

**SATIN CREDITCARE NETWORK LIMITED**  
**Consolidated Balance Sheet as at March 31, 2023**  
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	4	25,770.63	1,09,126.48
Other bank balances	5	85,665.12	91,067.88
Derivative financial instruments	6	2,231.64	1,192.75
Trade receivables	7	539.45	276.08
Loans	8	6,32,885.67	5,30,842.27
Investments	9	6,175.90	4,856.62
Other financial assets	10	2,312.80	2,902.89
		<u>7,55,581.21</u>	<u>7,40,264.97</u>
<b>Non-financial Assets</b>			
Current tax assets (net)	11	4,327.55	526.10
Deferred tax assets (net)	12	8,857.48	8,253.66
Investment Property	13	664.26	698.26
Property, plant and equipment	14	8,681.88	8,282.18
Capital work-in-progress	14	-	17.89
Goodwill		3,370.66	3,370.66
Other intangible assets	15	179.17	230.40
Other non-financial assets	16	3,294.60	3,882.94
		<u>29,375.60</u>	<u>25,262.09</u>
<b>TOTAL ASSETS</b>		<u><b>7,84,956.81</b></u>	<u><b>7,65,527.06</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
<b>Payables</b>			
Trade payables	17	10.42	10.42
(i) total outstanding dues of micro enterprises and small enterprises		497.45	1,268.06
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
Other payables	18	23.87	172.02
(i) total outstanding dues of micro enterprises and small enterprises		1,527.78	1,520.19
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
Debt securities	19	1,09,643.58	1,19,241.39
Borrowings (other than debt securities)	20	4,44,358.26	4,08,079.96
Subordinated liabilities	21	37,122.90	47,030.53
Other financial liabilities	22	27,071.94	28,001.28
		<u>6,20,256.20</u>	<u>6,05,323.85</u>
<b>Non-financial Liabilities</b>			
Provisions	23	934.35	982.33
Other non-financial liabilities	24	953.82	1,035.54
		<u>1,888.17</u>	<u>2,017.87</u>
<b>EQUITY</b>			
Equity share capital	25	8,479.63	7,459.12
Other equity	26	1,54,332.81	1,50,726.22
		<u>1,62,812.44</u>	<u>1,58,185.34</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>7,84,956.81</b></u>	<u><b>7,65,527.06</b></u>

Statement of significant accounting policies and other explanatory notes. 1-3  
This consolidated Balance Sheet referred to in our report of even date.

For S S Kothari Mehta & Company  
Chartered Accountants  
Firm's Registration No. 000756

*Naveen Aggarwal*  
Naveen Aggarwal  
Partner  
Membership Number: 094380



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

*Harvinder Pal Singh*  
Harvinder Pal Singh  
(Chairman cum Managing Director)  
DIN: 00333754

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

*Vikas Gupta*  
Vikas Gupta  
(Company Secretary & Compliance Officer)  
Membership Number: A24281

*Satvinder Singh*  
Satvinder Singh  
(Director)  
DIN: 00332521

*Rakesh Sachdeva*  
Rakesh Sachdeva  
(Chief Financial Officer)

Place : Gurugram  
Date : April 29, 2023

Place : Gurugram  
Date : April 29, 2023

**SATIN CREDITCARE NETWORK LIMITED**
**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I. Income</b>			
<b>Revenue from operations</b>			
Interest income	27	1,24,896.84	1,22,773.49
Dividend income	28	0.17	3.15
Rental income	29	38.28	35.63
Fees and commission income	30	7,674.41	8,126.77
Net gain on fair value changes	31	1,415.45	1,423.43
Net gain on derecognition of financial instruments	32	21,571.16	5,165.51
Other operating income	33	132.73	176.60
<b>Total Revenue from operations</b>		<b>1,55,729.04</b>	<b>1,37,704.58</b>
Other income	34	173.29	409.40
<b>Total Income</b>		<b>1,55,902.33</b>	<b>1,38,113.98</b>
<b>II. Expenses</b>			
Finance costs	35	61,673.10	63,071.51
Impairment on financial instruments	36	40,808.22	18,073.66
Employee benefit expenses	37	38,760.29	39,312.43
Depreciation and amortisation expense	38	1,839.37	1,609.77
Other expenses	39	12,297.28	12,628.75
<b>Total</b>		<b>1,55,378.26</b>	<b>1,34,696.12</b>
<b>Profit before tax</b>		<b>524.07</b>	<b>3,417.86</b>
<b>Tax expense:</b>	40		
Current tax		(48.89)	3,402.70
Deferred tax		91.65	(2,054.73)
<b>Total tax expenses</b>		<b>42.76</b>	<b>1,347.97</b>
<b>Profit after tax</b>		<b>481.31</b>	<b>2,069.89</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurements of the defined benefit plans		(47.92)	19.57
Equity instruments through other comprehensive income		(2,731.61)	-
Income tax relating to above items		699.85	(5.11)
	<b>A</b>	<b>(2,079.68)</b>	<b>14.46</b>
<b>Items that will be reclassified to profit and loss</b>			
Changes in fair value of loan assets		44.87	(3,915.05)
Income tax relating to above item		(11.30)	985.28
Cash flow hedge reserve		(27.48)	-
Income tax relating to above item		6.92	-
	<b>B</b>	<b>13.01</b>	<b>(2,929.77)</b>
<b>Other comprehensive income</b>	<b>A+B</b>	<b>(2,066.67)</b>	<b>(2,915.31)</b>
<b>Total comprehensive income</b>		<b>(1,585.36)</b>	<b>(845.42)</b>



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**SATIN CREDITCARE NETWORK LIMITED****Consolidated Statement of Profit and Loss for the year ended March 31, 2023**


(All amounts in ₹ lakhs, unless otherwise stated)

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net profit after tax attributable to</b>			
Owners of the Parent Company		481.31	2,069.89
Non-controlling interests		-	-
<b>Other comprehensive income attributable to</b>			
Owners of the Parent Company		(2,066.67)	(2,915.31)
Non-controlling interests		-	-
<b>Total comprehensive income attributable to</b>			
Owners of the Parent Company		(1,585.36)	(845.42)
Non-controlling interests		-	-
<b>Earnings per equity share (face value of ₹ 10 per equity share)</b>	41		
Basic (₹)		0.62	2.96
Diluted (₹)		0.59	2.72
Statement of significant accounting policies and other explanatory notes.	1-3		
This consolidated Statement of Profit and Loss referred to in our report of even date.			

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm's Registration No. 000756N

  
Naveen Aggarwal  
Partner

Membership Number: 094380

**For and on behalf of the Board of Directors****Satin Creditcare Network Limited**  
Harvinder Pal Singh  
(Chairman cum Managing Director)  
DIN: 00333754  
Sanjay Kumar Bhatia  
(Chairman Audit Committee cum Director)  
DIN: 07033027  
Vikas Gupta  
(Company Secretary & Compliance Officer)  
Membership Number: A24281  
Satvinder Singh  
(Director)  
DIN: 00332521  
Rakesh Sachdeva  
(Chief Financial Officer)Place : Gurugram  
Date : April 29, 2023Place : Gurugram  
Date : April 29, 2023

**SATIN CREDITCARE NETWORK LIMITED**
**Consolidated cash flow statement for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**A Cash flow from operating activities**

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	524.07	3,417.86
<b>Adjustments for:</b>		
Depreciation and amortisation	1,229.41	1,284.30
Depreciation of right-of-use assets	609.96	289.72
Net (gain)/loss on derecognition of property, plant and equipment	(9.95)	20.03
Fair value gain on mutual funds	(375.37)	(264.81)
Unrealised gain on fair value changes of derivatives and investments	(1,040.08)	(1,158.62)
Property, plant and equipment written off	6.01	39.14
Impairment on financial instruments	40,808.22	18,073.66
Dividend income	(0.17)	(3.15)
Gain on sale of loan portfolio through assignment	(21,571.16)	(5,165.51)
First loss default guarantee expenses	104.69	2,956.11
Share based payment to employees	-	(38.85)
Effective interest rate adjustment for financial instruments	1,545.17	1,931.83
Interest expense for leasing arrangements	141.07	89.03
Net gain on termination of leases	(7.59)	(7.78)
Unrealised exchange fluctuation loss (net)	519.90	367.92
<b>Operating profit before working capital changes</b>	<b>22,484.18</b>	<b>21,830.88</b>
<b>Movement in working capital</b>		
(Increase)/decrease in trade receivables	(263.37)	1,669.44
(Increase)/decrease in loans	(1,18,516.18)	33,465.92
Decrease/(increase) in fixed deposits	5,402.76	(11,638.69)
Decrease in other financial assets	564.72	1,070.80
Decrease/(increase) in other non-financial assets	588.34	(1,164.67)
Decrease in trade and other payables	(911.17)	(392.88)
Decrease in other financial liabilities	(1,040.32)	(6,731.16)
Decrease in provisions	(95.90)	(640.95)
(Decrease)/increase in other non-financial liabilities	(81.72)	164.56
<b>Cash (used in)/generated from operating activities post working capital changes</b>	<b>(91,868.66)</b>	<b>37,633.25</b>
Income taxes paid (net)	(3,765.43)	(4,016.68)
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>(95,634.09)</b>	<b>33,616.57</b>

**B Cash flows from investing activities**

Purchase of property, plant and equipment	(969.19)	(593.53)
Proceeds from sale of property, plant and equipment	72.26	44.36
Purchase of intangible assets	(24.51)	-
Dividend income	0.17	3.15
Purchase of investments	(5,30,931.63)	(4,77,085.63)
Sale of investments	5,24,563.07	4,72,551.88
<b>Net cash used in investing activities (B)</b>	<b>(7,289.83)</b>	<b>(5,079.77)</b>

**C Cash flows from financing activities (refer to note i below)**

Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	6,218.75	10,453.10
Proceeds from debt securities	28,209.32	29,585.32
Repayment of debt securities	(38,043.56)	(81,783.71)
Proceeds from borrowings other than debt securities	4,24,769.35	3,19,963.64
Repayment of borrowings other than debt securities	(3,71,545.96)	(3,16,735.27)
Lease payments	(730.18)	(354.99)
Repayment of subordinated liabilities	(9,890.93)	(5,370.18)
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>38,986.79</b>	<b>(44,242.09)</b>

Net decrease in cash and cash equivalents (A+B+C)	(63,937.13)	(15,705.29)
Cash and cash equivalents at the beginning of the year (refer to note ii below)	89,707.76	1,05,413.05
<b>Cash and cash equivalents at the end of the year</b>	<b>25,770.63</b>	<b>89,707.76</b>

i) Refer to note 21 for reconciliation of liabilities arising from financing activities.

ii) Refer to note 5 for restricted cash and cash equivalent.



