius Limited</td>
<td>-</td>
<td>-</td>
<td>21,50,880</td>
</tr>
<tr>
<td>Parishek Finance Private Limited</td>
<td>-</td>
<td>-</td>
<td>18,92,312</td>
</tr>
<tr>
<td>Morgan Stanley Mauritius Company Limited</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* THIPL, Promoter entity, whose shareholding (due to inter-se transfer of Promoter’s) has been changed with effect from March 04, 2019 vide order no. 147 of petition number CPI(CAA)-29(PBI)/2018 connected with CA(CAA)- 127(PBI)/2017 received from National Company Law Tribunal, Principal Bench New Delhi.

J. Aggregate number of shares issued for consideration other than cash during the last five years

i) The Holding Company has allotted 10,87,456 equity shares of ` 10 each at an issue price of ` 457.82 per share including premium of ` 447.82 per share on preferential basis to persons and entities belonging to promoter and non-promoter Holding Company pursuant to swap of equity shares of the Holding Company with the shareholders of Taraashna Services Limited, “TSL” (Previously known as Taraashna Services Private Limited) with an intent to make it a subsidiary of the Holding Company in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009. Accordingly, as per confirmation received from TSL, 79,77,239 equity shares were transferred to the Holding Company.

ii) During the year, the Holding Company has allotted 12,30,098 equity shares of ` 10 each on conversion of 12,30,098, 0.01% Optionally Convertible, Cumulative, Redeemable Preference Shares (“OCRPS”) of face value of ` 10 each fully paid-up to Capital First Limited (entities belonging to non-promoter group).

K. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note 53.

L. In respect of securities convertible into equity shares issue along with their earliest date of conversion and other related terms and conditions disclosed in note 22 A.

M. The information required to be disclosed that enables user of its financial statements to evaluate the its objectives, policies and process for managing capital is disclosed in note 44.

28. OTHER EQUITY

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital redemption reserve</td>
<td>277.00</td>
<td>277.00</td>
<td>277.00</td>
</tr>
<tr>
<td>Share options outstanding account</td>
<td>476.63</td>
<td>153.52</td>
<td>196.26</td>
</tr>
<tr>
<td>Statutory reserve fund</td>
<td>6,841.05</td>
<td>2,942.19</td>
<td>2,861.66</td>
</tr>
<tr>
<td>General reserve</td>
<td>29.94</td>
<td>29.94</td>
<td>29.94</td>
</tr>
<tr>
<td>Securities premium</td>
<td>83,342.21</td>
<td>79,843.48</td>
<td>47,001.28</td>
</tr>
<tr>
<td>Equity component of compound financial instruments</td>
<td>34.96</td>
<td>283.61</td>
<td>-</td>
</tr>
<tr>
<td>Foreign currency monetary item translation difference account</td>
<td>-</td>
<td>-</td>
<td>(138.82)</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>15,044.45</td>
<td>(1,278.41)</td>
<td>(8,703.50)</td>
</tr>
<tr>
<td>Money received against share warrants</td>
<td>1,500.00</td>
<td>1,500.00</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Equity instruments through other comprehensive income</td>
<td>(5.00)</td>
<td>(1.68)</td>
<td>(1.49)</td>
</tr>
<tr>
<td>- Changes in fair value of loan assets</td>
<td>2,550.33</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total** 1,10,091.57 83,749.65 41,372.33
Nature and purpose of other reserve
Capital redemption reserve
The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

Share options outstanding account
The reserve is used to recognise the fair value of the options issued to employees of the Group under Holding Company’s employee stock option plan.

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

General reserve
The Holding Company has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

Securities premium
Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

Equity component of compound financial instruments
Optionally convertible and redeemable preference shares issued by the Holding Company have been classified as compound financial instruments and recognised at amortised cost. The difference between transaction value and amortised cost has been recognised as a separate component in other equity.

Foreign currency monetary item translation difference account (FCMITDA)
FCMITDA represents exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements.

Money received against share warrants
The Holding Company allotted 17,91,044 fully convertible warrants of ₹10 each at an issue price of ₹335 per warrant including premium of ₹325 per warrant on preferential basis to Trishashna Holdings & Investments Private Limited (an entity belonging to promoter group) on December 28, 2017. Each warrant is convertible into or exchangeable at an option of warrant holder, in one or more tranches in one equity share of face value of ₹10 each at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment of the warrants.

Equity instruments through other comprehensive income
This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

Changes in fair value of loan assets
This represents the cumulative gains and losses arising on the fair valuation of loan assets classified under business model of hold and hold to collect and sell.

29. INTEREST INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On financial assets measured at amortised cost</td>
<td>On financial assets measured classified at fair value through profit and loss</td>
</tr>
<tr>
<td>Interest income on portfolio loans</td>
<td>1,11,244.47</td>
<td>-</td>
</tr>
<tr>
<td>Income from housing and other loans</td>
<td>392.55</td>
<td>-</td>
</tr>
<tr>
<td>Interest income on deposits, certificate of deposits and commercial papers</td>
<td>6,253.62</td>
<td>-</td>
</tr>
<tr>
<td>Interest income on unwinding of assigned portfolio</td>
<td>226.83</td>
<td>489.12</td>
</tr>
<tr>
<td>Other interest income</td>
<td>0.34</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td><strong>1,18,117.81</strong></td>
<td><strong>489.12</strong></td>
</tr>
<tr>
<td><strong>Total interest income</strong></td>
<td><strong>1,18,606.93</strong></td>
<td><strong>489.12</strong></td>
</tr>
</tbody>
</table>
30. FEES AND COMMISSION INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service fee and facilitation charges</td>
<td>354.95</td>
<td>230.64</td>
</tr>
<tr>
<td>Income from business correspondent operations</td>
<td>8,735.32</td>
<td>5,175.82</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,090.27</strong></td>
<td><strong>5,406.46</strong></td>
</tr>
</tbody>
</table>

31. NET GAIN ON FAIR VALUE CHANGES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Net gain on financial instruments measured at fair value through profit and loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Investments</td>
<td>2,752.00</td>
<td>1,701.26</td>
</tr>
<tr>
<td>Gain on sale of mutual funds</td>
<td>(6.78)</td>
<td>8.55</td>
</tr>
<tr>
<td>(Loss)/gain on fair valuation of other investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(B) Others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Derivatives</td>
<td>304.57</td>
<td>(117.58)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,049.79</strong></td>
<td><strong>1,592.23</strong></td>
</tr>
</tbody>
</table>

| Fair value changes                                                       |                                   |                                  |
| - Realised                                                               | 2,743.45                          | 1,701.26                         |
| - Unrealised                                                             | 306.34                            | (109.03)                         |
| **Total**                                                                | **3,049.79**                      | **1,592.23**                     |

32. NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST CATEGORY

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain on sale of loan portfolio through assignment</td>
<td>13,345.54</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,345.54</strong></td>
<td>-</td>
</tr>
</tbody>
</table>

33. OTHER OPERATING INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment and other charges</td>
<td>168.47</td>
<td>120.97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>168.47</strong></td>
<td><strong>120.97</strong></td>
</tr>
</tbody>
</table>

34. OTHER INCOME

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery against portfolio</td>
<td>289.33</td>
<td>-</td>
</tr>
<tr>
<td>Promotion of financial products</td>
<td>157.50</td>
<td>-</td>
</tr>
<tr>
<td>Rental income on building</td>
<td>24.24</td>
<td>6.71</td>
</tr>
<tr>
<td>Net gain on derecognition of property, plant and equipment</td>
<td>1.98</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>69.61</td>
<td>47.39</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>542.66</strong></td>
<td><strong>54.10</strong></td>
</tr>
</tbody>
</table>
### 35. Finance Costs (On Financial Liabilities Measured at Amortised Cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on debt securities</td>
<td>12,221.69</td>
<td>9,336.76</td>
</tr>
<tr>
<td>Interest on borrowings (other than debt securities)</td>
<td>45,360.52</td>
<td>39,482.99</td>
</tr>
<tr>
<td>Interest on subordinated liabilities</td>
<td>6,568.19</td>
<td>4,584.46</td>
</tr>
<tr>
<td>Other interest expenses</td>
<td>98.34</td>
<td>1.49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64,248.74</strong></td>
<td><strong>53,405.70</strong></td>
</tr>
</tbody>
</table>

### 36. Impairment on Financial Instruments (On Financial Assets Measured at Amortised Cost)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio loans written off</td>
<td>14,880.46</td>
<td>17,917.63</td>
</tr>
<tr>
<td>Impairment loss allowance on other receivable</td>
<td>15.69</td>
<td>122.48</td>
</tr>
<tr>
<td>Impairment loss allowance on housing and other loans</td>
<td>30.85</td>
<td>0.84</td>
</tr>
<tr>
<td>Reversal of impairment allowance on portfolio loans</td>
<td>(9,684.89)</td>
<td>(13,593.84)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,242.11</strong></td>
<td><strong>4,447.11</strong></td>
</tr>
</tbody>
</table>

### 37. Employee Benefits Expenses

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, wages and bonus</td>
<td>27,642.48</td>
<td>19,887.19</td>
</tr>
<tr>
<td>Contribution to provident and other funds</td>
<td>2,134.14</td>
<td>1,704.49</td>
</tr>
<tr>
<td>Share based payment to employees</td>
<td>425.34</td>
<td>196.04</td>
</tr>
<tr>
<td>Staff welfare expenses</td>
<td>345.85</td>
<td>260.47</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30,547.81</strong></td>
<td><strong>22,048.19</strong></td>
</tr>
</tbody>
</table>

### 38. Depreciation and Amortisation

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation on property, plant and equipment</td>
<td>1,019.72</td>
<td>1,089.12</td>
</tr>
<tr>
<td>Amortisation on intangible assets</td>
<td>231.40</td>
<td>385.15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,251.12</strong></td>
<td><strong>1,474.27</strong></td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

39. OTHER EXPENSES

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travelling and conveyance</td>
<td>1,041.71</td>
<td>1,001.61</td>
</tr>
<tr>
<td>Legal and professional charges*</td>
<td>1,427.10</td>
<td>680.97</td>
</tr>
<tr>
<td>Insurance</td>
<td>526.21</td>
<td>230.76</td>
</tr>
<tr>
<td>Rent</td>
<td>1,861.07</td>
<td>1,459.72</td>
</tr>
<tr>
<td>Auditor’s fee and expenses*</td>
<td>43.58</td>
<td>40.25</td>
</tr>
<tr>
<td>Rates and taxes</td>
<td>162.57</td>
<td>40.74</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>577.35</td>
<td>406.49</td>
</tr>
<tr>
<td>Software expenses</td>
<td>46.56</td>
<td>0.46</td>
</tr>
<tr>
<td>Exchange fluctuation loss (net)</td>
<td>233.60</td>
<td>130.95</td>
</tr>
<tr>
<td>Loss on securitisation</td>
<td>378.04</td>
<td>141.66</td>
</tr>
<tr>
<td>Bank charges</td>
<td>368.17</td>
<td>168.06</td>
</tr>
<tr>
<td>Corporate social responsibility#</td>
<td>85.75</td>
<td>114.30</td>
</tr>
<tr>
<td>Net loss on derecognition of property, plant and equipment</td>
<td>-</td>
<td>12.95</td>
</tr>
<tr>
<td>Property, plant and equipment written off</td>
<td>48.64</td>
<td>-</td>
</tr>
<tr>
<td>Car lease rent</td>
<td>149.59</td>
<td>66.24</td>
</tr>
<tr>
<td>Printing and stationery</td>
<td>447.44</td>
<td>406.51</td>
</tr>
<tr>
<td>Communication costs</td>
<td>764.63</td>
<td>906.35</td>
</tr>
<tr>
<td>First loss default guarantee expenses</td>
<td>894.90</td>
<td>2,100.74</td>
</tr>
<tr>
<td>Website and maintenance charges</td>
<td>65.02</td>
<td>33.45</td>
</tr>
<tr>
<td>Advertisement and publicity</td>
<td>302.43</td>
<td>176.59</td>
</tr>
<tr>
<td>Preliminary expenses written off</td>
<td>4.46</td>
<td>15.38</td>
</tr>
<tr>
<td>Cash embezzlement</td>
<td>257.99</td>
<td>64.38</td>
</tr>
<tr>
<td>Other administrative expenses</td>
<td>1,284.68</td>
<td>1,050.31</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>961.43</td>
<td>913.97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>*11,932.94</td>
<td>*10,162.84</td>
</tr>
</tbody>
</table>

* Remuneration to auditors comprises of:

As auditors                                                      | 39.61                             | 39.52                             |
Other services                                                   | 18.00                             | -                                 |
Reimbursement of expenses                                       | 5.18                              | 0.73                              |
**Total**                                                        | 62.79                             | 40.25                             |

# Corporate social responsibility expenses

The Holding Company spent ₹ 85.75 Lakhs (March 31, 2018 ₹ 114.30 Lakhs), towards Corporate Social Responsibility (CSR) activities as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount spent</td>
<td>Amount unpaid</td>
<td>Total</td>
</tr>
<tr>
<td>Construction/acquisition of any asset</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>On purpose other than above</td>
<td>85.75</td>
<td>114.30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>85.75</td>
<td>114.30</td>
</tr>
</tbody>
</table>

40. TAX EXPENSE

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax</td>
<td>6,933.12</td>
<td>1,475.07</td>
</tr>
<tr>
<td>Deferred tax charge</td>
<td>4,498.18</td>
<td>2,630.62</td>
</tr>
<tr>
<td><strong>Tax expense reported in the Statement of Profit and Loss</strong></td>
<td>11,431.30</td>
<td>4,105.69</td>
</tr>
</tbody>
</table>
The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Group is 34.944% (March 31, 2018: 34.944%) and the reported tax expense in statement of profit and loss are as follows:

<table>
<thead>
<tr>
<th></th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting profit before Income Tax</td>
<td>31,580.94</td>
<td>11,586.12</td>
</tr>
<tr>
<td>Income tax rate</td>
<td>34.944%</td>
<td>34.944%</td>
</tr>
<tr>
<td>Expected tax expense</td>
<td>11,035.64</td>
<td>4,048.65</td>
</tr>
</tbody>
</table>

**Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense**

<table>
<thead>
<tr>
<th>Description</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax impact of expenses which is non deductible</td>
<td>304.54</td>
<td>183.79</td>
</tr>
<tr>
<td>Tax impact on items exempt under income tax</td>
<td>97.03</td>
<td>(34.42)</td>
</tr>
<tr>
<td>Impact of difference in tax rate on certain items</td>
<td>(12.27)</td>
<td>(94.25)</td>
</tr>
<tr>
<td>Others</td>
<td>6.36</td>
<td>1.92</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>11,431.30</td>
<td>4,105.69</td>
</tr>
</tbody>
</table>

### 41. Earnings Per Share

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit after tax attributable to equity shareholders</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit for the year for basic EPS</td>
<td>20,119.45</td>
<td>7,541.22</td>
</tr>
<tr>
<td>Dilutive impact of optionally convertible and redeemable preference shares</td>
<td>64.47</td>
<td>-</td>
</tr>
<tr>
<td>Net profit for the year for diluted EPS</td>
<td>20,183.92</td>
<td>7,541.22</td>
</tr>
<tr>
<td>Nominal value of equity share (₹)</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td><strong>Weighted-average number of equity shares for basis earnings per share</strong></td>
<td>4,82,87,570</td>
<td>4,21,66,114</td>
</tr>
<tr>
<td>Effect of dilution:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optionally convertible preference shares</td>
<td>1,98,838</td>
<td>-</td>
</tr>
<tr>
<td>Share warrants</td>
<td>-</td>
<td>4,61,255</td>
</tr>
<tr>
<td>Share options</td>
<td>2,97,369</td>
<td>3,92,738</td>
</tr>
<tr>
<td><strong>Weighted-average number of equity shares used to compute diluted earnings per share</strong></td>
<td>4,87,83,777</td>
<td>4,30,20,107</td>
</tr>
<tr>
<td>Basic earnings per share (₹)</td>
<td>41.67</td>
<td>17.88</td>
</tr>
<tr>
<td>Diluted earnings per share (₹)</td>
<td>41.37</td>
<td>17.53</td>
</tr>
</tbody>
</table>
42. **FINANCIAL INSTRUMENTS**  

A. **Financial assets and liabilities**

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets measured at fair value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments fair value</td>
<td>Note - 6</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans measured at fair value through other</td>
<td>Note - 8</td>
<td>3,70,973.92</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments measured at</td>
<td>Note - 9</td>
<td>-</td>
<td>3.32</td>
<td>3.51</td>
</tr>
<tr>
<td>(i) Fair value through other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ii) Fair value through profit and loss</td>
<td>Note - 9</td>
<td>26,428.85</td>
<td>4,707.85</td>
<td>2,045.72</td>
</tr>
<tr>
<td><strong>Financial assets measured at amortised cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>Note - 4</td>
<td>1,02,496.82</td>
<td>47,087.53</td>
<td>66,492.68</td>
</tr>
<tr>
<td>Bank balances other cash and cash equivalents</td>
<td>Note - 5</td>
<td>73,345.19</td>
<td>66,290.94</td>
<td>64,166.70</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>Note - 7</td>
<td>1,237.63</td>
<td>1,177.17</td>
<td>678.20</td>
</tr>
<tr>
<td>Loans</td>
<td>Note - 8</td>
<td>83,888.56</td>
<td>4,84,727.92</td>
<td>3,18,356.90</td>
</tr>
<tr>
<td>Investments</td>
<td>Note - 9</td>
<td>-</td>
<td>2,470.55</td>
<td>-</td>
</tr>
<tr>
<td>Security deposits</td>
<td>Note - 10</td>
<td>268.38</td>
<td>187.65</td>
<td>118.53</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>Note - 10</td>
<td>1,735.61</td>
<td>3,100.22</td>
<td>2,005.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6,60,561.95</td>
<td>6,09,753.15</td>
<td>4,53,867.24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial liabilities measured at fair value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>Note - 17</td>
<td>-</td>
<td>117.58</td>
<td>-</td>
</tr>
<tr>
<td><strong>Financial liabilities measured at amortised cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>Note - 18</td>
<td>188.11</td>
<td>1,680.96</td>
<td>1,244.61</td>
</tr>
<tr>
<td>Other payables</td>
<td>Note - 19</td>
<td>1,154.83</td>
<td>828.27</td>
<td>603.24</td>
</tr>
<tr>
<td>Debt securities (including interest accrued)</td>
<td>Note - 20 and 23</td>
<td>1,00,511.21</td>
<td>94,055.81</td>
<td>60,588.91</td>
</tr>
<tr>
<td>Borrowings other than debt securities</td>
<td>Note - 21 and 23</td>
<td>3,77,966.15</td>
<td>3,89,051.91</td>
<td>3,24,699.30</td>
</tr>
<tr>
<td>(including interest accrued)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subordinated liabilities (including interest</td>
<td>Note - 22 and 23</td>
<td>54,405.09</td>
<td>37,397.87</td>
<td>29,719.71</td>
</tr>
<tr>
<td>accrued)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>Note - 23</td>
<td>22,444.16</td>
<td>15,101.30</td>
<td>11,983.10</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>5,56,669.55</td>
<td>5,38,233.70</td>
<td>4,28,838.87</td>
</tr>
</tbody>
</table>
B. Fair values hierarchy