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**SATIN CREDITCARE NETWORK LIMITED****Consolidated cash flow statement for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**Notes:**

Cash and cash equivalents (as per note 4 to the financial statements)

Less: Overdraft facility against term deposits (as per note 20 to the financial statements)

**For the year ended  
March 31, 2023****For the year ended  
March 31, 2022**

25,770.63

1,09,126.48

-

(19,418.72)

**25,770.63****89,707.76**

Statement of significant accounting policies and other explanatory notes.

Note 1-3

This Statement of Cash Flow referred to in our report of even date.

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm's Registration No. 000756N

Naveen Aggarwal  
Partner

Membership Number: 094380



For and on behalf of the Board of Directors

**Satin Creditcare Network Limited**  
Harvinder Pal Singh

(Chairman cum Managing Director)

DIN: 00333754

  
Sanjay Kumar Bhatia

(Chairman Audit Committee cum Director)

DIN: 07033027

  
Vikas Gupta

(Company Secretary &amp; Compliance Officer)

Membership Number: A24281

  
Satvinder Singh

(Director)

DIN: 00332521

  
Rakesh Sachdeva

(Chief Financial Officer)

Place : Gurugram

Date : April 29, 2023

Place : Gurugram

Date : April 29, 2023

**SATIN CREDITCARE NETWORK LIMITED**  
Consolidated Statement of changes in equity for the year ended March 31, 2023  
(All amounts in ₹ lakhs, unless otherwise stated)

**A. Equity share capital (Refer note 25)**

March 31, 2023				
Particulars	Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2022	Changes during the year
Equity share capital	7,459.12	-	7,459.12	1,020.51
				8,479.63
March 31, 2022				
Particulars	Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at April 1, 2021	Changes during the year
Equity share capital	6,647.12	-	6,647.12	812.06
				7,459.12

**B. Other equity (Refer note 26)**

Particulars	Equity component of compound financial instruments	Reserves and Surplus					Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	Money received against share warrants	Cash flow hedge reserve	Total attributable to equity holders of the parent	Total non-controlling interest	Total
		Statutory reserve fund	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings						
Balance as at April 1, 2021	-	10,102.09	1,01,809.54	29.94	277.00	217.77	26,007.99	(5.00)	3,509.45	20.56	1,41,969.34	-	1,41,969.34
Profit for the year	-	-	-	-	-	-	2,069.89	-	-	-	2,069.89	-	2,069.89
Other comprehensive income (net of tax)	-	-	-	-	-	-	14.46	-	-	-	(2,915.31)	-	(2,915.31)
Issue of equity shares (net of share issue expenses)	-	-	4,645.62	-	-	-	-	-	-	-	4,645.62	-	4,645.62
Issue of share warrants (refer note 25 (F) and 26)	-	-	-	-	-	-	-	-	5,000.00	-	5,000.00	-	5,000.00
Transfer to statutory reserves	-	901.89	-	-	-	-	(3,401.89)	-	-	-	-	-	-
Transfer from share options outstanding account	-	-	-	-	-	(178.97)	178.97	-	-	-	-	-	-
Share issue expense of subsidiary	-	-	-	-	-	-	(4.32)	-	-	-	(4.32)	-	(4.32)
Share based payment to employees	-	-	-	-	-	(38.80)	-	-	-	-	(38.80)	-	(38.80)
Balance as at March 31, 2022	-	11,003.98	1,06,455.16	29.94	2,777.00	-	24,864.90	(5.00)	579.68	20.56	1,50,726.22	-	1,50,726.22
Profit for the year	-	-	-	-	-	-	481.31	-	-	-	481.31	-	481.31
Other comprehensive income (net of tax)	-	-	-	-	-	-	(35.57)	-	-	-	(2,066.68)	-	(2,066.68)
Issue of equity shares (net of share issue expenses)	-	-	7,271.15	-	-	-	-	-	-	(20.56)	(2,066.68)	-	(1,020.52)
Issue of share warrants (refer note 25 (F) and 26)	-	-	-	-	-	-	-	-	(8,291.67)	-	(1,020.52)	-	(1,020.52)
Transfer to statutory reserves	-	-	-	-	-	-	-	-	6,218.75	-	6,218.75	-	6,218.75
Share issue expense of subsidiary	-	5,560.32	-	-	-	-	(5,560.32)	-	-	-	-	-	-
Balance as at March 31, 2023	-	16,573.30	1,13,726.31	29.94	2,777.00	-	19,735.05	(2,049.12)	613.25	2,927.08	1,54,332.81	-	1,54,332.81

Statement of significant accounting policies and other explanatory notes.  
This Statement of Changes in Equity referred to in our report of even date.



**For S S Kothari Mehta & Company**  
Chartered Accountants  
Firm's Registration No. 000756N

Naveed Aggarwal  
Partner  
Membership Number: 094380

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

Harvinder Pal Singh  
(Chairman cum Managing Director)  
DIN: 00333754

Vikas Gupta  
(Company Secretary & Compliance Officer)  
Membership Number: 204291

Place : Gurugram  
Date : April 29, 2023

Savinder Singh  
(Director)  
DIN: 00332521

Rakesh Sachdeva  
(Chief Financial Officer)

Smajay Kumar Bhadlin  
(Chairman Audit Committee cum Director)  
DIN: 07033027



## **Satin Creditcare Network Limited**

### **Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

#### **1. Group overview**

Satin Creditcare Network Limited ('the Parent Company') is a public limited company and incorporated under the provisions of Companies Act. The Parent Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with the Reserve Bank of India ("RBI") in November 2013. The Parent Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organized as Joint Liability Groups ('JLG'). The Parent Company is domiciled in India and its registered office is situated at 5<sup>th</sup> Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

The Parent Company owns 100% equity shares of Satin Housing Finance Limited ("SHFL"). The SHFL is engaged in the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase/construction/repair and renovation of new/existing flats/houses for residential purposes.

The Parent Company owns 100% equity shares of 100% stake in equity shares in Satin Finserv Limited ("SFL"). The SFL is engaged in the business of providing various financial services to small entrepreneurs, MSMEs, Indian consumers and other eligible consumers as permissible under applicable laws.

#### **2. A. Basis of preparation**

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

These consolidated financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The Group has uniformly applied the accounting policies for all the periods presented in this financial statements.

The financial statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on April 29, 2023.

##### **(ii) Historical cost convention**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. Further the carrying values of recognised assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

##### **(iii) Going Concern**

Management is of the view that having regard to the projections of the business prospects, Group shall be able to continue as a going concern. Accordingly, management considers it appropriate to prepare these financials statements on a going concern basis.

#### **B. Basis of consolidation**

The consolidated financial statements has comprised financial statements of the Company and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual



## **Satin Creditcare Network Limited**

### **Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ("OCI")) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and 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 Parent Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Corporation's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### **3. Summary of 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.

#### **a) Property, plant and equipment**

##### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the 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 value method over the useful life of the assets estimated by the management. The useful life estimated by the management is as under:





## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Asset class	Useful life
Building	60 years
Electrical equipment	10-25 years
Office equipment	5 years
Computer equipment	3-6 years
Furniture and fixtures	10 years
Vehicles	8-10 years

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

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

#### *De-recognition*

An item of property, plant and equipment and any significant part initially 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 recognized 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.

#### **b) Investment property**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 60 years from the date of original purchase. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

#### **c) Intangible assets**

##### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

##### *Subsequent measurement (amortisation method, useful lives and residual value)*

Intangible assets are amortised over a period of 3-5 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.



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

#### d) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are 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.

#### e) Revenue recognition

##### *Interest income on loans*

The Group recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering any fees and all incremental costs that are directly attributable to acquisition of a financial asset and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets regarded as 'Stage 3', the Group recognises interest income on the net amortised cost of financial assets at EIR. If financial asset is no longer credit-impaired Group reverts to calculating interest income on a gross basis.

##### *Income from assignment transactions*

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-recognised. Interest income is also recognised on carrying value of remaining assets over the outstanding 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 recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

#### f) Borrowing costs

Borrowing costs consists of interest and other cost that the Group incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Borrowing costs are charged to the Statement of Profit and Loss on the basis of effective interest rate method.

#### g) Taxation

- I. **Current tax:** Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- II. **Deferred Tax:** Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

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

#### h) Employee benefits

##### Short-term employee benefits

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

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

##### Defined contribution plans

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



## **Satin Creditcare Network Limited**

### **Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

#### **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 be availed after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

#### **i) Share based payments**

The Parent Company has formulated an Employees Stock Option Schemes to be administered through a Trust. The stock options granted to employees pursuant to the Parent Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. 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 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 Parent 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.

#### **j) Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is 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.

#### **Financial Guarantees**

Financial guarantees are initially recognised at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The premium received (if any) is recognised as income on a straight-line basis over the life of the guarantee.



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

#### k) Impairment of financial assets

The Group is recording the allowance for expected credit losses for all loans at amortised cost and FVOCI and other financial assets not held at FVTPL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Group's policies for determining if there has been a significant increase in credit risk.

##### *Loan assets*

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as 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 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

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

**Probability of Default (PD)** - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

**Exposure at Default (EAD)** - EAD is based on the amounts the Group expects to be owed at the time of default.

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

##### *Trade receivables*

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

##### *Other financial assets*

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

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





## **Satin Creditcare Network Limited**

### **Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

#### *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.

#### **l) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Group has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement as they are considered an integral part of the Group's cash management.

#### **m) Equity investment in subsidiaries**

Investments representing equity interest in subsidiaries are accounted for at Fair Value through Profit and Loss (FVTPL) in accordance to Ind AS 109 read with Ind AS 27 Separate Financial Statements.

#### **n) Provisions, contingent assets and contingent liabilities**

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

Contingent liability is disclosed for:

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

Contingent assets are not recognised but disclosed where an inflow of economic benefits is probable.

#### **o) Leases**

##### **Group as a lessee**

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).





## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

**Determining the lease term of contracts with renewal and termination options where Group is lessee** - The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

#### **Group as lessor:**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**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 specialized nature of the leased asset.

#### **p) 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:



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

- 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. Financial assets are measured at FVOCI when both of the following conditions are met:** – a financial asset is measured at the FVOCI if both the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI test

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

Investment in security receipts issued by trust floated by asset reconstruction companies are accounted for at fair value through other comprehensive income (FVOCI).

**iii. Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the 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.

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

**v. Financial assets measured at FVPL** – FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL, with all changes recognized in the P&L.

#### *De-recognition of financial assets*

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are de-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 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.



## **Satin Creditcare Network Limited**

### **Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

#### *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 for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of an agreement. Such financial guarantees are given to bank, for whom the Group acts as 'Business Correspondent'.

These contracts are initially measured at fair value and subsequently measure at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- Maximum amount payable as on the reporting date to the bank which is based on the amount of loans overdue for more than 75/90 days in respect to agreements with banks.

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.

#### **Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured are categorised with fair value hierarchy into Level I, Level II and Level III based on level of input.



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

#### q) 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.

#### r) Segment reporting

The Group identifies segment basis of the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly 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 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.

#### s) Foreign currency

##### *Functional and presentation currency*

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

#### t) 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 profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate.

#### u) Significant management judgement in applying accounting policies and estimation uncertainty

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

##### *Significant management judgements*

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



## Satin Creditcare Network Limited

### Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

**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.

**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;
- 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.

#### v) **Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- I. Changes during the period in operating receivables and payables transactions of a non-cash nature;
- II. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses; and
- III. All other items for which the cash effects are investing or financing cash flows.





**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

Particulars	As at March 31, 2023	As at March 31, 2022
<b>4 Cash and cash equivalents</b>		
Cash on hand	4,701.05	5,378.53
Balances with banks and financial institutions		
- Balance with banks in current accounts*	17,511.53	73,467.80
- Deposits for original maturity of less than 3 months	3,558.05	29,888.35
- Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	-	391.80
<b>Total</b>	<b>25,770.63</b>	<b>1,09,126.48</b>

\*Balance in current accounts includes balance of ₹ 2.15 lakhs (March 31, 2022 : ₹ 2.15 lakhs) which is earmarked for unpaid dividend.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>5 Bank balances other than cash and cash equivalents</b>		
Deposits for remaining maturity of more than 3 months and upto 12 months	4,264.01	4,128.44
Deposits with remaining maturity more than 12 months	935.46	-
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	80,465.65	86,939.44
<b>Total</b>	<b>85,665.12</b>	<b>91,067.88</b>

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):-

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans	18,823.68	33,468.09
Overdraft facilities	37,336.81	40,402.43
Securitisations	20,307.79	6,796.83
Derivatives	-	597.68
Bank guarantee against rights issue	-	64.63
Security against first loss default guarantee	3,994.81	5,999.13
Security against facilities	2.56	2.45
<b>Total</b>	<b>80,465.65</b>	<b>87,331.24</b>

Particulars	As at March 31, 2023		As at March 31, 2022	
	Notional amounts (₹)	Fair value (₹)	Notional amounts (₹)	Fair value (₹)
<b>6 Derivative financial instruments</b>				
Currency and interest swap	41,518.44	2,231.64	31,161.35	1,192.75
	<b>41,518.44</b>	<b>2,231.64</b>	<b>31,161.35</b>	<b>1,192.75</b>
Included in above are derivative held for risk management purpose as follows:				
Undesignated derivatives	41,518.44	2,231.64	31,161.35	1,192.75
<b>Total</b>	<b>41,518.44</b>	<b>2,231.64</b>	<b>31,161.35</b>	<b>1,192.75</b>

The Parent Company enters into derivative contracts for risk management purposes.

The table above represents the fair value of derivatives financial instruments recorded as assets together with the notional 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.

The Parent Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Parent Company's risk management strategy and how it is applied to manage risk are explained below:

**Derivatives designated as hedging instruments**
**Foreign currency risk**

The Parent Company is exposed to foreign currency risk arising from its fixed rate foreign currency borrowing amounting to US \$ 9.4 million. Interest on the borrowing is payable at a fixed rate of 5.93% per annum, (on semi-annual basis starting from February 5, 2020) and the principal amount was repaid on August 5, 2022. The Parent Company economically hedged the foreign currency risk arising from the debt with a 'receive fixed pay fixed' cross-currency interest rate swap ('swap') on July 24, 2019. The notional amount of swap was ₹ 6,487.41 lakhs. The swap contract converts the cash outflows of the foreign currency fixed rate borrowing of US \$ 9.4 million to cash outflows in ₹ with a notional amount of ₹ 6,487.41 lakhs and fixed interest of 11.18% per annum.

**Off-setting**

The Parent Company does not have derivative financial assets and financial liabilities which are subject to master netting arrangements. Master netting arrangements are those arrangements wherein in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis.



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
7 Trade receivables (at amortised cost)		
Considered good - unsecured	540.05	285.63
Less: Impairment loss allowance	(0.60)	(9.55)
<b>Total</b>	<b>539.45</b>	<b>276.08</b>

**Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	361.14	8.74	2.97	1.27	0.19	374.31
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	165.74
<b>As at March 31, 2023</b>	<b>361.14</b>	<b>8.74</b>	<b>2.97</b>	<b>1.27</b>	<b>0.19</b>	<b>540.05</b>
(i) Undisputed trade receivables – considered good	266.12	4.61	3.19	0.84	1.95	276.71
(ii) Undisputed trade receivables – credit impaired	-	1.99	2.67	4.26	-	8.92
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>266.12</b>	<b>6.60</b>	<b>5.86</b>	<b>5.10</b>	<b>1.95</b>	<b>285.63</b>

The Group does not have any receivables which are either credit impaired or where there is significant increase in credit risk other than those which are provided for.

Particulars	As at March 31, 2023		As at March 31, 2022	
	At fair value through other comprehensive income	At amortised cost	At fair value through other comprehensive income	At amortised cost
8 Loans				
Portfolio loans (also refer note 43)				
Secured	-	22,179.39	-	15,939.07
Unsecured*	3,81,675.56	1,95,804.28	4,21,364.40	99,597.23
Housing loans				
Secured	46,149.76	-	29,230.68	-
	<b>4,27,825.32</b>	<b>2,17,983.67</b>	<b>4,50,595.08</b>	<b>1,15,536.30</b>
Less: Impairment loss allowance	(10,500.96)	(2,422.36)	(33,092.20)	(2,196.91)
<b>Sub-total</b>	<b>4,17,324.36</b>	<b>2,15,561.31</b>	<b>4,17,502.88</b>	<b>1,13,339.39</b>
<b>Total loans</b>		<b>6,32,885.67</b>		<b>5,30,842.27</b>

(i) Secured by tangible assets (property, plant and equipment including land and building)	63,945.82	41,946.63
(ii) Secured by book debts, inventories, margin money and other working capital items	3,082.64	1,733.28
(iii) Unsecured	5,65,857.21	4,87,162.36
<b>Total</b>	<b>6,32,885.67</b>	<b>5,30,842.27</b>

<b>Loans in India</b>		
(i) Public sector	-	-
(ii) Others	6,32,885.67	5,30,842.27
<b>Total</b>	<b>6,32,885.67</b>	<b>5,30,842.27</b>

\*Unsecured portfolio measured at amortised cost of ₹ 10,000.03 lakhs (balance as on June 10, 2022 i.e. cut off date) (March 31, 2022 : ₹ 5,314.81 lakhs (balance as on February 28, 2022 i.e. cut off date)) sold to an asset reconstruction company at a value of ₹ 8,650.00 lakhs on June 29, 2022 (March 31, 2022 : ₹ 5,300.00 lakhs on March 28, 2022).

Loss on such sale is netted off from net gain as disclosed in Note 32. The balance outstanding as on March 31, 2023 is ₹ 13,130.86 lakhs (March 31, 2022 : ₹ 5,254.77 lakhs).

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



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**Notes to the Consolidated financial statements for the year ended March 31, 2023**  
(All amounts in ₹ lakhs, unless otherwise stated)

The Group has not entered in to any credit derivative to mitigate the credit risk (if any)  
#Investment had been written off in the financial year 2018-19 and therefore shown at zero value



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

Particulars	As at March 31, 2023	As at March 31, 2022
<b>10 Other financial assets</b>		
Security deposits	253.59	356.53
Staff advances	106.25	79.67
Insurance recoverable	401.97	490.61
Amount receivable against Mudra Interest Subvention Scheme	-	9.75
Other recoverable	1,215.76	1,363.87
Unbilled revenue	370.63	606.60
	<b>2,348.20</b>	<b>2,907.03</b>
Less: Impairment loss allowance	(35.40)	(4.14)
<b>Total</b>	<b>2,312.80</b>	<b>2,902.89</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>11 Current tax assets (net)</b>		
Advance income - tax (net)	4,327.55	526.10
<b>Total</b>	<b>4,327.55</b>	<b>526.10</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>12 Deferred tax assets/(liabilities) (net)</b>		
<b>(A) Deferred tax assets</b>		
Provision for employee benefits	223.43	247.53
Difference in written down value as per Companies Act and Income Tax Act	223.63	234.50
Unabsorbed business losses and depreciation	8,155.06	737.82
Impairment loss allowance	3,932.47	9,696.32
Minimum alternate tax credit entitlement	222.45	124.88
Liability against leases	296.12	131.05
Impairment loss allowance on security receipts	678.04	-
Loss on Security Receipts through other comprehensive income	687.49	-
Others	-	0.45
	<b>14,418.69</b>	<b>11,172.55</b>
<b>(B) Deferred tax liabilities</b>		
Financial Liabilities measured at amortised cost	(2.30)	8.35
Financial Assets measured at amortised cost	558.99	295.33
Fair valuation of loan assets through other comprehensive income	564.76	323.31
Special reserve u/s 36 (i) (viii) under Income Tax Act	35.94	29.68
Right of use assets	289.88	107.31
Deferment of excess interest spread	4,113.94	2,154.91
<b>Total deferred tax liabilities</b>	<b>5,561.21</b>	<b>2,918.89</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>8,857.48</b>	<b>8,253.66</b>