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

The categories used are as follows:

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

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

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

### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

#### As at March 31, 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio loans</td>
<td>-</td>
<td>3,70,973.92</td>
<td>-</td>
<td>3,70,973.92</td>
</tr>
<tr>
<td>Investments at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Investments at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposits</td>
<td>26,428.34</td>
<td>-</td>
<td>-</td>
<td>26,428.34</td>
</tr>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td>Derivative financial assets at fair value through profit and loss</td>
<td>-</td>
<td>186.99</td>
<td>-</td>
<td>186.99</td>
</tr>
</tbody>
</table>

#### As at March 31, 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td>3.32</td>
<td>3.32</td>
</tr>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>3.32</td>
<td>3.32</td>
</tr>
<tr>
<td>Investments at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposits</td>
<td>4,707.34</td>
<td>-</td>
<td>-</td>
<td>4,707.34</td>
</tr>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial liabilities at fair value through profit and loss</td>
<td>-</td>
<td>117.58</td>
<td>-</td>
<td>117.58</td>
</tr>
</tbody>
</table>

#### As at April 1, 2017

<table>
<thead>
<tr>
<th>Category</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments at fair value through other comprehensive income</td>
<td></td>
<td></td>
<td>3.51</td>
<td>3.51</td>
</tr>
<tr>
<td>Unquoted equity investments</td>
<td>-</td>
<td>-</td>
<td>3.51</td>
<td>3.51</td>
</tr>
<tr>
<td>Investments at fair value through profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government securities</td>
<td>-</td>
<td>0.51</td>
<td>-</td>
<td>0.51</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>2,045.21</td>
<td>-</td>
<td>-</td>
<td>2,045.21</td>
</tr>
</tbody>
</table>

**Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

(a) Eligible portfolio loans valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate for the remaining portfolio tenor. The Holding Company has considered the average valuation impact arrived using risk free, cost of funds and yield free securitisation approach.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in Lakhs, unless otherwise stated)

(b) The use of net asset value for mutual funds and certificated of deposits on the basis of the statement received from investee party.

(c) For unquoted equity instruments, the Group has used earning capitalisation method (fair value approach) discounted at a rate to reflect the risk involved in the business.

(d) The value of derivative contracts are determined using forward exchange rates at balance sheet date.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Fair value</th>
<th>Significant unobservable inputs</th>
<th>Data inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity investments - income approach</td>
<td>-</td>
<td>3.32</td>
<td>3.51</td>
</tr>
</tbody>
</table>

Sensitivity analysis

<table>
<thead>
<tr>
<th>Description</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on fair value if change in risk adjusted discount rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Impact due to increase of 5%</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Impact due to decrease of 5%</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

The following table presents the changes in level 3 items for the year ended March 31, 2019 and March 31, 2018:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Unquoted equity shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at April 1, 2017</td>
<td>3.51</td>
</tr>
<tr>
<td>Loss recognised in other comprehensive income</td>
<td>(0.19)</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>3.32</td>
</tr>
<tr>
<td>Loss recognised in other comprehensive income</td>
<td>(3.32)</td>
</tr>
<tr>
<td>As at March 31, 2019</td>
<td>-</td>
</tr>
</tbody>
</table>

B.2 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:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying value</td>
<td>Fair value</td>
<td>Carrying value</td>
<td>Fair value</td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,02,496.82</td>
<td>1,02,498.31</td>
<td>47,087.53</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>73,345.19</td>
<td>73,345.18</td>
<td>66,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,237.63</td>
<td>1,237.63</td>
<td>1,177.17</td>
</tr>
<tr>
<td>Loans</td>
<td>83,888.56</td>
<td>84,517.26</td>
<td>4,84,727.92</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>2,470.55</td>
</tr>
<tr>
<td>Security deposits</td>
<td>268.38</td>
<td>271.63</td>
<td>187.65</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,735.61</td>
<td>1,735.70</td>
<td>3,100.22</td>
</tr>
<tr>
<td>Total</td>
<td>2,62,972.19</td>
<td>2,63,605.71</td>
<td>6,05,041.98</td>
</tr>
</tbody>
</table>

contd...
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying value</td>
<td>Fair value</td>
<td>Carrying value</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>188.11</td>
<td>188.11</td>
<td>1,680.96</td>
</tr>
<tr>
<td>Other payables</td>
<td>1,154.83</td>
<td>1,069.94</td>
<td>828.27</td>
</tr>
<tr>
<td>Debt securities (including interest accrued)</td>
<td>1,00,511.21</td>
<td>1,01,930.95</td>
<td>94,055.81</td>
</tr>
<tr>
<td>Borrowings other than debt securities (including interest accrued)</td>
<td>3,77,966.15</td>
<td>3,80,890.39</td>
<td>3,89,051.91</td>
</tr>
<tr>
<td>Subordinated liabilities (including interest accrued)</td>
<td>54,405.09</td>
<td>55,845.43</td>
<td>37,397.87</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>22,444.16</td>
<td>22,517.59</td>
<td>15,101.30</td>
</tr>
<tr>
<td>Total</td>
<td>5,56,669.55</td>
<td>5,62,442.41</td>
<td>5,38,116.12</td>
</tr>
</tbody>
</table>

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 fixed interest bearing loans are determined by applying set of discount rates and then averaged out to arrive at the impact of fair value.

(ii) The fair values of fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discount rate that reflects the issuer’s borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

43. FINANCIAL RISK MANAGEMENT

Risk Management

The Group’s activities expose it to market risk, liquidity risk and credit risk. The Holding Company’s Board of directors has overall responsibility for the establishment and oversight of the Group risk management framework. The Group manages the risk basis policies approved by the board of directors. The board of directors provides 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.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Exposure arising from</th>
<th>Measurement</th>
<th>Risk management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit risk</td>
<td>Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets</td>
<td>Credit limit and ageing analysis</td>
<td>Highly rated bank deposits and diversification of asset base and collateral taken for assets</td>
</tr>
<tr>
<td>Liquidity risk</td>
<td>Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities</td>
<td>Cash flow forecasts</td>
<td>Committed borrowing and other credit facilities and sale of loan assets (whenever required)</td>
</tr>
<tr>
<td>Market risk - foreign exchange</td>
<td>Financial assets and liabilities not denominated in Indian rupee (₹)</td>
<td>Cash flow forecasting</td>
<td>Currency and interest rate swaps</td>
</tr>
<tr>
<td>Market risk - interest rate</td>
<td>Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities</td>
<td>Sensitivity analysis</td>
<td>Review of cost of funds and pricing disbursement</td>
</tr>
<tr>
<td>Market risk - security price</td>
<td>Investments in equity securities, mutual funds, certificate of deposits and commercial papers</td>
<td>Sensitivity analysis</td>
<td>Diversification of portfolio, with focus on strategic investments</td>
</tr>
</tbody>
</table>

In order to avoid excessive concentration of risk, the Group’s policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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A) Credit risk
Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management
Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

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

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

<table>
<thead>
<tr>
<th>Asset Group</th>
<th>Assets covered</th>
<th>Provision of expected credit loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low credit risk</td>
<td>Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets</td>
<td>Life time expected credit loss or 12 month expected credit loss</td>
</tr>
<tr>
<td>Moderate credit risk</td>
<td>Loans and other financial assets</td>
<td>Life time expected credit loss or 12 month expected credit loss</td>
</tr>
<tr>
<td>High credit risk</td>
<td>Loans</td>
<td>Life time expected credit loss or fully provided for</td>
</tr>
</tbody>
</table>

Financial assets that expose the entity to credit risk*

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Low credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>97,543.28</td>
<td>44,113.37</td>
<td>64,674.87</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>73,345.19</td>
<td>66,290.94</td>
<td>64,166.70</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,237.63</td>
<td>1,177.17</td>
<td>678.20</td>
</tr>
<tr>
<td>Loans</td>
<td>4,44,479.40</td>
<td>4,77,019.97</td>
<td>2,85,269.68</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>2,473.87</td>
<td>3.51</td>
</tr>
<tr>
<td>Security deposits</td>
<td>268.38</td>
<td>187.65</td>
<td>118.53</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,735.61</td>
<td>3,100.22</td>
<td>2,005.00</td>
</tr>
<tr>
<td>(ii) Moderate credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>2,871.04</td>
<td>7,452.38</td>
<td>65,767.29</td>
</tr>
<tr>
<td>(iii) High credit risk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>17,788.64</td>
<td>21,523.10</td>
<td>2,180.46</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>138.17</td>
<td>122.48</td>
<td>-</td>
</tr>
</tbody>
</table>

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Cash and cash equivalents and bank deposits
Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables
Trade receivables measured at amortised cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost
Other financial assets measured at amortised cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans
The Group closely monitors the credit worthiness of the borrower’s through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:
- The client’s income and indebtedness levels
- The client’s household must be engaged in some form of economic activity which ensures regular and assured income
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the Company
- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans.

i) Portfolio Loans

<table>
<thead>
<tr>
<th>Category</th>
<th>Inputs</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro finance loans</td>
<td>1. Ageing of historical data</td>
<td>1. Recoverability assumptions for stage 3 loan assets</td>
</tr>
<tr>
<td>Micro, Small &amp; Medium Enterprises loans</td>
<td>2. Latest available interest rate as discounting factor</td>
<td>2. Averaging of best case and worst case</td>
</tr>
</tbody>
</table>

*The Holding Company has used forward looking information in form of real GDP growth rate and CPI inflation.*

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

ii) Housing and other loans
Two of the subsidiary companies have recently started business and hence, does not have history of inputs and there are no loan balances which become 90 days past due and hence, provisioning norms are been used to make provision for loan assets, with a background of management overlay.

b) Credit risk exposure
i) Expected credit losses for financial assets other than loans

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Estimated gross carrying amount at default</th>
<th>Expected credit losses</th>
<th>Carrying amount net of impairment provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>97,543.28</td>
<td>-</td>
<td>97,543.28</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>73,345.19</td>
<td>-</td>
<td>73,345.19</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,237.63</td>
<td>-</td>
<td>1,237.63</td>
</tr>
<tr>
<td>Security deposits</td>
<td>268.38</td>
<td>-</td>
<td>268.38</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,873.78</td>
<td>138.17</td>
<td>1,735.61</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

As at March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated gross carrying amount at default</th>
<th>Expected credit losses</th>
<th>Carrying amount net of impairment provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>44,113.37</td>
<td>-</td>
<td>44,113.37</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>66,290.94</td>
<td>-</td>
<td>66,290.94</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,177.17</td>
<td>-</td>
<td>1,177.17</td>
</tr>
<tr>
<td>Investments</td>
<td>2,473.87</td>
<td>-</td>
<td>2,473.87</td>
</tr>
<tr>
<td>Security deposits</td>
<td>187.65</td>
<td>-</td>
<td>187.65</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>3,222.70</td>
<td>122.48</td>
<td>3,100.22</td>
</tr>
</tbody>
</table>

As at April 1, 2017

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Estimated gross carrying amount at default</th>
<th>Expected credit losses</th>
<th>Carrying amount net of impairment provision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>64,674.87</td>
<td>-</td>
<td>64,674.87</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>64,166.70</td>
<td>-</td>
<td>64,166.70</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>678.20</td>
<td>-</td>
<td>678.20</td>
</tr>
<tr>
<td>Investments</td>
<td>3.51</td>
<td>-</td>
<td>3.51</td>
</tr>
<tr>
<td>Security deposits</td>
<td>118.53</td>
<td>-</td>
<td>118.53</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>2,005.00</td>
<td>-</td>
<td>2,005.00</td>
</tr>
</tbody>
</table>

ii) Expected credit loss for loans

Definition of default:
The Group considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross carrying amount as at April 1, 2017</td>
<td>2,85,269.68</td>
<td>65,767.29</td>
<td>2,180.46</td>
</tr>
<tr>
<td>Assets originated*</td>
<td>4,43,918.07</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>226.27</td>
<td>(226.14)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(6,716.62)</td>
<td>6,716.62</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to stage 3</td>
<td>(23,951.86)</td>
<td>(15,625.94)</td>
<td>39,572.71</td>
</tr>
<tr>
<td>Assets derecognised or collected (excluding write offs)</td>
<td>(2,21,725.57)</td>
<td>(49,179.45)</td>
<td>(469.29)</td>
</tr>
<tr>
<td>Write - offs</td>
<td>-</td>
<td>-</td>
<td>(19,760.65)</td>
</tr>
<tr>
<td>Gross carrying amount as at March 31, 2018</td>
<td>4,77,019.97</td>
<td>7,452.38</td>
<td>21,523.10</td>
</tr>
<tr>
<td>Assets originated*</td>
<td>3,45,337.17</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>154.96</td>
<td>(125.56)</td>
<td>(29.41)</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(2,709.66)</td>
<td>2,724.50</td>
<td>(14.84)</td>
</tr>
<tr>
<td>Transfer to stage 3</td>
<td>(16,380.71)</td>
<td>(4,929.55)</td>
<td>21,310.26</td>
</tr>
<tr>
<td>Assets derecognised or collected (excluding write offs)</td>
<td>(3,58,942.33)</td>
<td>(2,250.73)</td>
<td>(3,055.46)</td>
</tr>
<tr>
<td>Write - offs</td>
<td>-</td>
<td>-</td>
<td>(21,945.01)</td>
</tr>
<tr>
<td>Gross carrying amount as at March 31, 2019</td>
<td>4,44,479.60</td>
<td>2,871.04</td>
<td>17,788.64</td>
</tr>
</tbody>
</table>

* Assets originated has been presented net of collection made during the year.
Reconciliation of loss allowance provision from beginning to end of reporting period:

<table>
<thead>
<tr>
<th>Notes to the consolidated financial statements for the year ended March 31, 2019</th>
<th>Loans</th>
<th>Other financial assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of loss allowance</strong></td>
<td>Stage 1</td>
<td>Stage 2</td>
</tr>
<tr>
<td>Loss allowance on April 1, 2017</td>
<td>7,253.39</td>
<td>26,177.63</td>
</tr>
<tr>
<td>Increase of provision due to assets originated during the year</td>
<td>13,974.38</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>5.76</td>
<td>(5.76)</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(3,295.04)</td>
<td>3,295.04</td>
</tr>
<tr>
<td>Transfer to stage 3</td>
<td>(11,070.06)</td>
<td>(2,875.93)</td>
</tr>
<tr>
<td>Assets derecognised or repaid</td>
<td>(3,520.79)</td>
<td>(22,175.61)</td>
</tr>
<tr>
<td>(Excluding write offs)</td>
<td>325.12</td>
<td>(918.46)</td>
</tr>
<tr>
<td>Impact of ECL on exposures transferred between stages during the year</td>
<td>325.12</td>
<td>(918.46)</td>
</tr>
<tr>
<td>Loss allowance on March 31, 2018</td>
<td>3,672.76</td>
<td>3,496.91</td>
</tr>
<tr>
<td>Increase of provision due to assets originated during the year</td>
<td>2,252.57</td>
<td>-</td>
</tr>
<tr>
<td>Net transfer between stages</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to stage 1</td>
<td>1.18</td>
<td>(0.96)</td>
</tr>
<tr>
<td>Transfer to stage 2</td>
<td>(1,057.48)</td>
<td>1,064.40</td>
</tr>
<tr>
<td>Transfer to stage 3</td>
<td>(7,294.77)</td>
<td>(2,804.17)</td>
</tr>
<tr>
<td>Assets derecognised or repaid</td>
<td>(936.96)</td>
<td>(749.84)</td>
</tr>
<tr>
<td>(Excluding write offs)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impact of ECL on exposures transferred between stages during the year</td>
<td>5,591.81</td>
<td>(138.39)</td>
</tr>
<tr>
<td>Loss allowance on March 31, 2019</td>
<td>2,229.11</td>
<td>867.95</td>
</tr>
</tbody>
</table>

(c) Concentration of loans

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro finance loans</td>
<td>4,29,104.87</td>
<td>5,01,897.40</td>
<td>3,52,362.95</td>
</tr>
<tr>
<td>Micro, Small &amp; Medium Enterprises (MSME)</td>
<td>27,416.31</td>
<td>7,805.11</td>
<td>4,058.10</td>
</tr>
<tr>
<td>Housing finance loans</td>
<td>8,047.51</td>
<td>211.54</td>
<td>-</td>
</tr>
<tr>
<td>Add: Changes in fair value</td>
<td>3,920.21</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Unamortised processing fee</td>
<td>(3,349.82)</td>
<td>(3,918.60)</td>
<td>(3,203.62)</td>
</tr>
<tr>
<td>Total</td>
<td>4,65,139.08</td>
<td>5,05,995.45</td>
<td>3,53,217.43</td>
</tr>
</tbody>
</table>

(d) Loans secured against collateral

The Group secured portfolio pertains to MSME, housing and other loans, which are secured largely against property, plant and equipment, book debts, inventories, margin money and other working capital items. The Group collateral policy is consistent throughout the periods presented. The following table presents the maximum exposure to credit risk.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Carrying value</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at March 31, 2019</td>
<td>17,744.81</td>
</tr>
<tr>
<td>Loans secured by property, plant and equipment (including land, building and plots)</td>
<td>17,744.81</td>
</tr>
<tr>
<td>Loans secured by book debts, inventories, margin money and other working capital items</td>
<td>-</td>
</tr>
<tr>
<td>As at March 31, 2018</td>
<td>5,051.10</td>
</tr>
<tr>
<td>Loans secured by property, plant and equipment (including land, building and plots)</td>
<td>5,051.10</td>
</tr>
<tr>
<td>Loans secured by book debts, inventories, margin money and other working capital items</td>
<td>-</td>
</tr>
<tr>
<td>As at April 1, 2017</td>
<td>507.44</td>
</tr>
<tr>
<td>Loans secured by property, plant and equipment (including land, building and plots)</td>
<td>507.44</td>
</tr>
<tr>
<td>Loans secured by book debts, inventories, margin money and other working capital items</td>
<td>-</td>
</tr>
</tbody>
</table>

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.
The Group does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Company initiate the legal proceedings against the defaulted customers.