**(i) Movement in deferred tax assets/(liabilities) (net)**

Particulars	As at March 31, 2022	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2023
<b>Assets</b>				
Provision for employee benefits	247.53	(36.46)	12.36	223.43
Difference in written down value as per Companies Act and Income Tax Act	234.50	(10.87)	-	223.63
Unabsorbed business losses and depreciation	737.82	7,417.24	-	8,155.06
Financial assets measured at amortised cost	-	-	-	-
Impairment loss allowance and first loss default guarantee	9,696.32	(5,763.85)	-	3,932.47
Minimum alternate tax credit entitlement	124.88	97.57	-	222.45
Liability against leases	131.05	165.07	-	296.12
Impairment loss allowance on security receipts	-	678.04	-	678.04
Loss on Security Receipts through other comprehensive income	-	-	687.49	687.49
Others	0.45	(0.45)	-	-
<b>Liabilities</b>				
Difference in written down value as per Companies Act and Income Tax Act	295.33	263.66	-	558.99
Financial liabilities measured at amortised cost	8.35	(10.65)	-	(2.30)
Fair valuation of financial instruments through profit and loss	-	-	-	-
Fair valuation of loan assets through other comprehensive income	323.31	230.15	11.30	564.76
Cash flow hedge reserve	-	6.92	(6.92)	-
Special reserve u/s 36 (i) (viii) under Income Tax Act	29.68	6.26	-	35.94
Right of use assets	107.31	182.57	-	289.88
Deferment of excess interest spread	2,154.91	1,959.03	-	4,113.94
<b>Total</b>	<b>8,253.66</b>	<b>(91.65)</b>	<b>695.47</b>	<b>8,857.48</b>


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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

Particulars	As at March 31, 2021	(Charged)/ credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2022
<b>Assets</b>				
Provision for employee benefits	379.17	(126.53)	(5.11)	247.53
Difference in written down value as per Companies Act and Income Tax Act	243.78	(9.28)	-	234.50
Unabsorbed business losses and depreciation	26.08	711.74	-	737.82
Financial assets measured at amortised cost	24.12	(24.12)	-	-
Impairment loss allowance and first loss default guarantee	8,153.72	1,542.60	-	9,696.32
Minimum alternate tax credit entitlement	130.49	(5.61)	-	124.88
Liability against leases	166.04	(34.98)	-	131.05
Others	22.85	(22.40)	-	0.45
<b>Liabilities</b>				
Difference in written down value as per Companies Act and Income Tax Act	-	295.33	-	295.33
Financial liabilities measured at amortised cost	23.40	(15.06)	-	8.35
Fair valuation of loan assets through other comprehensive income	1,309.21	(0.62)	(985.28)	323.31
Special reserve u/s 36 (i) (viii) under Income Tax Act	15.06	14.62	-	29.68
Right of use assets	146.35	(39.04)	-	107.31
Deferment of excess interest spread	2,433.45	(278.54)	-	2,154.91
<b>Total</b>	<b>5,218.78</b>	<b>2,054.73</b>	<b>980.17</b>	<b>8,253.66</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

Particulars	As at March 31, 2023	As at March 31, 2022
<b>13 Investment property</b>		
<b>A. Reconciliation of carrying amount (Cost or deemed cost)</b>		
Opening balance	769.52	729.24
Additions during the year	-	40.28
<b>Total</b>	<b>769.52</b>	<b>769.52</b>
<b>Accumulated depreciation</b>		
Opening balance	71.26	35.51
Additions during the year	34.00	35.75
<b>Total</b>	<b>105.26</b>	<b>71.26</b>
<b>Carrying amounts (Balance at date)</b>	<b>664.26</b>	<b>698.26</b>
<b>B. Amounts recognised in Statement of profit and loss for investment property</b>		
Rental income	30.40	24.60
Less: Depreciation expense	34.00	35.75
<b>Loss from investment property</b>	<b>(3.60)</b>	<b>(11.15)</b>
<b>C. Measurement of fair value</b>		
Investment property	828.52	789.06
	<b>828.52</b>	<b>789.06</b>

The Parent Company's investment properties consist of two residential properties in India. The fair values of the properties are ₹ 828.52 Lakhs (March 31, 2022 : ₹ 789.06 Lakhs). These valuations are based on valuations performed by an independent valuer, the valuer is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Valuation techniques used by the valuer is fair market value.

The Parent Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

**14 Property, plant and equipment**

Gross carrying amount	Freehold land	Buildings	Right of use (Leased building)	Right of use (Vehicle)	Computer equipment	Electric equipment	Office equipment	Furniture & fixtures	Vehicles (refer note (ii))	Total	Capital work in progress
Balance as at April 1, 2021	1,518.37	3,931.53	1,651.74	-	3,370.93	817.30	848.63	1,971.93	241.27	14,351.70	364.96
Additions	-	566.80	137.59	-	211.57	-	68.53	59.50	100.17	1,144.16	219.73
Adjustment on account of disposals	-	-	(30.19)	-	(559.98)	-	(116.73)	(179.38)	(63.50)	(949.78)	(566.80)
Balance as at March 31, 2022	1,518.37	4,498.33	1,759.14	-	3,022.52	817.30	800.43	1,852.05	277.94	14,546.08	17.89
Additions	-	17.89	1,256.53	80.69	610.20	-	74.97	78.21	99.77	2,218.26	-
Adjustment on account of disposals	-	-	(718.99)	-	(291.14)	-	(27.55)	(25.70)	(65.61)	(1,128.99)	(17.89)
Balance as at March 31, 2023	1,518.37	4,516.22	2,296.68	80.69	3,341.57	817.30	847.85	1,904.56	312.10	15,635.35	-
<b>Accumulated depreciation</b>											
Balance as at April 1, 2021	-	377.59	866.29	-	2,582.61	29.62	581.23	1,023.13	139.51	5,590.99	-
Depreciation charge for the year	-	175.86	289.72	-	459.12	144.69	131.06	249.96	43.12	1,493.54	-
Adjustment on account of disposals	-	-	(16.53)	-	(517.08)	-	(108.84)	(144.69)	(42.49)	(829.63)	-
Balance as at March 31, 2022	-	553.45	1,139.48	-	2,524.65	174.31	603.45	1,128.40	140.14	6,263.90	-
Depreciation charge for the year	-	193.88	603.82	6.14	457.99	116.25	98.85	193.26	60.21	1,730.40	-
Adjustment on account of disposals	-	-	(673.03)	-	(269.28)	-	(24.96)	(20.34)	(53.22)	(1,040.83)	-
Balance as at March 31, 2023	-	747.33	1,070.27	6.14	2,713.36	290.56	677.34	1,301.32	147.13	6,953.47	-
<b>Net carrying amount</b>											
Balance as at March 31, 2022	1,518.37	3,944.88	619.65	-	497.87	642.99	196.98	723.65	137.80	8,282.18	17.89
Balance as at March 31, 2023	1,518.37	3,768.89	1,226.40	74.55	628.21	526.74	170.51	603.24	164.97	8,681.88	-

**Notes:**

- (i) For disclosure of contractual commitments to be executed on capital account, refer note 51.  
(ii) Vehicles are taken on finance lease; monthly instalments are paid as per agreed terms and conditions  
(iii) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 52  
(iv) Capital work in progress ageing schedule

Capital Work in Progress	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	Total
Projects in progress	-	-	-	-
As at March 31, 2023	-	-	-	-
As at March 31, 2022	17.89	-	-	17.89





**SATIN CREDITCARE NETWORK LIMITED**

**Notes to the Consolidated financial statements for the year ended March 31, 2023**

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

**15 Other intangible assets**

<b>Gross Block</b>	<b>Intangible assets</b>	<b>Total</b>
<b>Balance as at April 1, 2021</b>	<b>1,291.23</b>	<b>1,291.23</b>
- Additions – being internally developed	-	-
- Additions – others	-	-
<b>Balance as at March 31, 2022</b>	<b>1,291.23</b>	<b>1,291.23</b>
Additions		
- Additions – being internally developed	-	-
- Additions – others	24.51	24.51
Disposals	(65.40)	(65.40)
<b>Balance as at March 31, 2023</b>	<b>1,250.34</b>	<b>1,250.34</b>
<b>Accumulated amortisation</b>		
<b>Balance as at April 1, 2021</b>	<b>980.32</b>	<b>980.32</b>
Amortisation charge for the year	80.51	80.51
Adjustment on account of disposal	-	-
<b>Balance as at March 31, 2022</b>	<b>1,060.83</b>	<b>1,060.83</b>
Amortisation charge for the year	74.97	74.97
Adjustment on account of disposal	(64.63)	(64.63)
<b>Balance as at March 31, 2023</b>	<b>1,071.17</b>	<b>1,071.17</b>
<b>Net block</b>		
<b>Balance as at March 31, 2022</b>	<b>230.40</b>	<b>230.40</b>
<b>Balance as at March 31, 2023</b>	<b>179.17</b>	<b>179.17</b>



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>16 Other non-financial assets</b>		
Prepaid expenses	1,947.78	1,251.24
Balances with government authorities	120.20	212.88
Gratuity fund asset (refer note 47)	86.69	-
Acquired property (held for sale)*	110.63	24.46
Other assets	1,029.30	2,394.36
<b>Total</b>	<b>3,294.60</b>	<b>3,882.94</b>

\*Acquired property (held for sale) by subsidiary Satin Housing Finance Limited.

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held date	Reason for not being held in the name of the subsidiary
Land & Building	24.46	Shailo Devi W/o Vijay Singh	No	22-01-2022	Asset acquired under court order as per SARFAESI Act
Land & Building	6.39	Subhash Dagar	No	28-02-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	17.94	Sadhna Sharma	No	28-02-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	20.37	Kiran W/O Mukesh Chauhan	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	17.26	Pumima Behra W/O Suraj Behra	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	18.93	Poonam W/O Shrichand	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	3.54	Kiran W/O Mukesh Chauhan	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	1.74	Poonam W/O Shrichand	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
<b>Total</b>	<b>110.63</b>				

Particulars	As at March 31, 2023	As at March 31, 2022
<b>17 Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	10.42	10.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	497.45	1,268.06
<b>Total</b>	<b>507.87</b>	<b>1,278.48</b>

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	10.42	-	-	-	10.42
(ii) Others	198.23	291.28	5.47	1.94	0.54	497.45
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>198.23</b>	<b>301.70</b>	<b>5.47</b>	<b>1.94</b>	<b>0.54</b>	<b>507.87</b>

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	10.42	-	-	-	10.42
(ii) Others	1049.81	188.54	20.92	8.79	-	1,268.06
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,049.81</b>	<b>198.96</b>	<b>20.92</b>	<b>8.79</b>	<b>-</b>	<b>1,278.48</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>18 Other payables</b>		
Total outstanding dues of micro enterprises and small enterprises	23.87	172.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,527.78	1,520.19
<b>Total</b>	<b>1,551.65</b>	<b>1,692.21</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>19 Debt securities (at amortised cost)</b>		
Non-convertible debentures	1,09,643.58	1,19,241.39
<b>Total</b>	<b>1,09,643.58</b>	<b>1,19,241.39</b>
Debt securities in India	1,09,643.58	1,19,241.39
Debt securities outside India	-	-
<b>Total</b>	<b>1,09,643.58</b>	<b>1,19,241.39</b>



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

Particulars	Terms of repayment	As at March 31, 2023	As at March 31, 2022
<b>(A) Non-convertible debentures (secured)</b>			
1 Nil (March 31, 2022: 1500) @Nil (Previous year: 10.30%), Secured, Partially Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 2,50,000 each). The date of allotment is December 31, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of entire redemption amount of the debentures outstanding)	Redeemable ₹ 3,750 Lakhs on October 02, 2021, ₹ 3,750 Lakhs on December 31, 2021, ₹ 3,750 Lakhs March 31, 2022 and ₹ 3,750 Lakhs on June 30, 2022 and frequency of Interest payment is quarterly.	-	3,737.51
2 Nil (March 31, 2022: 250) @Nil (Previous year: 10.25%), Secured, Senior, Rated, Listed, Fully paid-up, Redeemable, Taxable, Transferable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 10,00,000 each). The date of allotment is October 13, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)	Redeemable at par on April 13, 2022 and frequency of Interest payment is half yearly.	-	2,499.89
3 9,750 (March 31, 2022: 9,750) @10.50% (Previous year: 10.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 5 each (March 31, 2022: ₹ 50,000 each) The date of allotment is December 16, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par ₹ 4,874.51 Lakhs (99.99%) on May 6, 2022 and rest ₹ 0.49 Lakhs (01%) on May 6, 2024 and frequency of Interest payment is half yearly.	0.49	4,841.08
4 Nil (March 31, 2022: 250) @Nil (Previous year: 10.40%), Secured, Partially Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 10,00,000 each). The date of allotment is November 9, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding.)	Redeemable at par on May 9, 2022 and frequency of Interest payment is annually.	-	2,498.80
5 Nil (March 31, 2022: 500) @Nil (Previous year: 10.20%), Secured, Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 10,00,000 each). The date of allotment is December 10, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 125% of principal amount of the debentures outstanding)	Redeemable at par on June 10, 2022 and frequency of Interest payment is annually.	-	4,997.81
6 Nil (March 31, 2022: 650), @Nil (Previous year : 12.06%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 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)	Redeemable on October 3, 2022 and frequency of Interest payment is half yearly.	-	6,499.11
7 600 (March 31, 2022: 600) @11.50% (Previous year: 11.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is October 23, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding with exclusivity on security interest)	Redeemable ₹ 1,500 Lakhs (25%) on April 24, 2023, ₹ 1,500 Lakhs (25%) on October 24, 2023 rest ₹ 3,000 Lakhs (50%) on 23 April, 2024 and frequency of Interest payment is half yearly.	5,998.72	5,997.46
8 50 (March 31, 2022: 50). @15.75% (Previous year : 15.50%), rated, unlisted, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of ₹ 1,00,00,000 each, The date of allotment is June, 29, 2020. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 110% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on June 29, 2023	499.50	497.64
9 18,750 (March 31, 2022: 18,750) @11.10% (Previous year: 11.10%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 1,00,000 each (March 31, 2022: ₹ 1,00,000 each). The date of allotment is December 22, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable ₹ 18,748.13 Lakhs (99.99%) on June 05, 2023 and rest ₹ 1.87 Lakhs (0.01%) on June 05, 2025 and frequency of Interest payment is half yearly.	18,640.21	18,598.95
10 250 (March 31, 2022: 250) @11.25% (Previous year: 11.25%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is June 30, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding)	Redeemable at par on June 30, 2023 and frequency of Interest payment is annually.	2,498.79	2,492.92
11 200 (March 31, 2022: 200), @12.75% (Previous year : 12.75%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 25,00,000 each (March 31, 2022: ₹ 25,00,000 each). The date of allotment is July 15, 2014 and roll over date is July 15, 2020. (Secured by way of hypothecation of book debts which shall be maintained at 110% of principal amount of the debentures outstanding)	Redeemable at par on June 30, 2023 (rolled over on July 15, 2020) and frequency of Interest payment is half yearly.	4,999.78	4,998.88
12 250 (March 31, 2022: 250) @11.00% (Previous year: 11.00%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is July 28, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on July 28, 2023 and frequency of Interest payment is quarterly.	2,495.86	2,481.33
13 250 (March 31, 2022: 250) @10.95% (Previous year: 10.95%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 3,33,333.34 each (March 31, 2022: ₹ 6,66,667 each). The date of allotment is July 31, 2020. (Secured by way of hypothecation of book debt which shall be maintained at 110% of principal amount of the debentures outstanding)	Redeemable at par on July 31, 2023 and frequency of Interest payment is half yearly.	830.73	1,655.20
14 970 (March 31, 2022: 970), @11.40% (Previous year : 11.40%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is July 31, 2018 and roll over date is July 27, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable on July 31, 2023 and frequency of Interest payment is half yearly.	9,699.54	9,697.78



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

Particulars	Terms of repayment	As at March 31, 2023	As at March 31, 2022
<b>(A) Non-convertible debentures (secured)</b>			
15 1,200 (March 31, 2022: 1,200), @11.45% (Previous year: 11.45%), Secured, Not Guaranteed, Senior, Taxable, Non-Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 2,50,000 each (March 31, 2022: ₹ 7,50,000 each). The date of allotment is September 27, 2019. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on September 27, 2023 and frequency of Interest payment is half yearly.	2,999.18	8,997.29
16 2,130 (March 31, 2022: 2,130), @11.095% (Previous year: 11.095%), Secured, Not Guaranteed, Senior, Taxable, Non-Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 2,85,714.29 each (March 31, 2022: ₹ 5,71,428.58 each). The date of allotment is December 14, 2018. (Secured by way of hypothecation of book debts which shall be maintained at 100% of principal amount and coupon of the debentures outstanding)	Redeemable on December 14, 2023 and frequency of Interest payment is half yearly.	6,043.57	12,062.97
17 680 (March 31, 2022: 680), @12.00% (Previous year: 11.70%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is June 15, 2016 and roll over date is June 2, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on June 15, 2025 (subject to put option, Exercise Date is June 15, 2024) and frequency of Interest payment is half yearly.	6,800.00	6,799.96
18 19,250 (March 31, 2022: Nil) @11.15% (Previous year: Nil), Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 50,000 each (March 31, 2022: Nil). The date of allotment is June 24, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable ₹ 9,624.03 Lakhs (99.99%) on June 24, 2025 and rest ₹ 0.96 Lakhs (0.01%) on June 24, 2027 and frequency of Interest payment is half yearly.	9,496.47	-
19 2,060 (March 31, 2022: Nil) @11.6880% (Previous year: Nil), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of ₹ 1,00,000 each (March 31, 2022: Nil). The date of allotment is February 24, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on February 24, 2026 and frequency of Interest payment is Quarterly.	2,037.57	-
20 750 (March 31, 2022: 750), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is March 7, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on March 6, 2026 and frequency of Interest payment is half yearly.	7,475.60	7,467.13
21 300 (March 31, 2022: 300), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is March 30, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on March 30, 2026 and frequency of Interest payment is half yearly.	2,997.53	2,996.69
22 373 (March 31, 2022: 373), @11.5000% (Previous year: 11.5000%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is September 2, 2021. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on September 2, 2026 (Subject to Call Put Option is exercised on August 30, 2024 and frequency of Interest payment is half yearly.	3,727.82	3,726.25
23 2,500 (March 31, 2022: Nil), @12.3000% (Previous year: Nil), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 1,00,000 each (March 31, 2022: ₹ Nil). The date of allotment is January 16, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on January 16, 2027 and frequency of Interest payment is half yearly.	2,496.89	-
24 7,840 (March 31, 2022: Nil) @11.7160% (Previous year: Nil), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of ₹ 1,00,000 each (March 31, 2022: Nil). The date of allotment is March 13, 2023. (Secured by way of hypothecation of book debt which shall be maintained at 100% of principal amount of the debentures outstanding)	Redeemable at par on March 12, 2027 and frequency of Interest payment is Quarterly.	7,756.64	-
25 650 (March 31, 2022: Nil), @12.1500% (Previous year: Nil), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ Nil). The date of allotment is December 12, 2022. (Secured by way of hypothecation of book debt which shall be maintained at 105% of principal amount of the debentures outstanding and interest accrued)	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is half yearly.	6,451.38	-
<b>Total (A)</b>		<b>1,03,946.27</b>	<b>1,13,544.65</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*
**(B) Non convertible debentures (unsecured)**