(B) Liquidity risk

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

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

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities:

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>53,877.55</td>
<td>17,780.99</td>
<td>36,096.56</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>751,568.74</td>
<td>723,368.74</td>
<td>28,200.00</td>
</tr>
<tr>
<td>Total</td>
<td>805,446.29</td>
<td>741,149.73</td>
<td>64,296.56</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at March 31, 2018</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>30,090.06</td>
<td>14,235.65</td>
<td>15,854.41</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>644,545.74</td>
<td>614,725.53</td>
<td>29,820.21</td>
</tr>
<tr>
<td>Total</td>
<td>674,635.80</td>
<td>628,961.18</td>
<td>45,674.62</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>As at April 1, 2017</th>
<th>Total facility</th>
<th>Drawn</th>
<th>Undrawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Expiring within one year</td>
<td>15,790.00</td>
<td>13,394.35</td>
<td>2,395.65</td>
</tr>
<tr>
<td>- Expiring beyond one year</td>
<td>546,108.45</td>
<td>514,408.45</td>
<td>31,700.00</td>
</tr>
<tr>
<td>Total</td>
<td>561,898.45</td>
<td>527,802.80</td>
<td>34,095.65</td>
</tr>
</tbody>
</table>

(ii) Maturities of financial assets and liabilities

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

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

<table>
<thead>
<tr>
<th>As at March 31, 2019</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-derivatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,02,943.84</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,02,943.84</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>61,581.77</td>
<td>13,470.09</td>
<td>1,777.50</td>
<td>43.05</td>
<td>76,872.41</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,237.63</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,237.63</td>
</tr>
<tr>
<td>Loans</td>
<td>4,22,093.75</td>
<td>82,094.73</td>
<td>7,200.09</td>
<td>38,006.75</td>
<td>5,49,395.32</td>
</tr>
<tr>
<td>Investments</td>
<td>27,005.51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27,005.51</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>2,015.33</td>
<td>34.60</td>
<td>61.17</td>
<td>159.91</td>
<td>2,271.01</td>
</tr>
<tr>
<td>Derivatives (net settled)</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>186.99</td>
</tr>
</tbody>
</table>

Total undiscounted financial assets | 6,17,064.82 | 95,599.42 | 9,038.76 | 38,209.71 | 7,59,912.71 |

contd...
### Notes to the Consolidated Financial Statements

**For the Year Ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Financial liabilities</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-derivatives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Securities</td>
<td>40,712.29</td>
<td>33,794.98</td>
<td>14,713.92</td>
<td>32,678.37</td>
<td>1,21,899.56</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>2,82,998.54</td>
<td>1,07,506.32</td>
<td>25,072.22</td>
<td>9,711.76</td>
<td>4,25,288.84</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>14,272.13</td>
<td>10,589.72</td>
<td>8,592.61</td>
<td>49,963.30</td>
<td>83,417.76</td>
</tr>
<tr>
<td>Trade payables</td>
<td>188.11</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>188.11</td>
</tr>
<tr>
<td>Other payables</td>
<td>1,154.83</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,154.83</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>21,955.92</td>
<td>594.00</td>
<td>-</td>
<td>-</td>
<td>22,549.92</td>
</tr>
<tr>
<td><strong>Total undiscounted financial liabilities</strong></td>
<td>3,61,281.82</td>
<td>1,52,485.02</td>
<td>48,378.75</td>
<td>92,353.43</td>
<td>6,54,499.02</td>
</tr>
<tr>
<td><strong>Net undiscounted financial assets/(liabilities)</strong></td>
<td>2,55,783.00</td>
<td>(56,885.60)</td>
<td>(39,339.99)</td>
<td>(54,143.72)</td>
<td>1,05,413.69</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-derivatives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>47,275.76</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>47,275.76</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>54,246.25</td>
<td>13,929.64</td>
<td>974.13</td>
<td>1.08</td>
<td>69,151.10</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,177.17</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,177.17</td>
</tr>
<tr>
<td>Loans</td>
<td>4,21,532.69</td>
<td>1,70,954.73</td>
<td>1,675.68</td>
<td>5,663.68</td>
<td>5,99,826.78</td>
</tr>
<tr>
<td>Investments</td>
<td>7,505.51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,505.51</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>3,269.19</td>
<td>4.13</td>
<td>50.44</td>
<td>158.16</td>
<td>3,481.92</td>
</tr>
<tr>
<td><strong>Total undiscounted financial assets</strong></td>
<td>5,35,006.57</td>
<td>1,84,888.50</td>
<td>2,700.25</td>
<td>5,822.92</td>
<td>7,28,418.24</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-derivatives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Securities</td>
<td>41,052.00</td>
<td>42,031.30</td>
<td>23,524.87</td>
<td>9,211.31</td>
<td>1,15,819.48</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>2,96,877.86</td>
<td>1,15,577.08</td>
<td>19,770.72</td>
<td>6,328.07</td>
<td>4,38,553.73</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>7,793.80</td>
<td>11,587.10</td>
<td>7,283.25</td>
<td>25,587.17</td>
<td>52,251.32</td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,680.96</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,680.96</td>
</tr>
<tr>
<td>Other payables</td>
<td>828.27</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>828.27</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>15,101.30</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,101.30</td>
</tr>
<tr>
<td>Derivatives (net settled)</td>
<td>117.58</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>117.58</td>
</tr>
<tr>
<td><strong>Total undiscounted financial liabilities</strong></td>
<td>3,63,451.77</td>
<td>1,69,195.48</td>
<td>50,578.84</td>
<td>41,126.55</td>
<td>6,24,352.64</td>
</tr>
<tr>
<td><strong>Net undiscounted financial assets/(liabilities)</strong></td>
<td>1,71,554.80</td>
<td>15,693.02</td>
<td>(47,878.59)</td>
<td>(35,303.63)</td>
<td>1,04,065.60</td>
</tr>
</tbody>
</table>
### Notes to the Consolidated Financial Statements

**For the Year Ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>As at April 1, 2017</th>
<th>Less than 1 year</th>
<th>1-2 year</th>
<th>2-3 year</th>
<th>More than 3 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-derivatives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>66,492.68</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>66,492.68</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>50,775.65</td>
<td>11,440.08</td>
<td>4,506.77</td>
<td>550.29</td>
<td>67,272.79</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>678.20</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>678.20</td>
</tr>
<tr>
<td>Loans</td>
<td>3,31,243.26</td>
<td>73,840.90</td>
<td>1,653.67</td>
<td>434.82</td>
<td>4,07,172.65</td>
</tr>
<tr>
<td>Investments</td>
<td>2,050.72</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,050.72</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>2,021.44</td>
<td>10.44</td>
<td>5.24</td>
<td>148.42</td>
<td>2,185.54</td>
</tr>
<tr>
<td><strong>Total undiscounted financial assets</strong></td>
<td>4,53,261.95</td>
<td>85,291.42</td>
<td>6,165.68</td>
<td>1,133.53</td>
<td>5,45,852.59</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-derivatives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Securities</td>
<td>19,958.24</td>
<td>25,440.90</td>
<td>25,147.65</td>
<td>10,180.95</td>
<td>80,727.74</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>2,29,103.80</td>
<td>1,01,690.47</td>
<td>32,511.80</td>
<td>7,957.31</td>
<td>3,71,263.38</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>4,143.13</td>
<td>4,093.21</td>
<td>6,017.20</td>
<td>28,576.06</td>
<td>42,829.60</td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,244.61</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,244.61</td>
</tr>
<tr>
<td>Other payables</td>
<td>603.24</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>603.24</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>11,983.10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,983.10</td>
</tr>
<tr>
<td><strong>Total undiscounted financial liabilities</strong></td>
<td>2,67,036.12</td>
<td>1,31,224.58</td>
<td>63,676.65</td>
<td>46,714.32</td>
<td>5,08,651.67</td>
</tr>
<tr>
<td><strong>Net undiscounted financial assets/(liabilities)</strong></td>
<td>1,86,225.83</td>
<td>(45,933.16)</td>
<td>(57,510.97)</td>
<td>(45,580.79)</td>
<td>37,200.92</td>
</tr>
</tbody>
</table>

(C) **Market risk**

a) **Foreign currency risk**

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. To mitigate the Group’s exposure to foreign currency risk, non-rupee cash flows are monitored and derivative contracts are entered into in accordance with the Group’s risk management policies.

**Foreign currency risk exposure in US$:**

The Group exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follow

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Currency</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External commercial borrowings (including interest accrued)</td>
<td>US$</td>
<td>4,259.40</td>
<td>5,042.41</td>
<td>6,053.50</td>
</tr>
<tr>
<td>(Gain)/loss: Derivative contract</td>
<td></td>
<td>(186.99)</td>
<td>117.58</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Sensitivity
The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US$ sensitivity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>₹/US$- increase by 5%</td>
<td>(212.97)</td>
<td>(252.12)</td>
</tr>
<tr>
<td>₹/US$- decrease by 5%</td>
<td>212.97</td>
<td>252.12</td>
</tr>
</tbody>
</table>

* Holding all other variables constant

b) Interest rate risk
(i) Liabilities
The Group’s policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2019, the Group is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

**Interest rate risk exposure**

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable rate liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt securities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings other than debt securities</td>
<td>1,57,261.73</td>
<td>1,30,972.67</td>
<td>1,53,412.46</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Fixed rate liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt securities</td>
<td>97,586.85</td>
<td>91,929.66</td>
<td>58,808.91</td>
</tr>
<tr>
<td>Borrowings other than debt securities</td>
<td>2,18,292.15</td>
<td>2,56,267.21</td>
<td>1,69,787.12</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>53,919.68</td>
<td>36,918.92</td>
<td>29,304.77</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,27,060.41</strong></td>
<td><strong>5,16,088.46</strong></td>
<td><strong>4,11,313.26</strong></td>
</tr>
</tbody>
</table>

Sensitivity
The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on debt securities, other borrowings and subordinated liabilities. Below is the sensitivity of profit and loss in interest rates.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest sensitivity</strong>*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates – increase by 0.50%</td>
<td>713.58</td>
<td>704.77</td>
</tr>
<tr>
<td>Interest rates – decrease by 0.50%</td>
<td>(713.58)</td>
<td>(704.77)</td>
</tr>
</tbody>
</table>

* Holding all other variables constant

(ii) Assets
The Group’s fixed deposits are carried at amortised cost and are variable rate deposits. The Company is exposed to changes in MIBOR interest rates through fixed deposits at variable interest rates.

**MIBOR Interest rate risk exposure**

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed deposits</td>
<td>23,725.00</td>
<td>4,333.00</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>23,725.00</strong></td>
<td><strong>4,333.00</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Sensitivity
The sensitivity of the statement of profit and loss is the effect of the changes in MIBOR interest rates on fixed deposits. Below is the sensitivity of profit and loss in MIBOR interest rates.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest sensitivity*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates – increase by 1.00%</td>
<td>237.25</td>
<td>43.33</td>
</tr>
<tr>
<td>Interest rates – decrease by 1.00%</td>
<td>(237.25)</td>
<td>(43.33)</td>
</tr>
</tbody>
</table>

* Holding all other Variables Constant

c) Price risk
i) Exposure
The Group’s exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

ii) Sensitivity
The table below summarises the impact of increases/decreases of the index on the Group’s equity and profit for the period:

**Impact on profit after tax**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets value – increase by 5%</td>
<td>1,321.44</td>
<td>235.39</td>
</tr>
<tr>
<td>Net assets value – decrease by 5%</td>
<td>(1,321.44)</td>
<td>(235.39)</td>
</tr>
</tbody>
</table>

**Impact on other comprehensive income**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unquoted equity instruments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value per share – increase by 5%</td>
<td>-</td>
<td>0.17</td>
</tr>
<tr>
<td>Value per share – decrease by 5%</td>
<td>-</td>
<td>(0.17)</td>
</tr>
</tbody>
</table>

44. CAPITAL MANAGEMENT
The Group’s capital management objectives are
- to ensure the Group’s ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

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

**FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt*</td>
<td>3,57,040.44</td>
<td>4,07,127.12</td>
<td>2,84,348.54</td>
</tr>
<tr>
<td>Total equity</td>
<td>1,14,944.64</td>
<td>88,476.56</td>
<td>45,086.63</td>
</tr>
<tr>
<td>Net debt to equity ratio</td>
<td>3.11</td>
<td>4.60</td>
<td>6.31</td>
</tr>
</tbody>
</table>

* Net debt includes debt securities + borrowings other than debt securities + subordinated liabilities + interest accrued - cash and cash equivalents - bank balances other than cash and cash equivalents.

### 45. 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.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,02,496.82</td>
<td>14,707.53</td>
<td>66,492.68</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td>58,604.95</td>
<td>14,448.83</td>
<td>48,508.43</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>186.99</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,237.63</td>
<td>1,177.17</td>
<td>678.20</td>
</tr>
<tr>
<td>Loans</td>
<td>3,61,645.89</td>
<td>153,322.34</td>
<td>63,014.03</td>
</tr>
<tr>
<td>Investments</td>
<td>26,428.85</td>
<td>7,181.72</td>
<td>-</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,828.92</td>
<td>147.56</td>
<td>2,015.90</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>5,52,430.05</td>
<td>1,08,131.90</td>
<td>78,779.93</td>
</tr>
<tr>
<td><strong>Non-financial assets</strong></td>
<td>1,13,982.34</td>
<td>1,19,250.16</td>
<td>21,115.28</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>5,53,160.18</td>
<td>1,22,114.24</td>
<td>99,895.21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
</tr>
<tr>
<td>Financial liabilities</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
</tr>
<tr>
<td>Payables</td>
</tr>
<tr>
<td>Trade payables</td>
</tr>
<tr>
<td>(i) total outstanding dues of micro enterprises and small enterprises</td>
</tr>
<tr>
<td>(ii) total outstanding dues of creditors other than micro enterprises and small enterprises</td>
</tr>
<tr>
<td>Other payables</td>
</tr>
<tr>
<td>(i) total outstanding dues of micro enterprises and small enterprises</td>
</tr>
<tr>
<td>(ii) total outstanding dues of creditors other than micro enterprises and small enterprises</td>
</tr>
<tr>
<td>Debt securities</td>
</tr>
</tbody>
</table>

contd...
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Within 12 months</td>
<td>After 12 months</td>
<td>Within 12 months</td>
</tr>
<tr>
<td>Borrowings (other than debt securities)</td>
<td>2,46,710.66</td>
<td>1,28,843.22</td>
<td>2,56,034.15</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>7,611.92</td>
<td>46,307.76</td>
<td>3,655.61</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>27,866.43</td>
<td>399.77</td>
<td>19,518.43</td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td>3,16,149.21</td>
<td>2,40,520.34</td>
<td>3,11,603.64</td>
</tr>
<tr>
<td>Non-financial liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax liabilities (net)</td>
<td>1,178.58</td>
<td>-</td>
<td>914.36</td>
</tr>
<tr>
<td>Provisions</td>
<td>212.04</td>
<td>1,303.44</td>
<td>172.69</td>
</tr>
<tr>
<td>Other non-financial liabilities</td>
<td>895.24</td>
<td>70.93</td>
<td>938.38</td>
</tr>
<tr>
<td><strong>Total non financial liabilities</strong></td>
<td>2,285.86</td>
<td>1,374.37</td>
<td>2,025.43</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>3,18,435.07</td>
<td>2,41,894.71</td>
<td>3,13,629.07</td>
</tr>
<tr>
<td><strong>Net equity</strong></td>
<td>2,34,725.11</td>
<td>(1,19,780.47)</td>
<td>1,29,104.80</td>
</tr>
</tbody>
</table>

46. TRANSFERRED FINANCIAL ASSETS

In the course of its micro finance activity, the Holding Company transfers financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Holding Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Holding Company has securitised its loan assets to unrelated and unconsolidated entities. As per the terms of the agreements, the Holding Company is exposed to first loss default guarantee amounting in range of 12% to 18% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

<table>
<thead>
<tr>
<th>Securitisations</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross carrying amount of securitised assets</td>
<td>42,815.87</td>
<td>76,708.32</td>
<td>32,557.02</td>
</tr>
<tr>
<td>Gross carrying amount of associated liabilities</td>
<td>33,891.45</td>
<td>66,827.59</td>
<td>24,886.50</td>
</tr>
<tr>
<td>Carrying value and fair value of securitised assets</td>
<td>42,451.75</td>
<td>76,030.32</td>
<td>27,167.46</td>
</tr>
<tr>
<td>Carrying value and fair value of associated liabilities</td>
<td>33,891.45</td>
<td>66,827.59</td>
<td>24,886.50</td>
</tr>
<tr>
<td><strong>Net position</strong></td>
<td>8,560.30</td>
<td>9,202.73</td>
<td>2,280.96</td>
</tr>
</tbody>
</table>

47. EMPLOYEE BENEFITS

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

A Defined contribution plans
Provident and other funds

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

<table>
<thead>
<tr>
<th>Emplyee benefits</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers contribution to provident and other fund*</td>
<td>2,134.14</td>
<td>1,704.49</td>
</tr>
</tbody>
</table>

*There are issues relating to the application of the Honourable Supreme Court’s (SC) judgement dated 28 February, 2019 on Provident Fund. The management is examining these issues to identify the potential effects, if any, on compliance with the Provident Fund Act, 1952.
## Defined benefit plans

### Gratuity
The Group has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Corporation of India ("LIC"). The liability of Gratuity is recognised on the basis of actuarial valuation.