1	570 (March 31, 2022: 570), @11.50% (Previous year: 11.50%) Unsecured, Senior, Rated, Unlisted, Redeemable, Transferable, Non Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is February 28, 2022.	Redeemable at par on May 9, 2022 and frequency of Interest payment is annually.	5,697.31	5,696.74
	<b>Total (B)</b>		<b>5,697.31</b>	<b>5,696.74</b>
	<b>Total (A+B)</b>		<b>1,09,643.58</b>	<b>1,19,241.39</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>20 Borrowings (other than debt securities) (at amortised cost)</b>		
Term loans		
From banks		
Secured*	1,85,152.59	2,08,930.66
From other parties		
Secured	1,02,332.63	95,744.85
Unsecured	-	19.65
Overdraft facility against term deposits		
From banks		
Secured	-	19,418.55
Unsecured	-	0.17
External commercial borrowings		
Secured	21,285.26	12,219.06
Unsecured	19,613.23	18,282.83
Commercial paper (unsecured)	-	2,441.29
Liability against securitised assets (secured)	1,14,564.33	50,294.24
Liability against leased assets (unsecured)	1,410.22	728.66
<b>Total</b>	<b>4,44,358.26</b>	<b>4,08,079.96</b>
Borrowings in India	4,03,459.77	3,77,578.07
Borrowings outside India	40,898.49	30,501.89
<b>Total</b>	<b>4,44,358.26</b>	<b>4,08,079.96</b>

\*Includes amount guaranteed by directors in their personal capacity of ₹ 83,364.45 (March 31, 2022 : ₹ 1,00,972.77)

Includes amount guaranteed by directors in their personal capacity of ₹ 54,652.48 (March 31, 2022 : ₹ 45,205.67)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>21 Sub-ordinated liabilities (at amortised cost)</b>		
Non-convertible debentures (refer note A)	14,622.90	21,200.60
Term loans from banks	22,500.00	25,500.00
External commercial borrowings	-	329.93
<b>Total</b>	<b>37,122.90</b>	<b>47,030.53</b>
Sub-ordinated liabilities in India	37,122.90	46,700.60
Sub-ordinated liabilities outside India	-	329.93
<b>Total</b>	<b>37,122.90</b>	<b>47,030.53</b>

**A Non convertible debentures (unsecured)**

Particulars	Terms of repayment	As at March 31, 2023	As at March 31, 2022
1 Nil (March 31, 2022: 250), @Nil (Previous year: 15.50%), Unsecured, Rated, Subordinated, Redeemable, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹10,00,000 each). The date of allotment is December 30, 2015.	Redeemable on April 15, 2022 and frequency of Interest payment is quarterly.	-	2,499.98
2 Nil (March 31, 2022: 100), @Nil (Previous year: 15.50%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹ 10,00,000 each). The date of allotment is June 28, 2016.	Redeemable on September 28, 2022 and frequency of Interest payment is monthly.	-	998.69
3 Nil (March 31, 2022: 100), @Nil (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ Nil (March 31, 2022: ₹10,00,000 each). The date of allotment is June 29, 2016.	Redeemable on March 31, 2023 and frequency of Interest payment is monthly.	-	1,070.25
4 350 (March 31, 2022: 350), @13.85% (Previous year: 13.85%), Unsecured, Unrated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is March 29, 2017.	Redeemable on April 30, 2023 and frequency of Interest payment is quarterly.	3,499.79	3,498.37
5 100 (March 31, 2022: 100), @15.00% (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ 38,795.83 each (March 31, 2022: ₹10,00,000 each). The date of allotment is June 29, 2016.	Redeemable on June 30, 2023 and frequency of Interest payment is monthly.	36.25	1,070.25
6 100 (March 31, 2022: 100), @15.00% (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ 76,193.08 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is June 29, 2016.	Redeemable on September 30, 2023 and frequency of Interest payment is monthly.	73.65	1,070.25
7 100 (March 31, 2022: 100), @15.00% (Previous year: 15.00%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Non-Convertible Debentures of face value of ₹ 10,76,193.08 each (March 31, 2022: ₹ 10,00,000 each). The date of allotment is June 29, 2016.	Redeemable on December 31, 2023 and frequency of Interest payment is quarterly.	1,073.65	1,070.25





**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*
**A Non convertible debentures (unsecured)**

Particulars	Terms of repayment	As at March 31, 2023	As at March 31, 2022
8 20 (March 31, 2022: 20) @14% Unsecured, Rated, Listed, Redeemable, Subordinate, Taxable, Transferable, Non-Convertible debentures of face value of ₹ 1,00,00,000 each, The date of allotment is December 17, 2019	Redeemable in four equal tranches starting from June 30, 2025 to December 31, 2026	1,996.65	1,995.80
9 300 (March 31, 2022: 300), @15.50% (Previous year: 15.50%), Unsecured, Rated, Listed, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of ₹ 10,00,000 each (March 31, 2022: ₹10,00,000 each) The date of allotment is December 17, 2019	Redeemable on December 31, 2026 and frequency of Interest payment is half yearly	2,991.48	2,989.12
10 10,010 (March 31, 2022: 10,010), @ 13.14 % (Previous year: 13.14%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of ₹ 50,000 each (March 31, 2022: ₹ 50,000 each), The date of allotment is March 24, 2020.	Redeemable on April 24, 2027 and frequency of Interest payment is half yearly	4,951.43	4,937.64
<b>Total</b>		<b>14,622.90</b>	<b>21,200.60</b>



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**SATIN CREDITCARE NETWORK LIMITED**  
Notes to the Consolidated financial statements for the year ended March 31, 2023  
(All amounts in ₹ lakhs, unless otherwise stated)

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2023 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Below 9.00%	233	6,305.44	183	1,702.89	124	30.78	99	26.93	15	3.62	8,069.65
	9% to 12%	4,546	1,55,148.67	2,235	55,041.16	901	4,478.94	244	2,085.37	123	922.65	2,15,676.79
	12.01% to 15%	734	29,521.94	540	22,240.79	235	4,924.91	100	1,912.76	26	771.42	59,371.82
Quarterly	Above 15%	101	1,575.41	58	1,253.04	40	947.83	-	-	-	-	3,776.28
	Below 9.00%	19	1,107.28	23	1,394.42	16	807.08	16	804.06	49	1,919.54	6,032.38
	9% to 12%	62	52,575.53	38	28,382.59	14	10,654.01	4	2,466.51	11	6,782.89	1,00,861.53
	12.01% to 15%	27	12,229.17	11	6,583.33	2	500.00	-	-	-	-	19,312.50
	Above 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	Below 9.00%	2	2,671.50	2	2,671.50	-	-	-	-	-	-	5,343.00
	9% to 12%	8	8,685.71	3	1,000.00	-	-	-	-	-	-	9,685.71
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-
Annually	Above 15%	-	-	-	-	2	1,500.00	2	1,500.00	-	-	3,000.00
	9% to 12%	1	833.33	-	-	-	-	-	-	-	-	833.33
	Below 9.00%	1	2,500.00	1	4,110.85	-	-	-	-	-	-	6,610.85
Bullet	9% to 12%	8	19,600.00	-	-	-	-	2	12,332.54	-	-	31,932.54
	12.01% to 15%	13	25,091.18	2	10,530.00	4	35,959.52	2	10,340.00	-	-	81,920.70
	Above 15%	2	3,000.00	-	-	-	-	-	-	-	-	3,000.00
On demand	9% to 12%	2	18,748.13	2	0.49	4	9,625.91	-	-	2	0.96	28,375.49
	12.01% to 15%	3	6,000.00	2	4,875.00	5	13,629.50	-	-	2	0.50	24,505.00
<b>Total</b>		<b>5,762</b>	<b>3,45,593.28</b>	<b>3,100</b>	<b>1,37,786.05</b>	<b>1,347</b>	<b>83,058.48</b>	<b>469</b>	<b>31,468.16</b>	<b>228</b>	<b>10,401.58</b>	<b>6,08,307.56</b>

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2022 are as follows:#

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Below 9.00%	224	19,753.98	169	8,794.40	97	1,684.16	48	12.71	24	6.89	30,252.14
	9% to 12%	384	92,929.04	260	30,133.62	173	14,563.83	103	2,045.97	78	1,441.50	1,41,113.96
	12.01% to 15%	521	8,746.01	191	1,935.51	34	466.03	2	27.44	-	-	11,174.99
Quarterly	Below 9.00%	189	8,882.29	151	3,508.34	90	1,911.62	33	1,197.76	16	1,045.43	16,545.44
	9% to 12%	62	49,112.62	44	34,226.71	12	6,623.11	2	62.50	-	-	90,024.94
	12.01% to 15%	13	2,464.83	6	1,187.50	-	-	-	-	-	-	3,652.33
Semi-annually	Below 9.00%	2	2,671.50	2	2,671.50	2	2,671.50	-	-	-	-	8,014.50
	9% to 12%	17	20,435.71	8	8,685.71	3	1,000.00	-	-	-	-	30,121.42
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-
Annually	Above 15%	-	-	-	-	-	-	2	1,500.00	2	1,500.00	3,000.00
	9% to 12%	1	833.33	1	833.33	-	-	-	-	-	-	1,666.66
	Below 9.00%	4	15,000.00	-	-	-	-	-	-	-	-	15,000.00
Bullet	9% to 12%	15	49,540.16	2	5,000.00	1	3,776.00	-	-	2	11,327.99	69,644.15
	12.01% to 15%	3	17,604.77	5	26,400.00	1	3,750.00	1	20,000.00	-	-	67,734.77
	Above 15%	3	6,500.00	-	-	-	-	-	-	-	-	6,500.00
Bullet		-	-	1	500.00	-	-	-	-	-	-	500.00
On demand	Variable rates	6	40,293.06	5	24,748.13	4	4,875.49	7	13,631.37	2	0.50	83,548.55
<b>Total</b>		<b>1,444</b>	<b>3,34,767.30</b>	<b>845</b>	<b>1,48,624.75</b>	<b>417</b>	<b>41,301.74</b>	<b>198</b>	<b>38,477.75</b>	<b>124</b>	<b>15,322.31</b>	<b>5,78,493.85</b>

# 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.



**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

**Reconciliation of liabilities arising from financing activities**

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

Particulars	Debt securities	Borrowings (other than debt)	Subordinated liabilities	Liability against leased assets	Total
April 1, 2021	1,71,003.09	3,93,824.31	52,407.85	877.73	6,18,112.98
<b>Cash flows:</b>					
- Repayment	(81,783.71)	(3,16,735.27)	(5,370.18)	(354.99)	(4,04,244.15)
- Proceeds from overdraft facility	-	10,378.58	-	-	10,378.58
- Proceeds other than overdraft facility	29,630.00	3,19,571.12	-	-	3,49,201.12
	(52,153.71)	13,214.43	(5,370.18)	(354.99)	(44,664.45)
<b>Non-cash:</b>					
- Addition during the year	-	-	-	137.60	137.60
- Foreign exchange	-	418.11	(50.19)	-	367.92
- Amortisation of upfront fees and others	436.69	1,452.09	43.05	-	1,931.83
- Deferment of upfront processing fee	(44.68)	(1,557.64)	-	-	(1,602.32)
- Others	-	-	-	68.32	68.32
March 31, 2022	1,19,241.39	4,07,351.30	47,030.53	728.66	5,74,351.88
<b>Cash flows:</b>					
- Repayment	(38,043.56)	(3,71,545.96)	(9,890.93)	(730.18)	(4,20,210.63)
- Proceeds from overdraft facility	-	(19,418.35)	-	-	(19,418.35)
- Proceeds other than overdraft facility	28,525.00	4,26,524.32	-	73.83	4,55,123.15
	(9,518.56)	35,560.01	(9,890.93)	(656.35)	15,494.17
<b>Non-cash:</b>					
- Addition during the year	-	-	-	1,256.53	1,256.53
- Foreign exchange	-	593.54	(53.08)	-	540.46
- Amortisation of upfront fees and others	236.43	1,272.36	36.38	-	1,545.17
- Deferment of upfront processing fee	(315.68)	(1,838.73)	-	-	(2,154.41)
- Others	-	9.56	-	81.38	90.94
March 31, 2023	1,09,643.58	4,42,948.04	37,122.90	1,410.22	5,91,124.74

**Notes:**

i) The Borrowings together with debt securities and subordinate liabilities referred in notes 19, 20 and 21 are secured by way hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits.

ii) Vehicles and building are hypothecated for respective borrowings availed for purchase of property plant and equipment.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>22 Other financial liabilities</b>		
Interest accrued on debt securities	2,990.37	3,496.31
Interest accrued on borrowings other than debt securities	1,734.94	1,749.90
Interest accrued on subordinated liabilities	489.49	530.26
Payable towards assignment and securitisation transactions	18,178.63	17,800.72
Margin money received from customers	-	167.44
First loss default guarantee	2,462.84	2,998.32
Payable to employees	1,123.33	784.15
Security deposit received	36.75	29.68
Insurance payables	47.33	436.24
Unclaimed amount of preference shares	8.26	8.26
<b>Total</b>	<b>27,071.94</b>	<b>28,001.28</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>23 Provisions</b>		
Provision for gratuity (refer note 47)	59.87	33.94
Provision for compensation absences (refer note 47)	874.35	945.61
Provision for compassionate	0.13	2.78
<b>Total</b>	<b>934.35</b>	<b>982.33</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>24 Other non-financial liabilities</b>		
Interest received in advance	217.47	134.66
Deferred income	-	3.61
Statutory dues payables	736.35	897.27
<b>Total</b>	<b>953.82</b>	<b>1,035.54</b>



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
<b>25 Equity share capital</b>				
<b>A Authorised</b>				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	10,50,00,000	10,500.00	9,50,00,000	9,500.00
Additions during the year	-	-	1,00,00,000	1,000.00
	<b>10,50,00,000</b>	<b>10,500.00</b>	<b>10,50,00,000</b>	<b>10,500.00</b>
<b>B Issued and subscribed</b>				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	7,51,43,893	7,514.39	7,20,66,977	7,206.70
Additions during the year	1,02,05,128	1,020.51	30,76,916	307.69
	<b>8,53,49,021</b>	<b>8,534.90</b>	<b>7,51,43,893</b>	<b>7,514.39</b>
<b>C Issued and Paid-up</b>				
<b>Fully paid-up</b>				
Equity share capital of face value of ₹ 10 each				
At the beginning of the year	7,50,18,997	7,501.90	5,20,38,194	5,203.82
Additions during the year	1,02,05,128	1,020.51	2,29,80,803	2,298.08
	<b>8,52,24,125</b>	<b>8,522.41</b>	<b>7,50,18,997</b>	<b>7,501.90</b>
Less: Amount recoverable from Satin Employees Welfare Trust (Equity shares of ₹ 10/- each allotted to the Satin Employees Welfare Trust)	(4,82,946)	(48.29)	(4,82,946)	(48.29)
Add: Forfeited shares (amount originally paid on 1,24,896 equity shares (March 31, 2022: 1,24,896 equity shares)	-	5.51	-	5.51
	<b>8,47,41,179</b>	<b>8,479.63</b>	<b>7,45,36,051</b>	<b>7,459.12</b>
<b>D Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b>				
Balance at the beginning of the year	7,50,18,997	7,501.90	7,20,20,477	6,702.49
Add: Call money received during the year	-	-	-	494.88
Add: Issued during the year	1,02,05,128	1,020.51	30,76,916	307.69
Less: Forfeited shares	-	-	78,396	3.16
	<b>8,52,24,125</b>	<b>8,522.41</b>	<b>7,50,18,997</b>	<b>7,501.90</b>
<b>E Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year</b>				
Balance at the beginning of the year	4,82,946	48.29	4,82,946	44.94
Add: Call money received during the year	-	-	-	3.35
	<b>4,82,946</b>	<b>48.29</b>	<b>4,82,946</b>	<b>48.29</b>

**F** During the current financial year, the Company has allotted 1,02,05,128 equity shares of face value of ₹ 10/- each to Trishashna Holdings & Investments Private Ltd' (THIPL) (entity belonging to promoter group) and Florintree Ventures LLP (entity belonging to non-promoter group) pursuant to conversion of Fully Convertible Warrants of ₹ 10 each at issue price of ₹ 81.25 per warrant including premium of ₹ 71.25 per warrant.

**G Rights, preferences and restrictions**

The Parent 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 fully paid share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Parent Company, the holders of equity share will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders or in case of partly paid shares the paid-up amount.

**H Details of shareholder holding more than 5% share capital:**

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Trishashna Holdings & Investments Private Limited (THIPL)	3,15,79,692	37.05%	2,54,77,128	33.96%
Nordic Microfinance Initiative Fund III KS	46,63,136	5.47%	46,63,136	6.22%

**I Aggregate number of shares issued for consideration other than cash during the last five years**

- On May 30, 2018, the Company had allotted 1,230,098 equity shares of ₹ 10 each on conversion of 1,230,098. 0.01% Optionally Convertible, Redeemable Preference Shares ("OCRPS") of face value of ₹ 10 each fully paid-up to Capital First Limited (entities belonging to non-promoter group).
- On June 27, 2019, the Company has allotted 1,343,283 equity shares of ₹ 10 each on conversion of 1,343,283. Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of ₹ 10 each fully paid-up to IndusInd Bank Limited (entities belonging to non-promoter group).

**J Shares reserved for issue under options**

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note to 56.

**K** The information required to be disclosed that enables user of its financial statements to evaluate the objectives, policies and process for managing capital is disclosed in note 44.

**L Shareholdings of Promoters**

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mrs. Anureet HP Singh	7,26,148	0.85%	7,26,148	0.97%	(0.12%)
Mr. Harbans Singh (deceased)	4,06,402	0.48%	4,06,402	0.54%	(0.06%)
Mr. Satvinder Singh	3,85,703	0.45%	3,85,703	0.51%	(0.06%)
Mrs. Neeti Singh	2,04,092	0.24%	2,04,092	0.27%	(0.03%)
Trishashna Holdings & Investments Private Limited	3,15,79,692	37.05%	2,54,77,128	33.96%	3.09%
Wisteria Holdings & Investments Private Limited	3,22,262	0.38%	3,22,262	0.43%	(0.05%)
<b>Total</b>	<b>3,36,24,299</b>	<b>39.45%</b>	<b>2,75,21,735</b>	<b>36.68%</b>	<b>2.77%</b>



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*
**26 Other equity**

Particulars	As at March 31, 2023	As at March 31, 2022
Capital redemption reserve	2,777.00	2,777.00
Statutory reserve	16,573.30	11,003.98
General reserve	29.94	29.94
Securities premium	1,13,726.31	1,06,455.16
Retained earnings	19,735.05	24,864.90
Money received against share warrants	2,927.08	5,000.00
Other comprehensive income:		
Equity instruments through other comprehensive income	(2,049.12)	(5.00)
Changes in fair value of loan assets	613.25	579.68
Cash flow hedge reserve	-	20.56
<b>Total</b>	<b>1,54,332.81</b>	<b>1,50,726.22</b>

**Nature and purpose of other reserve**
**Capital redemption reserve**

The same had been created in accordance with provisions of the Companies Act, 2013 on account of redemption of preference shares.

**Statutory reserve**

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

**General reserve**

The management has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

**Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

**Money received against share warrants**

During the last year, the Company had allotted Fully Convertible Warrants of ₹ 10 each at issue price of ₹ 81.25 per warrant including premium of ₹ 71.25 per warrant (25% of which was paid on allotment of warrant and 75% shall be payable at the time of exercising the warrants) on preferential basis to Trishashma Holdings & Investments Private Ltd (THIPL) (1,23,07,692 warrants) (entity belonging to promoter group) and Florintree Ventures LLP (1,23,07,692 warrants) (entity belonging to non-promoter group) on January 25, 2022. Out of the said warrants 1,02,05,128 warrants (61,02,564 warrants by THIPL and 41,02,564 warrants by Florintree Ventures LLP) have been converted during the year.

**Equity instruments through other comprehensive income**

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

**Changes in fair value of loan assets**

This represents the cumulative gains and losses arising on the fair valuation of loan assets classified under business model of hold and hold to collect and sell.

**Cash flow hedge reserve**

Cash flow hedge reserve is used to eliminate or reduce the exposure that arises from changes in the cash flows of a financial asset or liability (or other eligible exposure) due to changes in a particular risk, such as interest rate risk on a floating rate debt instrument.