### Risks associated with plan provisions

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

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of obligation</td>
<td>1,235.26</td>
<td>893.58</td>
<td>650.07</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>812.07</td>
<td>533.97</td>
<td>287.22</td>
</tr>
<tr>
<td>Net obligation recognised in balance sheet as provision</td>
<td>423.19</td>
<td>359.61</td>
<td>362.85</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service cost</td>
<td>318.52</td>
<td>246.69</td>
</tr>
<tr>
<td>Past service cost including curtailment gains/losses</td>
<td>-</td>
<td>18.46</td>
</tr>
<tr>
<td>Interest cost on defined benefit obligation</td>
<td>69.70</td>
<td>47.46</td>
</tr>
<tr>
<td>Interest income on plan assets</td>
<td>(41.74)</td>
<td>(20.96)</td>
</tr>
<tr>
<td>Net impact on profit (before tax)</td>
<td>346.48</td>
<td>291.65</td>
</tr>
</tbody>
</table>

### Amount recognised in the other comprehensive income:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial gain/(loss) recognised during the year</td>
<td>(48.18)</td>
<td>15.46</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of defined benefit obligation as at the beginning of year</td>
<td>893.58</td>
<td>650.07</td>
</tr>
<tr>
<td>Current service cost</td>
<td>318.52</td>
<td>246.69</td>
</tr>
<tr>
<td>Interest cost</td>
<td>69.70</td>
<td>47.46</td>
</tr>
<tr>
<td>Past service cost including curtailment gains/losses</td>
<td>-</td>
<td>18.46</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(72.15)</td>
<td>(53.66)</td>
</tr>
<tr>
<td>Actuarial loss/(gain) on obligation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Actuarial gain/(loss) on arising from change in demographic assumption</td>
<td>-</td>
<td>(61.79)</td>
</tr>
<tr>
<td>Actuarial gain/(loss) on arising from change in financial assumption</td>
<td>8.89</td>
<td>(7.02)</td>
</tr>
<tr>
<td>Actuarial loss on arising from experience adjustment</td>
<td>16.72</td>
<td>53.37</td>
</tr>
<tr>
<td>Present value of defined benefit obligation as at the end of the year</td>
<td>1,235.26</td>
<td>893.58</td>
</tr>
</tbody>
</table>
(iv) Major categories of plan assets (as percentage of total plan assets):

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds managed by LIC of India</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of plan assets at beginning of year</td>
<td>533.97</td>
<td>287.22</td>
</tr>
<tr>
<td>Actual return on plan assets</td>
<td>17.24</td>
<td>20.94</td>
</tr>
<tr>
<td>Employer’s contribution</td>
<td>333.01</td>
<td>279.47</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(72.15)</td>
<td>(53.66)</td>
</tr>
<tr>
<td>Fair value of plan assets at the end of the year</td>
<td>812.07</td>
<td>533.97</td>
</tr>
</tbody>
</table>

(vi) Actuarial assumptions

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounting rate</td>
<td>7.66%</td>
<td>7.80%</td>
</tr>
<tr>
<td>Future salary increase</td>
<td>6.00% - 10.00%</td>
<td>6.00% - 10.00%</td>
</tr>
<tr>
<td>Retirement age (years)</td>
<td>58 - 60</td>
<td>58 - 60</td>
</tr>
<tr>
<td>Withdrawal rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up to 30 years</td>
<td>30.00% - 2.00%</td>
<td>30.00% - 2.00%</td>
</tr>
<tr>
<td>From 31 to 44 years</td>
<td>20.00% - 2.00%</td>
<td>20.00% - 2.00%</td>
</tr>
<tr>
<td>Above 44 years</td>
<td>20.00% - 1.00%</td>
<td>20.00% - 1.00%</td>
</tr>
<tr>
<td>Weighted average duration</td>
<td>3.54 - 20.09</td>
<td>3.53 - 17.81</td>
</tr>
</tbody>
</table>

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

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

(vii) Sensitivity analysis for gratuity liability

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of the change in discount rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of obligation at the end of the year</td>
<td>1,235.26</td>
<td>893.58</td>
</tr>
<tr>
<td>- Impact due to increase of 0.50 %</td>
<td>(33.04)</td>
<td>(22.80)</td>
</tr>
<tr>
<td>- Impact due to decrease of 0.50 %</td>
<td>34.92</td>
<td>23.95</td>
</tr>
<tr>
<td>Impact of the change in salary increase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present value of obligation at the end of the year</td>
<td>1,235.26</td>
<td>893.58</td>
</tr>
<tr>
<td>- Impact due to increase of 0.50 %</td>
<td>33.68</td>
<td>23.01</td>
</tr>
<tr>
<td>- Impact due to decrease of 0.50 %</td>
<td>(32.22)</td>
<td>(22.13)</td>
</tr>
</tbody>
</table>

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Amount</td>
</tr>
<tr>
<td>0 to 1 year</td>
<td>144.61</td>
<td>100.64</td>
</tr>
<tr>
<td>1 to 2 year</td>
<td>124.41</td>
<td>109.96</td>
</tr>
<tr>
<td>2 to 3 year</td>
<td>134.75</td>
<td>110.85</td>
</tr>
<tr>
<td>3 to 4 year</td>
<td>117.40</td>
<td>90.83</td>
</tr>
<tr>
<td>4 to 5 year</td>
<td>97.79</td>
<td>74.10</td>
</tr>
<tr>
<td>5 to 6 year</td>
<td>79.95</td>
<td>58.27</td>
</tr>
<tr>
<td>6 year onwards</td>
<td>536.35</td>
<td>348.93</td>
</tr>
<tr>
<td>Total</td>
<td>1,235.26</td>
<td>893.58</td>
</tr>
</tbody>
</table>

48. RELATED PARTY DISCLOSURES

A. List of related parties and disclosures

Key managerial personnel and their relatives:

<table>
<thead>
<tr>
<th>Name of key managerial personnel</th>
<th>Designation</th>
<th>Relatives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Holding Company</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. H P Singh</td>
<td>Chairman cum Managing Director</td>
<td>Mr. Satvinder Singh</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Chief Financial Officer</td>
<td>Mrs. Anureet H P Singh</td>
</tr>
<tr>
<td>Mr. Choudhary Runveer Krishnan</td>
<td>Company secretary and Compliance officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td>Non-executive and non-independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Rakesh Sachdeva</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sundeep Kumar Mehta</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sanjay Kumar Bhatia</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Anil Kumar Kalra</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Arthur Sletteberg</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Goh Colin</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>Non-executive and independent director</td>
<td></td>
</tr>
<tr>
<td>Mr. Daniel Simpson Jacobs</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>(W.e.f. January 08, 2018)</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Richard Benjamin Butler</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>(Till January 19, 2018)</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Suramya Gupta (Till January 07, 2019)</td>
<td>Non-executive and non-independent director</td>
<td>Mr. Satvinder Singh</td>
</tr>
<tr>
<td>Mr. Ramesh G. Dharmaji</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>(Till November 08, 2017)</td>
<td>Nominee director</td>
<td></td>
</tr>
<tr>
<td>Mr. Sanjaya Gupta</td>
<td>Non-executive and non-independent director</td>
<td>Mr. Satvinder Singh</td>
</tr>
<tr>
<td>(From August 21, 2017 to October 15, 2018)</td>
<td>Nominee director</td>
<td>Mrs. Anureet H P Singh</td>
</tr>
<tr>
<td><strong>Taraashna Services Limited</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Abhay Thakkar</td>
<td>Chief Financial Officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Prashant Sharma</td>
<td>Company secretary and Compliance officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Sanjeev Vij</td>
<td>Non-executive and non-independent director</td>
<td></td>
</tr>
<tr>
<td><strong>Satin Housing Finance Limited</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Sachin Sharma</td>
<td>Chief Financial Officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Kuldeep Singh Yadav</td>
<td>Company secretary and Compliance officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Amit Sharma</td>
<td>Whole Time Director and Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td><strong>Satin Finserv Limited</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Jitendra Jain</td>
<td>Chief Financial Officer</td>
<td></td>
</tr>
<tr>
<td>Mrs. Bhanu Priya</td>
<td>Company secretary and Compliance officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Sumit Mukherjee</td>
<td>Director &amp; Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td>Mr. Ashish Chandorkar</td>
<td>Director</td>
<td></td>
</tr>
</tbody>
</table>
Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:

- Satin Neo Dimensions Private Limited
- Niryas Food Products Private Limited
- Rental Stay Private Limited

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

<table>
<thead>
<tr>
<th>Name of related party</th>
<th>Nature of transaction</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. H P Singh</td>
<td>Remuneration</td>
<td>145.41</td>
<td>119.65</td>
</tr>
<tr>
<td>Mr. H P Singh and Mr. Satvinder Singh</td>
<td>Personal guarantees withdrawn</td>
<td>14,750.76</td>
<td>2,774.43</td>
</tr>
<tr>
<td>Mr. H P Singh and Mr. Satvinder Singh</td>
<td>Personal guarantees withdrawn (jointly)</td>
<td>-</td>
<td>20,067.77</td>
</tr>
<tr>
<td>Mr. H P Singh and Mr. Satvinder Singh</td>
<td>Personal guarantees given (jointly)</td>
<td>9,410.42</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Remuneration</td>
<td>91.84</td>
<td>72.00</td>
</tr>
<tr>
<td>Mr. Choudhary Runveer Krishanan</td>
<td>Remuneration</td>
<td>31.01</td>
<td>26.08</td>
</tr>
<tr>
<td>Mr. Sanjeev Vij</td>
<td>Remuneration</td>
<td>85.69</td>
<td>70.23</td>
</tr>
<tr>
<td>Mr. Abhay Thakkar</td>
<td>Remuneration</td>
<td>11.97</td>
<td>5.98</td>
</tr>
<tr>
<td>Mr. Prashant Sharma</td>
<td>Remuneration</td>
<td>8.07</td>
<td>7.43</td>
</tr>
<tr>
<td>Mr. Amrit Sharma</td>
<td>Remuneration</td>
<td>64.06</td>
<td>48.98</td>
</tr>
<tr>
<td>Mr. Sachin Sharma</td>
<td>Remuneration</td>
<td>19.59</td>
<td>14.67</td>
</tr>
<tr>
<td>Mr. Kuldeep Singh Yadav</td>
<td>Remuneration</td>
<td>19.77</td>
<td>16.10</td>
</tr>
<tr>
<td>Mr. Sumit Mukherjee</td>
<td>Remuneration</td>
<td>8.81</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Ashish Chandorkar</td>
<td>Remuneration</td>
<td>32.12</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Jitendra Jain</td>
<td>Remuneration</td>
<td>3.14</td>
<td>-</td>
</tr>
<tr>
<td>Mrs. Bhanu Priya</td>
<td>Remuneration</td>
<td>2.51</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Satvinder Singh</td>
<td>Sitting fees</td>
<td>2.45</td>
<td>2.30</td>
</tr>
<tr>
<td>Mr. Rakesh Sachdeva</td>
<td>Sitting fees</td>
<td>3.10</td>
<td>2.70</td>
</tr>
<tr>
<td>Mr. Sundeep Kumar Mehta</td>
<td>Sitting fees</td>
<td>3.45</td>
<td>2.70</td>
</tr>
<tr>
<td>Mrs. Sangeeta Khorana</td>
<td>Sitting fees</td>
<td>1.40</td>
<td>0.80</td>
</tr>
<tr>
<td>Mr. Goh Colin</td>
<td>Sitting fees</td>
<td>0.50</td>
<td>1.00</td>
</tr>
<tr>
<td>Mr. Sanjay Kumar Bhatia</td>
<td>Sitting fees</td>
<td>1.55</td>
<td>0.60</td>
</tr>
<tr>
<td>Mr. Anil Kumar Kalra</td>
<td>Sitting fees</td>
<td>1.90</td>
<td>1.20</td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Sitting fees</td>
<td>0.90</td>
<td>0.20</td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Professional charges</td>
<td>14.44</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Davis Fredrick Golding</td>
<td>Interest income</td>
<td>27.52</td>
<td>-</td>
</tr>
<tr>
<td>Rental Stay Private Limited</td>
<td>Inter corporate loan given</td>
<td>385.50</td>
<td>-</td>
</tr>
<tr>
<td>Rental Stay Private Limited</td>
<td>Inter corporate loan received</td>
<td>250.00</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Interest income</td>
<td>7.80</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Inter corporate loan given</td>
<td>150.00</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Rent received</td>
<td>4.72</td>
<td>4.26</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Office expenses</td>
<td>0.25</td>
<td>-</td>
</tr>
<tr>
<td>Niryas Food Products Private Limited</td>
<td>Received amount of loan instalment deducted from creditors of milk product</td>
<td>125.47</td>
<td>47.68</td>
</tr>
</tbody>
</table>
C. Key management personnel compensation includes the following expenses:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>565.96</td>
<td>416.85</td>
</tr>
<tr>
<td>Post employment benefits</td>
<td>7.75</td>
<td>19.62</td>
</tr>
<tr>
<td>Other long-term benefits</td>
<td>11.63</td>
<td>(1.86)</td>
</tr>
<tr>
<td>Share based payment</td>
<td>153.99</td>
<td>13.01</td>
</tr>
</tbody>
</table>

D. Outstanding balances with related parties in ordinary course of business:

<table>
<thead>
<tr>
<th>Name of related party</th>
<th>Nature of balance</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. H P Singh</td>
<td>Remuneration</td>
<td>-</td>
<td>1.71</td>
<td>-</td>
</tr>
<tr>
<td>Mr. H P Singh and Mr. Satvinder Singh</td>
<td>Personal guarantees</td>
<td>700.00</td>
<td>15,450.76</td>
<td>18,225.19</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Payable against remuneration</td>
<td>-</td>
<td>0.11</td>
<td>-</td>
</tr>
<tr>
<td>Mr. Davis fredrick Golding</td>
<td>Payable against professional charges</td>
<td>3.60</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rental Stay Private Limited</td>
<td>Inter corporate loan</td>
<td>135.50</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Satin Neo Dimensions Private Limited</td>
<td>Inter corporate loan</td>
<td>147.11</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Niryas Food Products Private Limited</td>
<td>Trade Receivables</td>
<td>3.10</td>
<td>0.02</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Security deposit payable</td>
<td>0.34</td>
<td>0.34</td>
<td>0.34</td>
</tr>
</tbody>
</table>

49. LEASES DISCLOSURE AS LESSEE

Operating leases

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

Office premises and generator

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lease expenses recognised during the year</td>
<td>1,846.69</td>
<td>1,446.17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum lease obligations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- within one year</td>
<td>203.45</td>
<td>83.81</td>
</tr>
<tr>
<td>- Later than one year but not later than five years</td>
<td>58.77</td>
<td>59.26</td>
</tr>
<tr>
<td>- Later than five years</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
50. SEGMENT INFORMATION
The Group operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Ind AS 108 “Operating segments”, is considered to be the only reportable business segment. The Group derives its major revenues from financing activities and its customers are widespread. Further, the Group is operating in India which is considered as a single geographical segment.

51. CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)
a. The Holding Company received income tax notice under section 143(2) of the “Income Tax Act 1961” dated March 17, 2019 for tax demand amounting to ₹ 118.12 Lakhs on account of disallowance of expenses for assessment year 2017-18. In response to such notice, the Holding Company has filed a rectification application to the concern Additional Commissioner of Income Tax (ACIT).

b. The Group has undrawn exposure towards borrowers of ₹ 1,323.96 Lakhs (March 31, 2018: ₹ 166.39 Lakhs).

c. Estimated amount of contract remaining to be executed on capital account and not provided for is ₹ 266.01 Lakhs (March 31, 2018: ₹ 391.95 Lakhs and April 1, 2017: ₹ 955.47 Lakhs).

52. ASSETS PLEDGED/HYPOTHECATED AS SECURITY
The carrying amounts of assets pledged/hypothecated as security are:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan assets</td>
<td>3,66,359.81</td>
<td>3,64,775.23</td>
<td>2,99,950.60</td>
</tr>
<tr>
<td>Vehicles</td>
<td>61.13</td>
<td>72.92</td>
<td>13.35</td>
</tr>
<tr>
<td>Buildings</td>
<td>175.82</td>
<td>184.82</td>
<td>194.28</td>
</tr>
<tr>
<td>Total assets pledged as security</td>
<td>3,66,596.76</td>
<td>3,65,032.97</td>
<td>3,00,158.23</td>
</tr>
</tbody>
</table>

53. EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)
Pursuant to the approval accorded by shareholders at their Annual General Meeting held on July 6, 2017, the Nomination and Remuneration Committee of the Holding Company formulated a new scheme ‘Satin Employee Stock Option Scheme 2017’ (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding promoters of the Holding Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Holding Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

Presently, stock options have been granted or shares have been issued under the following scheme:
A. Satin Employee Stock Option Scheme 2009 (ESOS 2009)
B. Satin Employee Stock Option Scheme 2017 (ESOS 2017)

a) Employee stock option schemes:
ESOS 2009: Initially 4,25,000 equity shares of ₹ 10/- each at a premium of ₹ 10/- each were allotted to Satin Employees Welfare Trust on November 27, 2009. (This scheme was terminated vide Shareholders Resolution dated July 6, 2017)
Details of grant and exercise of such options are as follows:
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant – 1 of ESOS 2009</th>
<th>Grant – 2 of ESOS 2009</th>
<th>Grant – 3 of ESOS 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of options granted</td>
<td>1,50,000</td>
<td>98,300</td>
<td>87,900</td>
</tr>
<tr>
<td>Date of grant of options</td>
<td>January 12, 2010</td>
<td>December 2, 2013</td>
<td>December 2, 2016</td>
</tr>
<tr>
<td>No. of employee to whom such options were granted</td>
<td>2</td>
<td>29</td>
<td>36</td>
</tr>
<tr>
<td>Financial year (F.Y.)</td>
<td>FY. 2010-11</td>
<td>FY. 2011-12</td>
<td>FY. 2012-13</td>
</tr>
<tr>
<td></td>
<td>FY. 2014-15</td>
<td>FY. 2015-16</td>
<td>FY. 2016-17</td>
</tr>
<tr>
<td></td>
<td>FY. 2017-18</td>
<td>FY. 2018-19</td>
<td></td>
</tr>
<tr>
<td>No. of employees who have exercised the option</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>No. of options exercised</td>
<td>50,000</td>
<td>25,824</td>
<td>21,100</td>
</tr>
</tbody>
</table>

Note: There was NIL options vested in F.Y. 2013-14.

Satin ESOP 2010: 1,00,000 equity shares of ₹ 10/- each at a premium of ₹ 12/- were allotted to Satin Employees Welfare Trust on June 22, 2010 (The scheme was terminated vide Shareholders Resolution dated July 6, 2017 and the outstanding options were transferred to Satin ESOS 2017).

Satin ESOP II 2010: 1,50,000 equity shares of ₹ 10/- each at a premium of ₹ 15/- were allotted to Satin Employees Welfare Trust on April 21, 2011 (The scheme was terminated vide Shareholders Resolution dated July 6, 2017 and the outstanding options were transferred to Satin ESOS 2017).

ESOS Scheme 2017: All options not exceeding 3,61,400 representing 0.96% of the paid-up Capital of the Holding Company as on March 31, 2017 (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Holding Company as may be applicable from time to time including the shares lying with the Trust that may remain unutilised pursuant to non-exercisability of options granted under Satin ESOS 2009, 2010 (I) and 2010 (II), to or for the benefit of permanent employees of the Holding Company and its subsidiaries whether working in India or outside India. The said ESOS Scheme, 2017 were approved in twenty seventh Annual General Meeting of the Holding Company held on July 6, 2017.

Details of grant and exercise of such options are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant – 1 of ESOS 2017</th>
<th>Grant – 2 of ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of options granted</td>
<td>1,45,200</td>
<td>2,26,600</td>
</tr>
<tr>
<td>Date of grant of options</td>
<td>August 14, 2017</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>No. of employee to whom such options were granted</td>
<td>57</td>
<td>35</td>
</tr>
<tr>
<td>Financial year (F.Y.)</td>
<td>FY. 2018-19</td>
<td>FY. 2019-20</td>
</tr>
<tr>
<td></td>
<td>FY. 2020-21</td>
<td>FY. 2019-20</td>
</tr>
<tr>
<td>No. of employees who have exercised the option</td>
<td>18</td>
<td>NA</td>
</tr>
<tr>
<td>No. of options exercised</td>
<td>12,200</td>
<td>NA</td>
</tr>
</tbody>
</table>

b) The Holding Company has provided following share based options to its employees:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2009</th>
<th>ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>January 12, 2010, December 2, 2013 and December 2, 2016</td>
<td>August 14, 2017 and May 30, 2018</td>
</tr>
<tr>
<td>Date of board meeting, where ESOP/ESOS were approved</td>
<td>November 27, 2009</td>
<td>May 26, 2017</td>
</tr>
<tr>
<td>Date of committee meeting where grant of options were approved</td>
<td>January 12, 2010 November 12, 2013 and November 09, 2016</td>
<td>August 14, 2017 and May 30, 2018</td>
</tr>
<tr>
<td>Date of shareholders’ approval</td>
<td>June 1, 2009</td>
<td>July 06, 2017</td>
</tr>
<tr>
<td>No. of options granted</td>
<td>336,200 out of 425,000</td>
<td>3,71,800</td>
</tr>
<tr>
<td>Method of settlement</td>
<td>Equity</td>
<td>Share/Cashless route</td>
</tr>
</tbody>
</table>

contd...
## Notes to the Consolidated Financial Statements

**For the Year Ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2009</th>
<th>ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vesting conditions</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Holding Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme.</td>
<td>The actual vesting of options will depend on continuation to hold the services being provided to the Holding Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017.</td>
</tr>
<tr>
<td>Vesting period</td>
<td>Option will be vested at the End of Year 1 – 33.33% End of Year 2 – 33.33% End of Year 3 – 33.34% End of Year Subject to lock in period of one year from the date of transfer of shares and other terms as stipulated in the Scheme and prescribed under the law in force.</td>
<td>Grant 1 of ESOS 2017 Option will be vested at the End of Year 1 – 33.33% End of Year 2 – 33.33% End of Year 3 – 33.34% End of Year Grant 2 of ESOS 2017 Option will be vested at the End of Year 1 – 50% End of Year 2 – 50% End of Year</td>
</tr>
<tr>
<td>Exercise period</td>
<td>It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grant of options</td>
<td>It shall commence from the date of vesting of options and expire not later than 1 Year from the vesting date of each grant of options</td>
</tr>
</tbody>
</table>

**Note:** These schemes were repealed in terms of Resolution passed by the Shareholders at their meeting held on July 6, 2017.

### Details of Vesting and Exercise of Options (ESOS 2009):

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Vested options</th>
<th>No of options exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 12, 2011</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>January 12, 2012</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>January 12, 2013</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>December 2, 2014</td>
<td>29,090</td>
<td>25,824</td>
</tr>
<tr>
<td>December 2, 2015</td>
<td>29,100</td>
<td>22,633</td>
</tr>
<tr>
<td>December 2, 2016</td>
<td>29,110</td>
<td>27,243</td>
</tr>
<tr>
<td>December 2, 2017</td>
<td>22,300</td>
<td>21,100</td>
</tr>
<tr>
<td>December 2, 2018</td>
<td>19,300</td>
<td>19,300</td>
</tr>
</tbody>
</table>

### Details of Vesting and Exercise of Options (ESOS 2017):

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Vested options</th>
<th>No of options exercised</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 14, 2018*</td>
<td>21,400</td>
<td>12,200</td>
</tr>
</tbody>
</table>

*These options are available for exercise till August 13, 2019*
The details of ESOS 2009 are summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2009</th>
<th>ESOS 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
</tr>
<tr>
<td>No. of options</td>
<td>Weighted average exercise price</td>
<td>No. of options</td>
</tr>
<tr>
<td>Outstanding options at the beginning of the year*</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>19,300</td>
<td>20</td>
</tr>
<tr>
<td>Number of shares arising as a result of exercise of options</td>
<td>19,300</td>
<td>20</td>
</tr>
<tr>
<td>Expired/ lapsed during the year</td>
<td>6,000</td>
<td>-</td>
</tr>
<tr>
<td>Options shifted to new ESOS Scheme 2017</td>
<td>19,300</td>
<td>-</td>
</tr>
<tr>
<td>Exercisable at the end of the year</td>
<td>0.70</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average remaining contractual life (in years) of the option exercisable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted average fair value of the options exercisable</td>
<td>420.75</td>
<td>420.75</td>
</tr>
<tr>
<td>Loan repaid by the Trust during the year from exercise price received (amount in Lakhs)</td>
<td>6.20</td>
<td>-</td>
</tr>
</tbody>
</table>

*Being ESOS 2009 doesn’t exist as of March 31, 2019, the above reporting has been made for the options granted earlier.

Weighted average exercise price of share during the year ended March 31, 2019: ₹ 213.96 (March 31, 2018: ₹ 436.03).

The details of ESOS Scheme 2017 are summarised below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>ESOS 2017</th>
<th>ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at March 31, 2019</td>
<td>As at March 31, 2018</td>
</tr>
<tr>
<td>No. of options</td>
<td>Weighted average exercise price</td>
<td>No. of options</td>
</tr>
<tr>
<td>Outstanding options at the beginning of the year</td>
<td>3,06,200</td>
<td>At a discount/ premium on fair value</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>2,26,600</td>
<td>160</td>
</tr>
<tr>
<td>Forfeited during the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>12,200</td>
<td>160</td>
</tr>
<tr>
<td>Number of shares arising as a result of exercise of options</td>
<td>12,200</td>
<td>160</td>
</tr>
<tr>
<td>Expired/ lapsed during the year under ESOS Scheme, 2017</td>
<td>40,100</td>
<td>160</td>
</tr>
<tr>
<td>Options expired/ lapsed under earlier ESOP Scheme’s (adjusted)</td>
<td>6,000</td>
<td>-</td>
</tr>
<tr>
<td>Outstanding options at the end of the year</td>
<td>1,25,700</td>
<td>-</td>
</tr>
<tr>
<td>Exercisable at the end of the year</td>
<td>2,51,700</td>
<td>160</td>
</tr>
<tr>
<td>Weighted average remaining contractual life (in years) of the option exercisable</td>
<td>0.69</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average fair value of the options exercisable</td>
<td>Grant -1</td>
<td>166.98</td>
</tr>
<tr>
<td>Loan repaid by the Trust during the year from exercise price received (amount in Lakhs)</td>
<td>19.42</td>
<td>-</td>
</tr>
</tbody>
</table>

*Outstanding Options of previous ESOS schemes has been transferred to new ESOS scheme 2017*
iv) Weighted average exercise price of share during the year ended March 31, 2019: ₹ 283.78 (March 31, 2018: Nil).

The detail of exercise price for stock option at the end of the financial year 2018-2019 is:

<table>
<thead>
<tr>
<th>Series</th>
<th>Range of exercise price</th>
<th>No. of options outstanding for Exercise</th>
<th>Weighted average remaining contractual life of options (in years)</th>
<th>Weighted average exercise price</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant-3 ESOS 2009</td>
<td>20/- per option</td>
<td>19,300</td>
<td>0.67</td>
<td>20</td>
<td>Scheme Repealed</td>
</tr>
<tr>
<td>Grant-1 ESOS Scheme 2017</td>
<td>160/- per option</td>
<td>41,600</td>
<td>0.87</td>
<td>160</td>
<td>New Scheme</td>
</tr>
<tr>
<td>Grant-2 ESOS Scheme 2017</td>
<td>160/- per option</td>
<td>21,100</td>
<td>0.66</td>
<td>160</td>
<td>New Scheme</td>
</tr>
</tbody>
</table>

v) Employee wise details (name of employee, designation, number of options granted during the year, exercise price)

(a) Following employees has received a grant in the reporting year of option amounting to 5% or more of option granted during that year:

<table>
<thead>
<tr>
<th>Name of Employee</th>
<th>Name of the Company</th>
<th>Designation</th>
<th>No of Options granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Dev Verma</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Operating Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>Mr. Jugal Kataria</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Financial Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>Mr. Sanjay Mahajan</td>
<td>Satin Creditcare Network Limited</td>
<td>Chief Information Officer</td>
<td>24,000</td>
</tr>
<tr>
<td>Mr. Subir Roy Chowdhury</td>
<td>Satin Creditcare Network Limited</td>
<td>Head - Human Resource</td>
<td>24,000</td>
</tr>
<tr>
<td>Mr. Sanjeev Vij</td>
<td>Taraashna Services Limited</td>
<td>Chief Executive Officer and Whole Time Director</td>
<td>24,000</td>
</tr>
<tr>
<td>Mr. Amit Sharma</td>
<td>Satin Housing Finance Limited</td>
<td>Chief Executive Officer and Whole Time Director</td>
<td>24,000</td>
</tr>
</tbody>
</table>

(b) There is no identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Holding Company at the time of grant.

vi) The fair value of the options granted is determined on the date of the grant using the “Black-Scholes option pricing model” with the following assumptions, as certified by an independent valuer:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Grant 3 ESOS 2009</th>
<th>Grant 1 ESOS 2017</th>
<th>Grant 2 ESOS 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of grant</td>
<td>December 2, 2016</td>
<td>August 14, 2017</td>
<td>May 30, 2018</td>
</tr>
<tr>
<td>Fair market value of option on the date of grant</td>
<td>438.40</td>
<td>267.38</td>
<td>386.65</td>
</tr>
<tr>
<td>Exercise price</td>
<td>20.00</td>
<td>160.00</td>
<td>160.00</td>
</tr>
<tr>
<td>Expected volatility (%)</td>
<td>60.39%</td>
<td>55.86%</td>
<td>53.94%</td>
</tr>
<tr>
<td>Expected option life (weighted average)</td>
<td>3.08</td>
<td>1.50</td>
<td>1.50</td>
</tr>
<tr>
<td>Expected dividends yield</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Risk free interest rate (%)</td>
<td>6.03%</td>
<td>6.35%</td>
<td>7.53%</td>
</tr>
</tbody>
</table>

The expected volatility was determined based on historical volatility data of the Holding Company’s shares listed on the National Stock Exchange of India Limited.

vii) The Group has recognised share based payment expense of ₹ 425.34 Lakhs (March 31, 2018: ₹ 196.04 Lakhs) during the year as proportionate cost.
54  **DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.</td>
<td>6.01</td>
<td>21.00</td>
<td>-</td>
</tr>
<tr>
<td>• The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>• The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>• The amount of interest accrued and remaining unpaid at the end of each accounting year.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>• The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

55  **INTEREST IN OTHER ENTITIES**

**Subsidiaries**

<table>
<thead>
<tr>
<th>Name of entities</th>
<th>Country of incorporation</th>
<th>Functional currency</th>
<th>Ownership interest held by the Group</th>
<th>Principal activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taraashna Services Limited</td>
<td>India</td>
<td>INR</td>
<td>100.00% 91.11% 87.83%</td>
<td>Bussiness correspondent</td>
</tr>
<tr>
<td>Satin Housing Finance Limited</td>
<td>India</td>
<td>INR</td>
<td>100.00% 100.00%</td>
<td>Financing</td>
</tr>
<tr>
<td>Satin Finserv Limited</td>
<td>India</td>
<td>INR</td>
<td>100.00% Not applicable</td>
<td>Financing</td>
</tr>
</tbody>
</table>

**Subsidiary with material non-controlling interests (NCI)**

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

<table>
<thead>
<tr>
<th>Name of entity</th>
<th>Proportion of ownership interests and voting rights held by NCI</th>
<th>Total comprehensive income allocated to NCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taraashna Services Limited</td>
<td>0.00% 8.89% 12.17% 30.19 (59.93)</td>
<td>March 31, 2019 March 31, 2018 April 1, 2017 March 31, 2019 March 31, 2018</td>
</tr>
</tbody>
</table>

**Summarised financial information for Taraashna Services Limited is set out below:**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at March 31, 2019</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>6,457.69</td>
<td>6,498.05</td>
<td>4,488.60</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,278.24</td>
<td>4,155.54</td>
<td>2,660.66</td>
</tr>
<tr>
<td>Equity attributable to the owners of the holding company Company</td>
<td>5,179.45</td>
<td>2,134.35</td>
<td>1,605.45</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>-</td>
<td>208.16</td>
<td>222.49</td>
</tr>
</tbody>
</table>
## Notes to the Consolidated Financial Statements

### For the Year Ended March 31, 2019

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>6,828.44</td>
<td>5,385.79</td>
</tr>
<tr>
<td>Profit for the year attributable to the owners of the holding company</td>
<td>811.69</td>
<td>(623.27)</td>
</tr>
<tr>
<td>Profit for the year attributable to non-controlling interest</td>
<td>30.19</td>
<td>(60.79)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td><strong>841.88</strong></td>
<td><strong>(684.06)</strong></td>
</tr>
<tr>
<td>Other comprehensive income attributable to the owners of the holding company</td>
<td>6.18</td>
<td>8.85</td>
</tr>
<tr>
<td>Other comprehensive income attributable to non-controlling interest</td>
<td>-</td>
<td>0.86</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income attributable to the owners of the holding company</td>
<td>817.87</td>
<td>(614.42)</td>
</tr>
<tr>
<td>Total comprehensive income attributable to non-controlling interest</td>
<td>30.19</td>
<td>(59.93)</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>848.06</strong></td>
<td><strong>(674.35)</strong></td>
</tr>
</tbody>
</table>

### Summarised cash flow of Taraashna Services Limited is set out below:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>For the year ended March 31, 2019</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash used in operating activities</td>
<td>(1,616.61)</td>
<td>(742.69)</td>
</tr>
<tr>
<td>Cash used in investing activities</td>
<td>(34.11)</td>
<td>(158.07)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>1,133.19</td>
<td>1,204.86</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash and cash equivalents</strong></td>
<td>(517.53)</td>
<td>304.10</td>
</tr>
</tbody>
</table>

### 56 Additional Information in Pursuant to Schedule III of the Companies Act, 2013

<table>
<thead>
<tr>
<th>Name of the entity in the group</th>
<th>Net assets (total assets minus total liabilities)</th>
<th>Share in profit or (loss)</th>
<th>Share in other comprehensive income</th>
<th>Share in total comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As % of consolidated net assets</td>
<td>Amount</td>
<td>As % of consolidated profit and loss</td>
<td>Amount</td>
</tr>
<tr>
<td>Holding company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satin Creditcare Network Limited</td>
<td>100.17%</td>
<td>1,15,141.41</td>
<td>96.75%</td>
<td>19,494.28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>1,14,944.64</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>20,149.64</strong></td>
</tr>
<tr>
<td><strong>Indian subsidiaries</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taraashna Services Limited</td>
<td>0.03%</td>
<td>39.87</td>
<td>4.03%</td>
<td>811.70</td>
</tr>
<tr>
<td>Satin Housing Finance Limited</td>
<td>-0.15%</td>
<td>(173.48)</td>
<td>-0.61%</td>
<td>(123.36)</td>
</tr>
<tr>
<td>Satin Finserv Limited</td>
<td>-0.05%</td>
<td>(63.17)</td>
<td>-0.31%</td>
<td>(63.17)</td>
</tr>
<tr>
<td>Non-controlling interest in subsidiary</td>
<td>0.00%</td>
<td>-</td>
<td>0.15%</td>
<td>30.19</td>
</tr>
</tbody>
</table>

contd...
Note - 57.

A  Explanation of transition to Ind AS

These are the Group’s first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended March 31, 2019, the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017 (the Group’s date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Group’s financial position, financial performance and cash flows is set out in the following tables and notes.

Reconciliation of total equity as at March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ASSESS</strong></td>
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<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>47,087.43</td>
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<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td></td>
<td>66,290.94</td>
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<tr>
<td>Derivative financial instruments</td>
<td></td>
<td>-</td>
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<td>Trade receivables</td>
<td></td>
<td>1,177.17</td>
</tr>
<tr>
<td>Loans</td>
<td>3, 6 and 8</td>
<td>4,23,104.77</td>
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<tr>
<td>Investments</td>
<td>5</td>
<td>7,174.85</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4</td>
<td>3,361.58</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td></td>
<td><strong>5,48,196.74</strong></td>
</tr>
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<td></td>
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<td></td>
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<tr>
<td><strong>Non-financial assets</strong></td>
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<tr>
<td>Current tax assets (net)</td>
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<td>786.98</td>
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<tr>
<td>Deferred tax assets (net)</td>
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<td>4,155.70</td>
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<td>Property, plant and equipment</td>
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<td>3,797.80</td>
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<tr>
<td>Capital work-in-progress</td>
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<td>1,609.31</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td>13.75</td>
<td>13.75</td>
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<tr>
<td>Goodwill</td>
<td></td>
<td>3,370.66</td>
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<tr>
<td>Other intangible assets</td>
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<td>328.67</td>
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<tr>
<td>Other non-financial assets</td>
<td>1 and 4</td>
<td>2,251.10</td>
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<tr>
<td><strong>Total non-financial assets</strong></td>
<td></td>
<td><strong>16,313.97</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td><strong>5,64,510.71</strong></td>
</tr>
</tbody>
</table>

contd...
### Notes to the Consolidated Financial Statements

**For the year ended March 31, 2019**

(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2018</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIABILITIES AND EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td></td>
<td>117.58</td>
<td></td>
<td></td>
<td>117.58</td>
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<tr>
<td><strong>Payables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) total outstanding dues of micro enterprises and small enterprises</td>
<td></td>
<td>21.00</td>
<td>-</td>
<td>21.00</td>
<td></td>
</tr>
<tr>
<td>(ii) total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td></td>
<td>1,659.96</td>
<td>-</td>
<td>1,659.96</td>
<td></td>
</tr>
<tr>
<td><strong>Other payables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) total outstanding dues of micro enterprises and small enterprises</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>(ii) total outstanding dues of creditors other than micro enterprises and small enterprises</td>
<td></td>
<td>828.22</td>
<td>0.05</td>
<td>828.27</td>
<td></td>
</tr>
<tr>
<td><strong>Debt securities</strong></td>
<td>1</td>
<td>92,471.97</td>
<td>(542.31)</td>
<td>91,929.66</td>
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</tr>
<tr>
<td><strong>Borrowings (other than debt securities)</strong></td>
<td>1 and 8</td>
<td>3,11,569.98</td>
<td>75,669.90</td>
<td>3,87,239.88</td>
<td></td>
</tr>
<tr>
<td><strong>Subordinated liabilities</strong></td>
<td>1 and 9</td>
<td>26,702.26</td>
<td>10,216.66</td>
<td>36,918.92</td>
<td></td>
</tr>
<tr>
<td><strong>Other financial liabilities</strong></td>
<td>9</td>
<td>19,070.22</td>
<td>448.21</td>
<td>19,518.43</td>
<td></td>
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<tr>
<td><strong>Total financial liabilities</strong></td>
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<td>4,52,441.19</td>
<td>85,792.51</td>
<td>5,38,233.70</td>
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<tr>
<td><strong>Non-financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax liabilities (net)</td>
<td></td>
<td>914.36</td>
<td></td>
<td>914.36</td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td></td>
<td>1,131.60</td>
<td></td>
<td>1,131.60</td>
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</tr>
<tr>
<td>Other non-financial liabilities</td>
<td></td>
<td>938.38</td>
<td></td>
<td>938.38</td>
<td></td>
</tr>
<tr>
<td><strong>Total non-financial liabilities</strong></td>
<td></td>
<td>2,984.34</td>
<td></td>
<td>2,984.34</td>
<td></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity share capital</td>
<td>9</td>
<td>7,484.25</td>
<td>(2,757.34)</td>
<td>4,726.91</td>
<td></td>
</tr>
<tr>
<td>Other equity</td>
<td></td>
<td>1,01,387.75</td>
<td>(17,638.10)</td>
<td>83,749.65</td>
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<tr>
<td><strong>Equity attributable to equity holders of the holding company</strong></td>
<td></td>
<td>1,08,872.00</td>
<td>(20,395.44)</td>
<td>88,476.56</td>
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</tr>
<tr>
<td><strong>Non-controlling interest</strong></td>
<td></td>
<td>213.18</td>
<td>(5.02)</td>
<td>208.16</td>
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</tr>
<tr>
<td><strong>Total equity</strong></td>
<td></td>
<td>1,09,085.18</td>
<td>(20,400.46)</td>
<td>88,684.72</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td></td>
<td>5,64,510.71</td>
<td>65,392.05</td>
<td>6,29,902.76</td>
<td></td>
</tr>
</tbody>
</table>

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.
Reconciliation of total equity as at April 1, 2017

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>66,492.66</td>
</tr>
<tr>
<td>Bank balances other than cash and cash equivalents</td>
<td></td>
<td>64,166.71</td>
</tr>
<tr>
<td>Trade receivables</td>
<td></td>
<td>678.20</td>
</tr>
<tr>
<td>Loans 3, 6 and 8</td>
<td></td>
<td>3,17,026.20</td>
</tr>
<tr>
<td>Investments 5</td>
<td></td>
<td>2,050.72</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>4</td>
<td>2,188.27</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td></td>
<td>4,52,602.76</td>
</tr>
<tr>
<td>Non-financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current tax assets (net)</td>
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<td>570.45</td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td>10</td>
<td>2,306.17</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td>3,545.62</td>
</tr>
<tr>
<td>Capital work-in-progress</td>
<td></td>
<td>977.70</td>
</tr>
<tr>
<td>Intangible assets under development</td>
<td></td>
<td>240.56</td>
</tr>
<tr>
<td>Goodwill</td>
<td></td>
<td>3,370.66</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td></td>
<td>357.79</td>
</tr>
<tr>
<td>Other non-financial assets 1 and 4</td>
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<td>2,085.58</td>
</tr>
<tr>
<td><strong>Total non-financial assets</strong></td>
<td></td>
<td>13,454.53</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>4,66,057.29</td>
</tr>
</tbody>
</table>

**LIABILITIES AND EQUITY**

**LIABILITIES**

Financial liabilities

Payables

- Trade payables
  - (i) total outstanding dues of micro enterprises and small enterprises
  - (ii) total outstanding dues of creditors other than micro enterprises and small enterprises

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

Debt securities

- 1 and 8
- 15,315.56
- 362.20
- 15,677.76

Borrowings (other than debt securities)

- 1 and 9
- 27,074.79
- 2,229.98
- 29,304.77

Subordinated liabilities

- 1 and 9
- 15,315.56
- 362.20
- 15,677.76

Other financial liabilities

Total financial liabilities

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Previous GAAP*</td>
<td>Effect of transition to Ind AS</td>
<td>Ind AS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1,295.83)</td>
<td>0.03</td>
<td>603.24</td>
</tr>
<tr>
<td>Debt securities 1</td>
<td>59,246.45 (437.54)</td>
<td>58,808.91</td>
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<td></td>
</tr>
<tr>
<td>Borrowings (other than debt securities) 1 and 8</td>
<td>2,94,484.12 28,715.46</td>
<td>3,23,199.58</td>
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<td></td>
</tr>
<tr>
<td>Subordinated liabilities 1 and 9</td>
<td>27,074.79 2,229.98</td>
<td>29,304.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financial liabilities 9</td>
<td>15,315.56 362.20</td>
<td>15,677.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td><strong>3,97,968.74</strong></td>
<td><strong>30,870.13</strong></td>
<td><strong>4,28,838.87</strong></td>
<td></td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Particulars Note As at April 1, 2017

<table>
<thead>
<tr>
<th>Non-financial liabilities</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions</td>
<td>1,019.34</td>
<td>-</td>
<td>1,019.34</td>
</tr>
<tr>
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<td>-</td>
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<tr>
<td>Total non-financial liabilities</td>
<td>1,601.19</td>
<td>-</td>
<td>1,601.19</td>
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</table>

**EQUITY**

Equity share capital

<table>
<thead>
<tr>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
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<tbody>
<tr>
<td>9</td>
<td>6,214.30</td>
<td>(2,500.00)</td>
<td>3,714.30</td>
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Other equity

<table>
<thead>
<tr>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>60,045.04</td>
<td>(18,672.71)</td>
<td>41,372.33</td>
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</table>

Equity attributable to equity holders of the holding company

<table>
<thead>
<tr>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>66,259.34</td>
<td>(21,172.71)</td>
<td>45,086.63</td>
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</table>

Total equity

<table>
<thead>
<tr>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>66,487.36</td>
<td>(21,178.24)</td>
<td>45,309.12</td>
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</table>

TOTAL LIABILITIES AND EQUITY

<table>
<thead>
<tr>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>4,66,057.29</td>
<td>9,691.89</td>
<td>4,75,749.18</td>
</tr>
</tbody>
</table>

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

Reconciliation of total comprehensive income for the year ended March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>3 and 8</td>
<td>95,849.85</td>
<td>100.62</td>
<td>95,950.47</td>
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<td>Fees and commission income</td>
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<td>5,406.46</td>
<td>-</td>
<td>5,406.46</td>
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<td>Net gain on fair value changes</td>
<td>5</td>
<td>1,583.68</td>
<td>8.55</td>
<td>1,592.23</td>
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<td>Others</td>
<td>4</td>
<td>103.52</td>
<td>17.45</td>
<td>120.97</td>
</tr>
<tr>
<td>Total Revenue from operations</td>
<td></td>
<td>1,02,943.51</td>
<td>126.62</td>
<td>1,03,070.13</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td>54.10</td>
<td>-</td>
<td>54.10</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,02,997.61</td>
<td>126.62</td>
<td>1,03,124.23</td>
</tr>
</tbody>
</table>

| Expenses                                         |      |                |                                |        |
| Finance cost                                     | 1, 2, 8 and 9 | 48,393.47     | 5,012.23                       | 53,405.70 |
| Impairment on financial instruments              | 6    | 21,461.96      | (17,014.85)                    | 4,447.11 |
| Employee benefit expenses                        | 11   | 22,032.73      | 15.46                          | 22,048.19 |
| Depreciation and amortisation expense             |      | 1,474.27       | -                              | 1,474.27 |
| Other expenses                                   | 4 and 8 | 10,352.80      | (189.96)                       | 10,162.84 |
| Total                                            |      | 1,03,715.23    | (12,177.12)                    | 91,538.11 |

| Profit before tax                                |      | (717.62)       | 12,303.74                      | 11,586.12 |
| Tax expense:                                     |      |                |                                |        |
| Current tax                                      |      | 1,475.07       | -                              | 1,475.07 |
| Deferred tax charge                              | 10   | (1,849.55)     | 4,480.17                       | 2,630.62 |
| (Loss)/profit for the year                       |      | (343.14)       | 7,823.57                       | 7,480.43 |

contd...
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2019
(All amounts in Lakhs, unless otherwise stated)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>Previous GAAP*</th>
<th>Effect of transition to Ind AS</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will not be reclassified to profit and loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurements of the defined benefit plans</td>
<td>11</td>
<td>-</td>
<td>15.46</td>
<td>15.46</td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td>11</td>
<td>-</td>
<td>(0.19)</td>
<td>(0.19)</td>
</tr>
<tr>
<td>Income tax relating to these items</td>
<td>10</td>
<td>-</td>
<td>(4.60)</td>
<td>(4.60)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td>10.67</td>
<td>10.67</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td></td>
<td>(343.14)</td>
<td>7,834.24</td>
<td>7,491.10</td>
</tr>
</tbody>
</table>

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

B. Ind AS optional exemptions

1. Deemed cost for property, plant and equipment and intangible assets
   Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. Designation of previously recognised financial instruments
   Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity investments.

3. Share based payments
   Ind AS 102 share based payments requires an entity to recognise the equity settled share based payment plans based on fair value of the stock options granted to employees instead of intrinsic value. Ind AS 101 permits a first time adopter to ignore such requirement for the options already vested as on transition date that is April 1, 2017. The Group has elected to apply this exemption for such vested options.

4. Long term foreign currency monetary items
   Ind AS 101 permits a first-time adopter to continue with the policy of the previous GAAP for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in financial statements on or before April 1, 2017.

C. Ind AS mandatory exceptions

1. Estimates
   An entity’s estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

   Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
   a) Investment in equity instruments carried at FVOCI
   b) Impairment of financial assets based on expected credit loss model

2. Classification and measurement of financial assets and liabilities
   Classification of financial asset is required to be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, if it is impracticable for the Group to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.
3. **De-recognition of financial assets**
   The Group have applied de-recognition principles of Ind AS 109 prospectively from the date of transition to Ind AS.

D. **Reconciliations between previous GAAP and Ind AS**
   Ind AS 101 requires an entity to reconcile total equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1. **Reconciliation of total equity as at March 31, 2018 and April 1, 2017**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>As at March 31, 2018</th>
<th>As at April 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total equity (shareholder’s funds) as per previous GAAP</strong></td>
<td></td>
<td>1,09,085.18</td>
<td>66,487.36</td>
</tr>
<tr>
<td><strong>Adjustments:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurement of financial assets and financial liabilities at amortised cost</td>
<td>Note 1,2,3 and 4</td>
<td>(3,213.69)</td>
<td>442.94</td>
</tr>
<tr>
<td>Fair valuation of investments</td>
<td>Note 5</td>
<td>6.61</td>
<td>(1.48)</td>
</tr>
<tr>
<td>Liability component of compound financial instruments</td>
<td>Note 9</td>
<td>(7,582.83)</td>
<td>-</td>
</tr>
<tr>
<td>Interest expense on liability component of compound financial instruments</td>
<td>Note 9</td>
<td>(371.24)</td>
<td>-</td>
</tr>
<tr>
<td>Preference share capital reclassified to liabilities</td>
<td>Note 9</td>
<td>(2,500.00)</td>
<td>(2,500.00)</td>
</tr>
<tr>
<td>Expected credit loss</td>
<td>Note 6</td>
<td>(11,844.23)</td>
<td>(28,842.95)</td>
</tr>
<tr>
<td>Deferred tax impact</td>
<td>Note 10</td>
<td>5,104.92</td>
<td>9,723.25</td>
</tr>
<tr>
<td><strong>Total adjustments</strong></td>
<td></td>
<td>(20,400.46)</td>
<td>(21,178.24)</td>
</tr>
<tr>
<td><strong>Total equity as per Ind AS</strong></td>
<td></td>
<td>88,684.72</td>
<td>45,309.12</td>
</tr>
</tbody>
</table>

2. **Reconciliation of total comprehensive income for the year**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Note</th>
<th>For the year ended March 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit after tax as per previous GAAP</strong></td>
<td></td>
<td>(363.14)</td>
</tr>
<tr>
<td><strong>Adjustments:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurement of financial assets and financial liabilities at amortised cost</td>
<td>Note 1,2,3 and 4</td>
<td>(3,929.76)</td>
</tr>
<tr>
<td>Fair valuation of investments</td>
<td>Note 5</td>
<td>8.54</td>
</tr>
<tr>
<td>Expected credit loss</td>
<td>Note 6</td>
<td>16,998.72</td>
</tr>
<tr>
<td>Dividend paid on redeemable preference shares</td>
<td>Note 9</td>
<td>(364.08)</td>
</tr>
<tr>
<td>Interest expense on liability component of compound financial instruments</td>
<td>Note 9</td>
<td>(394.22)</td>
</tr>
<tr>
<td>Remeasurement of defined benefit obligations</td>
<td>Note 11</td>
<td>(15.46)</td>
</tr>
<tr>
<td>Tax impact on above</td>
<td>Note 10</td>
<td>(4,480.17)</td>
</tr>
<tr>
<td><strong>Total adjustments</strong></td>
<td></td>
<td>7,823.57</td>
</tr>
<tr>
<td><strong>Profit after tax as per Ind AS</strong></td>
<td></td>
<td>7,480.43</td>
</tr>
<tr>
<td>Remeasurement of defined benefit obligations</td>
<td>Note 11</td>
<td>15.46</td>
</tr>
<tr>
<td>Equity instruments through other comprehensive income</td>
<td>Note 11</td>
<td>(0.19)</td>
</tr>
<tr>
<td>Tax impact on above</td>
<td>Note 10</td>
<td>(4.60)</td>
</tr>
<tr>
<td><strong>Total comprehensive income as per Ind AS</strong></td>
<td></td>
<td>7,491.10</td>
</tr>
</tbody>
</table>
### 3. Impact of Ind AS adoption on statement of cash flows for the year ended on March 31, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Previous GAAP*</th>
<th>Adjustments</th>
<th>Ind AS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash used in operating activity</td>
<td>(1,54,137.17)</td>
<td>-</td>
<td>(1,54,137.17)</td>
</tr>
<tr>
<td>Net cash used in investing activity</td>
<td>(5,490.94)</td>
<td>-</td>
<td>(5,490.94)</td>
</tr>
<tr>
<td>Net cash flows from financing activity</td>
<td>1,39,373.25</td>
<td>-</td>
<td>1,39,373.25</td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalent</td>
<td>(20,254.86)</td>
<td>-</td>
<td>(20,254.86)</td>
</tr>
<tr>
<td>Cash and cash equivalent as at April 1, 2017</td>
<td>65,598.32</td>
<td>-</td>
<td>65,598.32</td>
</tr>
<tr>
<td>Cash and cash equivalent as at March 31, 2018</td>
<td>45,343.46</td>
<td>-</td>
<td>45,343.46</td>
</tr>
</tbody>
</table>

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

### NOTES TO FIRST TIME ADOPTION

1. **Borrowings (including debt securities and subordinate liabilities)**
   - Under previous GAAP, transaction costs incurred towards origination of borrowings were charged to statement of profit and loss on a straight-line basis over the period of borrowing. Under Ind AS, such transaction costs are netted off from the carrying amount of borrowings on initial recognition. These transactions costs are then recognised in the statement of profit and loss over the tenure of the such borrowings as part of the interest expense by applying the effective interest rate method.

2. **Security deposits received**
   - Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance costs was recognised based on contractual terms, if any. Under Ind AS, such security deposits other than perpetual are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value is recognised in statement of profit and loss unless it quantifies for recognition as some other type of liability.

3. **Loan assets**
   - Under previous GAAP, transaction costs received towards origination of loan assets were charged to statement of profit and loss. Under Ind AS, such transaction costs are adjusted from the carrying amount of loans on initial recognition. These transactions costs are then recognised in the statement of profit and loss over the tenure of the such loans as part of the interest income by applying the effective interest rate method.

4. **Security deposits paid**
   - Under previous GAAP, security deposits were initially recognised at transaction price. Subsequently, finance income was recognised based on contractual terms, if any. Under Ind AS, such security deposits are initially recognised at fair value and subsequently carried at amortised cost determined using the effective interest rate. Any difference between transaction price and fair value is recognised in statement of profit and loss unless it quantifies for recognition as some other type of asset.

5. **Financial instruments carried at fair value through profit and loss or through other comprehensive income**
   - Under previous GAAP, investments in long-term equity instrument were carried at cost and tested for other than temporary diminution. Under Ind AS, such investments are carried either at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVOCI).
   - Under previous GAAP, investments in mutual funds were carried at cost or market value whichever is lower. Under Ind AS, such investments are carried at fair value through profit and loss (FVTPL).

6. **Impairment of loan assets**
   - Under previous GAAP, the Group had created impairment allowance on loan assets basis the provisioning norms prescribed by Reserve Bank of India (RBI) and National Housing Bank (NHB). Under Ind AS, impairment allowance has been determined based on expected credit loss (ECL) model.

7. **Share based payment**
   - Under the previous GAAP, the Group had the option to measure the cost of equity-settled employee share-based plan either using the intrinsic value method or using the fair value method. Under Ind AS, the cost of equity-settled share-based plan is recognised based on the fair value of the options as at the grant date.
8 **Securitisation**

Under previous GAAP, the Group used to de-recognise the securitised loan assets and excess interest spread income was recognised on receipt basis. Under Ind AS 109, securitised loan assets do not meet de-recognition criteria and accordingly, the Group continues to recognise such loan assets and in addition recognises a liability for the amount received. Accordingly, securitised loan assets and related liability is measured at amortised cost using effective interest method.

9 **Preference share capital**

Under previous GAAP, preference share capital was a part of share capital. Under Ind AS, the instrument is evaluated to determine whether it is a liability or contains both liability and equity component. If there is a contractual obligation to deliver cash then, such instrument is recognised as a financial liability under Ind AS. Where the instrument contains both the features (equity and liability), it is classified as compound financial instruments and accordingly, the transaction value of the instrument is allocated to equity and liability components. Further, the liability component is subsequently measured at amortised cost.

10 **Tax impact on adjustments**

Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.

11 **Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as ‘other comprehensive income’ includes re-measurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in Lakhs, unless otherwise stated)

Form AOC-I
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

Part- A Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in ₹)

<table>
<thead>
<tr>
<th>S.No.</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of subsidiary</td>
<td>Taraashna Services Limited</td>
<td>Satin Housing Finance Limited</td>
<td>Satin Finserv Limited</td>
</tr>
<tr>
<td>The date since when subsidiary was acquired</td>
<td>September 01, 2016</td>
<td>April 17, 2017</td>
<td>August 10, 2018</td>
</tr>
<tr>
<td>Reporting period for the subsidiary concerned, if different from the holding company’s reporting period :-</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries :-</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Share capital</td>
<td>1,604.00</td>
<td>5,000.00</td>
<td>2,250.00</td>
</tr>
<tr>
<td>Other equity</td>
<td>3,575.45</td>
<td>(173.48)</td>
<td>(63.17)</td>
</tr>
<tr>
<td>Total assets</td>
<td>6,457.69</td>
<td>8,326.35</td>
<td>2,362.77</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>1,278.24</td>
<td>3,499.84</td>
<td>175.94</td>
</tr>
<tr>
<td>Investments</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Revenue</td>
<td>6,828.44</td>
<td>707.08</td>
<td>10.38</td>
</tr>
<tr>
<td>Profit / (loss) before taxation</td>
<td>1,256.77</td>
<td>(152.19)</td>
<td>(63.17)</td>
</tr>
<tr>
<td>Tax expenses</td>
<td>414.89</td>
<td>(28.83)</td>
<td>(22.18)</td>
</tr>
<tr>
<td>Profit / (loss) after taxation</td>
<td>841.88</td>
<td>(123.36)</td>
<td>(63.17)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>6.18</td>
<td>0.14</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>848.06</td>
<td>(123.22)</td>
<td>(63.17)</td>
</tr>
<tr>
<td>Proposed dividend</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>Extent of shareholding (in percentage)</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

i) Names of subsidiaries which are yet to commence operations: N.A.
ii) Names of subsidiaries which have been liquidated or sold during the year - N.A.
NOTICE is hereby given that the Twenty Ninth Annual General Meeting of Satin Creditcare Network Limited will be held on Saturday, July 06, 2019 at 10.30 A.M. (IST) at Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi House, Opp. Doordarshan Bhawan, Near Connaught Place, New Delhi-110001, to transact the following business:

ORDINARY BUSINESS:
1. Adoption of Financial Statements and the reports of the Directors and Auditors thereon
   To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2019 and the Report of Board of Directors of the Company and Auditors thereon.

2. Declaration of Dividend
   To declare following Dividend on Preference Shares for the financial year 2018-19:

<table>
<thead>
<tr>
<th>Preference Share(s)</th>
<th>Type of Dividend</th>
<th>No of Preference Shares</th>
<th>Dividend Per Preference Share (In ₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.10% Rated, Cumulative, Non-Convertible and Compulsorily Redeemable Preference Shares</td>
<td>Final</td>
<td>2,50,00,000</td>
<td>1.2100</td>
</tr>
<tr>
<td>0.01 % Optionally Convertible Cumulative Redeemable Preference Shares</td>
<td>Final</td>
<td>13,43,283</td>
<td>0.0010</td>
</tr>
</tbody>
</table>

3. Appointment of Director
   To appoint a Director in place of Mr Satvinder Singh (DIN: 00332521), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:
4. To consider, discuss and approve the issuance of non-convertible debentures, in one or more series/tranches pursuant to Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014
   To consider, and if thought fit, to pass the following resolution as a Special Resolution:

   “RESOLVED THAT in supersession of the earlier special resolution passed at the Twenty Eighth Annual General Meeting held on July 6, 2018 and pursuant to the provisions of Sections 42 and 71 and all other applicable provisions of the Companies Act, 2013 and Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the memorandum and articles of association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which terms shall be deemed to include any Committee duly constituted by the Board or any Committee, which the Board may hereafter constitute), to issue/offer/invite for subscription of secured/ unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable (including market linked debentures), non-convertible debentures (‘Debentures’) by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the Debentures, aggregating upto ₹ 5,000 Crore (Rupees Five Thousand Crore only) on such terms and conditions and at such times whether at par/premium/discount, as may be decided by the Board to such person or persons including one or more company(ies), bodies corporate, statutory corporation(s), commercial bank(s), domestic and multilateral lending agency(ies), financial institution(s), insurance company(ies), mutual fund(s), pension fund(s), family office(s), and individual(s), as the case may be or such other person/persons/investors as the Board may so decide/approve, for a period of one year or for such other period as permissible under applicable laws, from the date of approval of the Members, within the overall borrowing limits of the Company, as approved by the members of the Company from time to time.

   RESOLVED FURTHER THAT in connection with the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

5. To increase the borrowing power of Board of Directors u/s 180(1) (c) of the Companies Act, 2013
   To consider, and if thought fit, to pass the following resolution as a Special Resolution:

   “RESOLVED THAT consent of the members be and is hereby accorded pursuant to Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder read with Article 67 of the Articles of Association of the Company, to the Board of Directors of the Company to raise or borrow from time to time such sum or sums as
they may deem appropriate for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company’s bankers in the ordinary course of business) will exceed the paid-up share capital, free reserves and securities premium of the company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed ₹ 15,000 Crore (Rupees Fifteen Thousand Crore only) at any time.

**RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.”

**6. Creation of Charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings u/s 180(1) (a) of the Companies Act, 2013**

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** consent of the members of the Company be and is hereby accorded pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 read with Article 67 of the Articles of Association of the Company and the rules made thereunder, to the Board of Directors of the Company to pledge, mortgage and/or charge in all or any part of the Moveable or Immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge in all or any Movable or Immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed ₹ 15,000 Crores (Rupees Fifteen Thousand Crore only) at any time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.”

**7. Re-appointment of Mr Rakesh Sachdeva (DIN 00333715) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 8, 2019 and in terms of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Rakesh Sachdeva (DIN: 00333715), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years on the Board of Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**8. Re-appointment of Mr Sundeep Kumar Mehta (DIN 00840544) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 8, 2019 and in terms of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Sundeep Kumar Mehta (DIN 00840544), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years on the Board of Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby
authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

9. **Re-appointment of Mrs Sangeeta Khorana (DIN 06674198) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 8, 2019 and in terms of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs Sangeeta Khorana (DIN 06674198), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years on the Board of Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

10. **Re-appointment of Mr Goh Colin (DIN 06963178) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 8, 2019 and in terms of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Goh Colin (DIN 06963178), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years on the Board of Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

11. **Re-appointment of Mr Sanjay Kumar Bhatia (DIN 07033027) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on May 8, 2019 and in terms of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Sanjay Kumar Bhatia (DIN 07033027), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years on the Board of Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

By Order of the Board of Directors

For Satin Creditcare Network Limited

Choudhary Runveer Krishanan

Place: Delhi  
Company Secretary & Compliance Officer  
Date: May 8, 2019  
FCS:7437
NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the special business specified above is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON POLL**. In the absence of the member or person entitled to attend and vote, such a member or person may appoint a proxy or proxies. The instrument of appointment of proxy or proxies need not be in writing except as may be directed by the Company. However, the proxy or proxies shall be entitled to attend and vote on the behalf of the member or person appointed by him/her in the same manner as the member or person would have been if he/she had been personally present at the Meeting.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company or upload it on the e-voting portal, authorizing their representative to attend and vote on their behalf at the meeting.

4. The register of members and share transfer books of the Company shall remain closed from June 30, 2019 to July 06, 2019 (both days inclusive) for determining the names of the members eligible for voting at the Meeting. The members whose names appear on the Company’s register of members as on June 29, 2019 will be eligible to attend and vote at the Meeting.

5. The payment of dividend will be made to all members holding Preference shares in respect of shares held in dematerialized form and/or in physical form (if any), as per the data made available by the National Securities Depository Limited (NSDL) and/or the Central Depository Services (India) Limited (CDSL) and/or Registrar & Share Transfer Agent as of the close of business hours on June 29, 2019.

6. The notice is being sent to all the members of the Company, whose names appear on the register of members/record(s) of depositories as on Friday, the June 07, 2019.

7. Members may also note that the Notice of the Twenty Ninth Annual General Meeting and the Annual Report for year ended March 31, 2019 will also be available on the Company’s website [www.satincreditcare.com](http://www.satincreditcare.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office in Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company’s email id: “secretarial@satincreditcare.com”. The Company has a dedicated e-mail address “secretarial@satincreditcare.com” for members to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.

8. Members eligible to receive dividend and whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and updates of bank account details by every investors holding securities in physical or electronic mode with the Registrar and Share Transfer Agent.

10. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members, whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company’s Corporate Office at least 7 (Seven) days before the date of the ensuing Annual General Meeting so that the same can be suitably replied to.

12. Members are requested to bring their copy of the Annual Report to the Meeting and no copy would be provided at Annual General Meeting venue.

13. **Voting Rights: Members holding Equity Shares shall have one vote per share as shown against their holding.**

14. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office and Corporate Office of the Company during business hours on all days (except Saturdays, Sundays and Public holidays) up to the date of twenty ninth Annual General Meeting.

15. Members can inspect the register of director and key managerial personnel and their shareholding, required to
be maintained under Section 170 of the Companies Act, 2013 during the course of the meeting at the venue. Further, the Register of Contract or Arrangements as maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the course of the meeting at the venue of Annual General Meeting.

16. **Pursuant to the prohibition imposed vide Secretarial Standard on the General Meeting (SS-2) issued by ICSI and the MCA Circular, no gifts/coupons shall be distributed at the Annual General Meeting.**

17. We urge members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

19. Details as required in sub-regulation (3) of regulation 36 of the Listing Regulations and Secretarial Standard-2 issued by The Institute of Company Secretaries of India in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

20. **VOTING THROUGH ELECTRONIC MEANS**
   i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (‘remote e-voting’).

   ii. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

   iii. The Board of Directors of the Company has appointed Mr Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) of M/s Rajeev Bhatia & Associates, as Scrutinizer to scrutinize the voting at Annual General Meeting and remote e-voting process in a fair and transparent manner. Mr Bhatia has communicated his willingness to be appointed and will be available for same purpose.

   iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner as on the cut-off date i.e. Saturday, June 29, 2019.

   v. The e-voting period commences on Wednesday, July 03, 2019 (10.00 A.M. IST) and ends on Friday, July 05, 2019 (5.00 P.M. IST). During this period, Members may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   vi. The instructions and other information for e-voting are as under:

   i. The Member should log on to the e-voting website www.evotingindia.com.

   ii. Click on Shareholders.

   iii. Now Enter your User ID
   
   a. For CDSL: 16 digits beneficiary ID,
   
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

   iv. Next enter the Image Verification as displayed and Click on Login.

   v. If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

   vi. If you are a first time user follow the steps given below:

   For Members holding shares in Demat Form and Physical Form

   | PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |

   | Date of Birth (DOB) | If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |

   | Dividend Bank Details | OR |
vii. After entering these details appropriately, click on “SUBMIT” tab.

viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for the relevant “190527001-Satin Creditcare Network Limited” on which you choose to vote.

xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.

xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xvi. If a DEMAT account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non – Individual Members and Custodians
• Non-Individual member (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
• After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
• The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
• A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help Section or write an email to helpdesk.evoting@cdslindia.com.

xx. All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Deputy Manager, (CDSL_ Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

21. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.satincreditcare.com and on the website of CDSL immediately after the declaration of result by the Chairman and communicated to the Stock Exchanges (if any), where the shares of the Company are listed.

22. The facility for voting through ballot paper/e-Voting shall be made available at the AGM and in such case, the members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through ballot paper/electronic voting.

23. The route map showing direction to reach the venue of the Annual General Meeting is annexed as Appendix 1 and form part of the Notice

By Order of the Board of Directors

For Satin Creditcare Network Limited

Choudhary Runveer Krishanan
Place: Delhi Company Secretary & Compliance Officer
Dated: May 8, 2019 FCS:7437
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4
Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules") deals with private placement of securities by a company. Rule 14(1) of the Prospectus and Allotment Rules prescribes that in case of an offer or invitation to subscribe to securities, the Company shall obtain previous approval of its shareholders/members ("Members") by means of a special resolution. Proviso 3 of the Prospectus and Allotment Rules further prescribes that in case of the issue of non-convertible debentures ("NCDs") exceeding the limits prescribed in Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such NCDs issued during a period of one year from the date of passing of the aforementioned special resolution.

In order to augment resources for on-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes, and for any other purposes, the Company may invite subscription for secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable (including market linked debentures) NCDs, in one or more series/tranches on private placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the board of directors of the Company ("Board") on the basis of various factors including the interest rate/effective yield determined, based on market conditions prevailing at the time of the issue(s).

Pursuant to Rule 14(1) read with proviso 3 of the Prospectus and Allotment Rules, the following disclosures are being made by the Company to the Members:

<table>
<thead>
<tr>
<th>Particulars of the offer including date of passing board resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The second proviso to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (&quot;Prospectus and Allotment Rules&quot;) prescribes that where the amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs during the year. In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs [whether secured/unsecured/subordinated/senior, rated/unrated, listed/unlisted, redeemable (including market linked debentures)] shall be decided from time to time, within the period of one year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant board resolution shall be mentioned/disclosed in the private placement offer and application letter for each offer/issue of NCDs.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Kinds of securities offered and the price at which the security is being offered</th>
</tr>
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<tbody>
<tr>
<td>Non-convertible debt securities/ NCDs. The NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.</td>
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</tbody>
</table>

<table>
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<tr>
<th>Basis or justification for the price (including premium, if any) at which the offer or invitation is being made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not applicable, as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments/NCDs which will be issued either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Name and address of valuer who performed valuation</th>
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<tbody>
<tr>
<td>Not applicable as the securities proposed to be issued (in multiple issues/tranches) are non-convertible debt instruments/NCDs.</td>
</tr>
</tbody>
</table>

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<tr>
<th>Amount which the company intends to raise by way of securities</th>
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</thead>
<tbody>
<tr>
<td>The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of one year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued within the period of 1 (one) year from the date of passing of the aforementioned shareholders resolution shall not exceed the limit specified in the resolution number 4 passed under Section 42 of the Companies Act, 2013.</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Material terms of raising of securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in each private placement offer and application letter for each offer/issue.</td>
</tr>
</tbody>
</table>
Accordingly, consent of the Members is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to issue such NCDs during the year on private placement basis up to ₹ 5,000 Crore (Indian Rupees Five Thousand Crore only) as stipulated above, in one or more tranches, within the overall borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013.

None of the directors and key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company. The Board recommends the passing of the resolution as special resolution.

**Item No. 5 & 6**

Being into the business of Micro Finance, the Company requires more funds from various lenders of repute to run its operations smoothly and consistently. The total borrowings from banks and other financial institutions including unsecured loans were ₹ 5,147 Crore as on March 31, 2019. As the business requirements of the Company is growing at a fast pace and to enable an active borrowing program by the Company and to access funds at most competitive rate(s), the Company may consider undertaking different forms of borrowings including but not limited to term loan(s), working capital facilities, inter corporate deposit(s), commercial paper, debentures, sub-debt, other non-convertible or convertible debt instruments and/or other fund based facilities whether secured or unsecured or structured or unstructured as may be allowable to be mobilized by the Company. In this regard, it is, therefore, proposed to increase the present borrowing limits from ₹ 10,000 Crore (Rupees Ten Thousand Crore) to ₹ 15,000 Crore (Rupees Fifteen Thousand Crore) over and above the paid-up share capital, free reserves and securities premium of the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013 read with Article 67 of Articles of Association (AOA), a Company will require Members approval if the money borrowed together with the money already borrowed by it exceeds aggregate of paid-up share capital, free reserves and securities premium, apart from temporary loans obtain from its bankers’ in the ordinary course of business.

Accordingly, it is proposed to seek approval of the Members under Section 180(1)(c) of the Companies Act, 2013, to authorize the Board of Directors to offer and create charge on the movable or immovable which can be pledged, mortgage and/or charged and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company, in favour of the Banks, Financial Institutions, any other lenders or debenture trustees for the purpose of securing the borrowing(s) of the Company for a sum equivalent to ₹ 15,000 Crore (Rupees Fifteen Thousand Crores only).

The Board of Directors of the Company in its Board Meeting held on May 8, 2019 has approved the above proposal and recommended passing of the proposed Special Resolutions as contained in Item no. 5 and 6 of the Notice, by members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

**Item No. 7, 8, 9, 10 to 11**

Mr Rakesh Sachdeva (DIN 00333715), Mr Sundeep Kumar Mehta (DIN 00840544), Mrs Sangeeta Khorana (DIN 06674198), Mr Goh Colin (DIN 06963178) and Mr Sanjay Kumar Bhatia (DIN 07033027) were appointed as Independent Directors on the Board of Directors of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges to hold office as an Independent Directors of the Company up to the September 4, 2019 (“first term” in line number 10).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia for a second term of 5 (five) consecutive years on the Board of the Company.

Further, pursuant to Section 180(1)(a) of the Companies Act, 2013 read with Article 67 of AOA, approval of the members by special resolution is required to create charge on the Movable or Immovable which can be pledged, mortgage and/or charged and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings, subject to the limits approved by members under Section 180(1)(a) of the Act, at present the Company can incur up to ₹ 10,000 Crore (Rupees Ten Thousand Crore only).
The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia as Independent Directors of the Company, and shall not be liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company in terms of Sections 149(10) and 149(11) of the Companies Act, 2013 and in accordance of other applicable laws.

Section 149 of the Companies Act, 2013 (‘Act’) and Regulations 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) inter alia prescribe that an independent directors of the company shall meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16 of Listing Regulations.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board’s report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia that they meet with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Act and Regulation 16 the Listing Regulations.

In the opinion of the Board, Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations, Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia are independent of the management.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 7, 8, 9, 10 and 11 are provided in the “Annexure” to the Notice pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company, Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia are interested in the resolutions set out respectively at Item Nos. 7, 8, 9, 10 and 11 of the Notice with regard to their respective re-appointments.

The relatives of Mr Rakesh Sachdeva, Mr Sundeep Kumar Mehta, Mrs Sangeeta Khorana, Mr Goh Colin, and Mr Sanjay Kumar Bhatia may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

The Board of Directors of the Company in its Board Meeting held on May 8, 2019 has approved the above proposal and recommended passing of the proposed Special Resolutions as contained in Item no. 7, 8, 9, 10 and 11 of the Notice, by members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolutions except to the extent of their shareholding (if any) and directorship in the Company, being an appointee in their respective resolutions.

By Order of the Board of Directors
For Satin Creditcare Network Limited

Choudhary Runveer Krishnan
Place: Delhi Company Secretary & Compliance Officer
Dated: May 8, 2019 FCS:7437
ANNEXURE A TO THE NOTICE

PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:

<table>
<thead>
<tr>
<th>Name of the Director</th>
<th>Mr Satvinder Singh</th>
<th>Mr Rakesh Sachdeva</th>
</tr>
</thead>
<tbody>
<tr>
<td>DIN</td>
<td>00332521</td>
<td>00333715</td>
</tr>
<tr>
<td>Date of first Appointment on the Board of the Company</td>
<td>October 16, 1990</td>
<td>April 30, 1999</td>
</tr>
<tr>
<td>AGE</td>
<td>53 Years</td>
<td>61 Years</td>
</tr>
<tr>
<td>Qualification</td>
<td>Post graduate diploma in Business Management from Institute of Management Technology, Ghaziabad</td>
<td>Degree in commerce from Delhi University and fellow member of the Institute of Chartered Accountants of India.</td>
</tr>
<tr>
<td>Brief Profile/ Nature of Expertise</td>
<td>Mr Satvinder Singh, aged 53 years, is a Non-Executive Director of our Company and has been associated with our Company since incorporation. He has a post graduate diploma in Business Management from Institute of Management Technology, Ghaziabad. He has over 29 years of experience in consumer marketing and finance.</td>
<td>Mr Rakesh Sachdeva, aged 61 years, is an Independent Director of our Company. He has a degree in commerce from Delhi University. He is a fellow member of the Institute of Chartered Accountants of India. He has over 37 years of experience in finance, auditing, taxation and accounts. He is currently working with Earth-n-Heaven as chief executive office and has previously worked at Apollo Tyres Limited and U.K. Paints Group.</td>
</tr>
<tr>
<td>Terms and conditions of re-appointment</td>
<td>As per the resolution at item no. 6 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto</td>
<td>As per the resolution at item no. 7 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto</td>
</tr>
<tr>
<td>Remuneration last drawn</td>
<td>Refer to Report on Corporate Governance</td>
<td>Refer to Report on Corporate Governance</td>
</tr>
<tr>
<td>Names of other companies in which the person also holds the directorship as at March 31, 2019</td>
<td>i. Satin Neo Dimensions Private Limited ii. Taco Consultants Private Limited iii. Wisteria Holdings &amp; Investments Private Limited</td>
<td>i. Taraashna Services Limited</td>
</tr>
<tr>
<td>Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2019</td>
<td>Chairmanship None Membership Satin Creditcare Network Limited i. Audit Committee, ii. Risk Management Committee and, iii. Working Committee</td>
<td>Chairmanship Satin Creditcare Network Limited i. Strategy Committee Membership Satin Creditcare Network Limited i. Risk Management Committee</td>
</tr>
<tr>
<td>Shareholding in Satin Creditcare Network Limited</td>
<td>2,57,011 Equity Shares</td>
<td>7,211 Equity Shares</td>
</tr>
<tr>
<td>Relationship between directors inter-se</td>
<td>Mr Singh is brother of Mr H P Singh, Chairman and Managing Director of the Company</td>
<td>He is not related with any Director and Key Managerial Personnel of the Company.</td>
</tr>
<tr>
<td>Number of Meetings of the Board attended during the Financial Year – 2018-19</td>
<td>5 out of 7 Meeting</td>
<td>6 out of 7 Meeting</td>
</tr>
<tr>
<td>Name of the Director</td>
<td>Mr Sundeep Kumar Mehta</td>
<td>Mrs Sangeeta Khorana</td>
</tr>
<tr>
<td>----------------------</td>
<td>------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>DIN</td>
<td>00840544</td>
<td>06674198</td>
</tr>
<tr>
<td>Date of first Appointment on the Board of the Company</td>
<td>February 13, 2013</td>
<td>August 9, 2013</td>
</tr>
<tr>
<td>AGE</td>
<td>58 Years</td>
<td>55 Years</td>
</tr>
<tr>
<td>Qualification</td>
<td>Bachelor’s degree in science from the University of Rajasthan and master’s degree in humanities from Annamalai University and also has completed diploma courses in automotive engineering, labour laws, cyber laws and management and a post graduate diploma in business administration from Annamalai University.</td>
<td>Doctorate in International Economics from University of St. Gallen in Switzerland, a masters’ degree in international law and economics from University of Berne, Switzerland and a master’s degree in economics from Allahabad University, India.</td>
</tr>
<tr>
<td>Brief Profile/ Nature of Expertise/</td>
<td>Mr Sundeep Kumar Mehta, is an Independent Director of our Company. He holds a bachelor’s degree in science from the University of Rajasthan and master’s degree in humanities from Annamalai University. He has completed diploma courses in automotive engineering, labour laws, cyber laws and management and a post graduate diploma in business administration from Annamalai University. He has an experience of over 33 years of experience in human resource development, strategy, business management, business transformation strategies, business process re-engineering, employee engagement processes, performance evaluation and enhancement and corporate restructuring. He is currently working with International Quality Management Systems as director and has previously worked at the RKJ group, Escorts Limited, the Panacea Biotech Limited, Bata India Limited and Eicher Good Earth Limited.</td>
<td>Dr. Sangeeta Khorana, is an Independent Director of our Company. She holds a Doctorate in International Economics from the University of St. Gallen in Switzerland, a masters’ degree in international law and economics from University of Berne, Switzerland and a master’s degree in economics from Allahabad University, India. She has over 15 years of experience in civil services. She is currently working with Bournemouth University as a professor of economics and has previously worked as an Indian Administrative Officer with the Indian government. She also provide advise to international institutions &amp; Government.</td>
</tr>
<tr>
<td>Terms and conditions of re-appointment</td>
<td>As per the resolution at item no. 8 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto</td>
<td>As per the resolution at item no. 9 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto</td>
</tr>
<tr>
<td>Remuneration last drawn</td>
<td>Refer to Report on Corporate Governance</td>
<td>Refer to Report on Corporate Governance</td>
</tr>
</tbody>
</table>
| Names of other companies in which the person also holds the directorship as at March 31, 2019 | i. Activa Softtech Limited  
ii. Activa Certification Private Limited  
iii. Satin Housing Finance Limited  
iv. Satin Finserve Limited | i. WSX Enterprises  
ii. International Trade Consulting Solutions Ltd |
| Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2019 | Chairmanship | None |
| | Satin Creditcare Network Limited  
i. Nomination and Remuneration Committee  
ii. Stakeholder and Relationship Committee | Membership | Satin Creditcare Network Limited  
i. Audit Committee  
ii. Nomination and Remuneration Committee |
| | Satin Finserv Limited | | |
| Shareholding in Satin Creditcare Network Limited | Nil | Nil |
| Relationship between directors inter-se | He is not related with any Director and Key Managerial Personnel of the Company.  
7 out of 7 Meeting | He is not related with any Director and Key Managerial Personnel of the Company.  
5 out of 7 Meeting |
| Number of Meetings of the Board attended during the Financial Year – 2018-19 | 7 out of 7 Meeting | 5 out of 7 Meeting |
Name of the Director  | Mr Goh Colin | Mr Sanjay Kumar Bhatia
DIN  | 06963178 | 07033027
Date of first Appointment on the Board of the Company  | November 12, 2014 | December 6, 2014
AGE  | 52 Years | 54 Years
Qualification  | Master’s Degree in International Management from University of Technology, Sydney and has completed a double course in Economics and Finance from Curtin University of Technology, Perth | Master’s Degree in International Management from University of Technology, Sydney and has completed a double course in Economics and Finance from Curtin University of Technology, Perth
Brief Profile/ Nature of Expertise  | Mr Goh Colin, is an Independent Director of our Company. He has a master’s degree in international management from University of Technology, Sydney and has completed a double course in economics and finance from Curtin University of Technology, Perth. He has an experience of over 23 years in property and charity sector. He is currently the executive director of Millet Holdings Pte. Limited, an investment holding company. | Mr Sanjay Kumar Bhatia, is an Independent Director of our Company. He holds a bachelor’s degree in commerce from the University of Delhi and is a qualified Chartered Accountant. He has over 32 years of experience in sales management, strategy formation. He is currently working with Antara Senior Living Limited as head of sales and has previously worked with Max Life Insurance Limited, Max New York Life, Vikas Motors Limited, Dinker Portfolio Private Limited, DMA of Citibank N.A.
Terms and conditions of re-appointment  | As per the resolution at item no. 10 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto | As per the resolution at item no. 11 of the Notice of Twenty Ninth Annual General Meeting dated May 8, 2019 read with explanatory statement thereto
Remuneration last drawn  | Refer to Report on Corporate Governance | Refer to Report on Corporate Governance
Names of other companies in which the person also holds the directorship as at March 31, 2019  | i. The Rice Co. Ltd  
ii. Global Cultural Alliance Ltd  
iii. Millet Holdings Pte Ltd  
iv. Millet World Pte Ltd  
v. Millet Capital Pte Ltd  
vi. Millet Sdn Bhd  
vii. Metaverse Systems Pte Ltd  
viii. Scape Ltd  
ix. Singapore Arts School Ltd  
x. Republic Polytechnic  
xi. Social Creatives Ltd  
xii. Zhangjiagang Co. Ltd  | i. Taraashna Services Limited  
ii. Antara Gurgaon Senior Living Limited  

Names of companies in which the person also holds the membership of Committees of the Board as at March 31, 2019  | Chairmanship  
None | Chairmanship  
Satin Creditcare Network Limited
Membership  | Satin Creditcare Network Limited  
i. Corporate Social Responsibility Committee | Membership  
Satin Creditcare Network Limited  
i. Stakeholders Relationship Committee  
Nil
Shareholding in Satin Creditcare Network Limited  | Nil | Nil
Relationship between directors inter-se  | He is not related with any Director and Key Managerial Personnel of the Company. | He is not related with any Director and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the Financial Year – 2018-19  | 2 out of 7 Meeting | 4 out of 7 Meeting
Note
Note
Note
ATTENDANCE SLIP
(To be presented at the entrance)

Members are requested to complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the Twenty Ninth Annual General Meeting.

<table>
<thead>
<tr>
<th>Name of the Member:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Proxy Holder:</td>
<td></td>
</tr>
<tr>
<td>Registered Address:</td>
<td></td>
</tr>
<tr>
<td>Folio No. / DP &amp; Client ID:</td>
<td></td>
</tr>
<tr>
<td>No of Shares held:</td>
<td></td>
</tr>
</tbody>
</table>

I hereby record my presence at the Twenty Ninth Annual General Meeting held on Saturday, July 6, 2019 at 10:30 A.M. at Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi House, Opp. Doordarshan Bhavan, Near Connaught Place, New Delhi, Delhi 110001.

SIGNATURE OF THE SHAREHOLDER/PROXY *

*Strike out whichever is not applicable.
Form No. MGT-11
PROXY FORM
[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the
Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address:

E-mail Id:

Folio No. / DP & Client ID:

No of Shares held:

I/We, being the member(s) of ……………………… Equity shares of the above named company, hereby appoint

1. Name……………………………………………Address:......................................................................
   E-mail Id:….……………………………………Signature:……………. ……...……, or failing him

2. Name:….……………………………………….Address:…..................................................................
   E-mail Id:….……………………………………Signature:……………. ……...……, or failing him

3. Name:…..………………………………………Address:…..................................................................
   E-mail Id:….……………………………………Signature:……………. ……...……, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of
the Company, to be held on Saturday the July 6, 2019 at 10:30 A.M. at Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi
House, Opp. Doordarshan Bhavan, Near Connaught Place, New Delhi, Delhi 110001 and at any adjournment thereof in respect of
such resolutions as are indicated below:

1. Adoption of Financial Statements and the reports of the Directors and Auditors
2. Declaration of Dividend on Preference Shares
3. To appoint a Director in place of Mr Satvinder Singh (DIN: 00332521), who retires by rotation and being eligible, offers
   himself for re-appointment
4. To consider, discuss and approve the issuance of Non-Convertible Debentures, in one or more series/tranches pursuant to
   Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014
5. To increase the borrowing power of Board of Directors u/s 180(1) (c) of the Companies Act, 2013
6. Creation of Charges on the Movable and Immovable properties of the Company, both present and future, in respect of
   borrowings u/s 180(1) (a) of the Companies Act, 2013
7. Re-appointment of Mr Rakesh Sachdeva (DIN 00333715) as an Independent Director of the Company
8. Re-appointment of Mr Sundeep Kumar Mehta (DIN 00840544) as an Independent Director of the Company
9. Re-appointment of Mrs Sangeeta Khorana (DIN 06674198) as an Independent Director of the Company
10. Re-appointment of Mr Goh Colin (DIN 06963178) as an Independent Director of the Company
11. Re-appointment of Mr Sanjay Kumar Bhatia (DIN 07033027) as an Independent Director of the Company

Signed this…………… day of…………… 2019

Signature of shareholder……………………………………

Signature of Proxy holder(s)……………………………………

Note:
(1) This form of proxy in order to be effective should be duly completed and deposited at the Corporate/Registered Office of the
Company, not less than 48 hours before the commencement of the Meeting.
(2) A person can act as proxy on behalf of Members up to and not exceeding 50 and holding in the aggregate not more than 10% of
the total share capital of the Company. Further, a Member holding more than 10% of the total share capital of the Company
carrying voting rights may appoint a single person as proxy and such a person shall not act as proxy for any other person
or Member.
Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014

**POLLING PAPER**

FOR TWENTY NINTH ANNUAL GENERAL MEETING SCHEDULED ON SATURDAY THE JULY 6, 2019 AT 10:30 A.M. AT LITTLE THEATRE GROUP AUDITORIUM, 1, COPERNICUS MARG, MANDI HOUSE, OPP. DOORDARSHAN BHAVAN, NEAR CONNAUGHT PLACE, NEW DELHI, DELHI 110001.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Name of the first named shareholder (in block letters)</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Postal Address</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Registered Folio No. / Client ID No. (*Applicable to investors holding shares in dematerialized form)</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Class of Share</td>
<td>Equity</td>
</tr>
</tbody>
</table>

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Item Particulars</th>
<th>No. of Shares Held</th>
<th>For</th>
<th>Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Adoption of Financial Statements and the reports of the Directors and Auditors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Declaration of Dividend on Preference Shares</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>To appoint a Director in place of Mr Satvinder Singh (DIN: 00332521), who retires by rotation and being eligible, offers himself for re-approntment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>To consider, discuss and approve the issuance of Non-Convertible Debentures, in one or more series/tranches pursuant to Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>To increase the borrowing power of Board of Directors u/s 180(1) (c) of the Companies Act, 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Creation of Charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings u/s 180(1) (a) of the Companies Act, 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Re-appointment of Mr Rakesh Sachdeva (DIN 00333715) as an Independent Director of the Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Re-appointment of Mr Sundeep Kumar Mehta (DIN 00840544) as an Independent Director of the Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Re-appointment of Mrs Sangeeta Khorana (DIN 06674198) as an Independent Director of the Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Re-appointment of Mr Goh Colin (DIN 06963178) as an Independent Director of the Company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Re-appointment of Mr Sanjay Kumar Bhatia (DIN 07033027) as an Independent Director of the Company</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

___________________________  ___________________________
(Signature of the Shareholder)   (Name & Signature of the Proxy)

Place: Delhi  
Date: July 6, 2019  

Note: Proxy who are attending and voting in this Twenty Ninth Annual General Meeting on behalf of members are requested to first write their name before signing.
ROUTE MAP:

ROUTE MAP OF TWENTY NINTH AGM VENUE: LITTLE THEATRE GROUP AUDITORIUM, 1, COPERNICUS MARG, MANDI HOUSE, OPP. DOORDARSHAN BHAVAN, NEAR CONNAUGHT PLACE, NEW DELHI, DELHI 110001