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On financial assets measured at amortised cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI	On financial assets measured at amortised cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI
<b>27 Interest income</b>						
Interest income on portfolio loans	27,029.70	-	85,674.99	9,241.68	-	1,03,722.70
Income from housing loans	-	-	5,112.33	-	-	3,303.33
Interest income on deposits	4,850.99	-	-	4,796.76	-	-
Interest income on certificate of deposits and commercial papers	-	256.56	-	-	738.64	-
Interest income on unwinding of assigned portfolio	1,972.27	-	-	970.38	-	-
<b>Sub-total</b>	<b>33,852.96</b>	<b>256.56</b>	<b>90,787.32</b>	<b>15,008.82</b>	<b>738.64</b>	<b>1,07,026.03</b>
<b>Total</b>			<b>1,24,896.84</b>			<b>1,22,773.49</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>28 Dividend income</b>		
Dividend income	0.17	3.15
<b>Total</b>	<b>0.17</b>	<b>3.15</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>29 Rental income</b>		
Rental income on building	38.28	35.63
<b>Total</b>	<b>38.28</b>	<b>35.63</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>30 Fees and commission income</b>		
Service fee and facilitation charges	2,158.30	682.25
Income from business correspondent operations*	5,516.11	7,444.52
<b>Total</b>	<b>7,674.41</b>	<b>8,126.77</b>

\*Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to profit and loss account:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Type of Services or service</b>		
Income from business correspondent operations	5,516.11	7,444.52
<b>Total revenue from contracts with customers</b>	<b>5,516.11</b>	<b>7,444.52</b>
<b>Geographical markets</b>		
India	5,516.11	7,444.52
Outside India	-	-
<b>Total revenue from contracts with customers</b>	<b>5,516.11</b>	<b>7,444.52</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	-	-
Services transferred over time	5,516.11	7,444.52
<b>Total revenue from contracts with customers</b>	<b>5,516.11</b>	<b>7,444.52</b>
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Contract balances</b>		
Trade receivable	698.53	882.84
Contract Assets	825.64	2,250.84
Contract Liabilities	-	-

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per Contract	5,516.11	7,444.52
Adjustments	-	-
Discount	-	-
<b>Revenue from contract with customers</b>	<b>5,516.11</b>	<b>7,444.52</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>31 Net gain on fair value changes</b>		
(A) Net gain on financial instruments measured at fair value through profit and loss		
- Investments		
Gain on sale of mutual funds	375.37	264.81
Gain on fair valuation of other investments	1.19	-
(B) Others		
- Derivatives	1,038.89	1,158.62
<b>Total</b>	<b>1,415.45</b>	<b>1,423.43</b>
<b>Fair value changes</b>		
- Realised	375.37	263.11
- Unrealised	1,040.08	1,160.32
<b>Total</b>	<b>1,415.45</b>	<b>1,423.43</b>





**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>32 Net gain on derecognition of financial instruments</b>		
Gain on sale of loan portfolio through assignment	21,571.16	5,165.51
<b>Total</b>	<b>21,571.16</b>	<b>5,165.51</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>33 Other operating income</b>		
Commitment and other charges	132.73	176.60
<b>Total</b>	<b>132.73</b>	<b>176.60</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>34 Other income</b>		
Promotion of financial products	90.00	55.00
Net gain on derecognition of property, plant and equipment	9.95	2.75
Net gain on termination of leases	7.59	7.78
Interest income on income - tax refund	-	69.93
Miscellaneous income	65.75	273.94
<b>Total</b>	<b>173.29</b>	<b>409.40</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>35 Finance costs (on financial liabilities measured at amortised cost)</b>		
Interest on borrowings (other than debt securities)	41,624.35	36,560.71
Interest on debt securities	12,703.81	18,520.51
Interest on subordinated liabilities*	5,848.88	6,918.75
Interest expense for leasing arrangements	141.07	89.03
Other interest expenses	972.25	787.41
Bank charges	382.74	195.10
<b>Total</b>	<b>61,673.10</b>	<b>63,071.51</b>

\* This includes dividend on Cumulative, Non-Participative, Non Convertible, Compulsorily Redeemable Preference Shares of ₹ Nil (March 31, 2022 : ₹ 20.31 Lakhs) paid during the year along with redemption of the same.

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	On financial assets measured at amortised cost	On financial assets measured at FVTOCI	On financial assets measured at amortised cost	On financial assets measured at FVTOCI
<b>36 Impairment on financial instruments</b>				
Loans written off	356.80	59,469.91	97.60	11,810.92
Impairment loss allowance on trade receivable and other receivable	25.37	-	15.79	-
Impairment loss allowance on housing and other loans	225.45	(19,269.31)	457.33	5,692.02
<b>Total</b>	<b>607.62</b>	<b>40,200.60</b>	<b>570.72</b>	<b>17,502.94</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>37 Employee Benefit Expenses</b>		
Salaries, wages and bonus	35,340.71	35,366.02
Contribution to provident and other funds	2,946.28	3,472.89
Share based payment to employees	-	(5.76)
Staff welfare expenses	473.30	479.28
<b>Total</b>	<b>38,760.29</b>	<b>39,312.43</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>38 Depreciation and amortisation</b>		
Depreciation on property, plant and equipment	1,120.44	1,203.80
Depreciation on right-of-use assets	609.96	289.72
Depreciation on investment property	34.00	35.75
Amortisation on intangible assets	74.97	80.50
<b>Total</b>	<b>1,839.37</b>	<b>1,609.77</b>



**SATIN CREDITCARE NETWORK LIMITED**

**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>39 Other expenses</b>		
Travelling and conveyance	2,366.79	671.45
Legal and professional charges	1,630.78	1,442.50
Insurance	430.50	558.47
Rent	1,401.63	1,659.81
Auditor's fee and expenses*	81.32	78.86
Rates and taxes	169.42	127.14
Repairs and maintenance	737.68	590.87
Director's fees, allowances and expenses	91.19	68.24
Software expenses	80.26	67.71
Documentation charges	362.04	128.64
Corporate social responsibility	175.45	341.93
Net loss on derecognition of property, plant and equipment	-	22.78
Property, plant and equipment written off	6.01	39.14
Printing and stationery	592.45	443.78
Communication costs	507.37	507.94
Write off against first loss default guarantee	640.18	2,914.03
First loss default guarantee expenses	(535.49)	42.08
Website and maintenance charges	38.41	18.46
Advertisement and publicity	241.91	104.89
Cash embezzlement	119.92	102.78
Other administrative expenses	1,739.60	1,478.97
Miscellaneous expenses	1,419.86	1,218.28
<b>Total</b>	<b>12,297.28</b>	<b>12,628.75</b>

**\* Remuneration to auditors comprises of (excluding applicable taxes):**

As auditors	53.81	52.32
Other services	14.40	17.82
Reimbursement of expenses	13.11	8.72
<b>Total</b>	<b>81.32</b>	<b>78.86</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**
*(All amounts in ₹ Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>40 Tax expense</b>		
Current tax	193.96	3,196.54
Income tax for earlier years	(242.85)	206.16
Deferred tax credit	91.65	(2,054.73)
Tax expense reported in the Statement of Profit and Loss	<b>42.76</b>	<b>1,347.97</b>

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (March 31, 2022: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

<b>Accounting profit before tax expense</b>	<b>524.07</b>	<b>3,417.86</b>
Income tax rate	25.168%	25.168%
Expected tax expense	131.90	860.21
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
Tax impact of expenses which is non deductible	58.11	203.03
Tax impact on items exempt under income tax	-	(2.57)
Income tax for earlier years	(242.85)	206.16
Tax on profit elimination	(8.62)	60.54
Others	104.22	20.60
<b>Tax expense</b>	<b>42.76</b>	<b>1,347.97</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>41 Earnings per share (EPS)</b>		
Net profit for the year for basic earnings per share	<b>481.31</b>	<b>2,069.89</b>
Dilutive impact of share warrants	-	-
Net profit for the year for diluted earnings per share	<b>481.31</b>	<b>2,069.89</b>
Nominal value of equity share (₹)	10	10
Weighted-average number of equity shares for basis earnings per share	7,82,31,361	6,98,88,690
Effect of dilution:		
Share warrants	36,02,564	61,53,846
Weighted-average number of equity shares used to compute diluted earnings per share	<b>8,18,33,925</b>	<b>7,60,42,536</b>
Basic earnings per share (₹)	<b>0.62</b>	<b>2.96</b>
Diluted earnings per share (₹)	<b>0.59</b>	<b>2.72</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**42 Financial instruments**
**A Financial assets and liabilities**

The carrying amounts of financial instruments by category are as follows

Particulars	Note	As at March 31, 2023	As at March 31, 2022
<b>Financial assets measured at fair value</b>			
Derivative financial instruments	Note - 6	2,231.64	1,192.75
Loans measured at fair value through other comprehensive income	Note - 8	4,17,324.36	4,17,502.88
Investments* measured at			
Fair value through other comprehensive income	Note - 9	5,936.39	4,505.00
Fair value through profit and loss	Note - 9	111.70	169.75
<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	Note - 4	25,770.63	1,09,126.48
Bank balances other cash and cash equivalents	Note - 5	85,665.12	91,067.88
Trade receivables	Note - 7	539.45	276.08
Loans	Note - 8	2,15,561.31	1,13,339.39
Investments*	Note - 9	127.81	181.87
Security deposits	Note - 10	253.59	356.53
Other financial assets	Note - 10	2,059.21	2,546.36
<b>Total</b>		<b>7,55,581.21</b>	<b>7,40,264.97</b>
<b>Financial liabilities measured at amortised cost</b>			
Trade payables	Note - 17	507.87	1,278.48
Other payables	Note - 18	1,551.65	1,692.21
Debt securities (including interest accrued)	Note - 19 and 22	1,12,633.95	1,22,737.70
Borrowings other than debt securities (including interest accrued)	Note - 20 and 22	4,46,093.20	4,09,829.86
Sub-ordinated liabilities (including interest accrued)	Note - 21 and 22	37,612.39	47,560.79
Other financial liabilities	Note - 22	21,857.14	22,224.81
<b>Total</b>		<b>6,20,256.20</b>	<b>6,05,323.85</b>

**B Fair values hierarchy**

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

The categories used are as follows:

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

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

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

**Valuation technique used to determine fair value**

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Group and other valuation models. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at March 31, 2023	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Loans at fair value through other comprehensive income</b>				
Loans	-	4,17,324.36	-	4,17,324.36
<b>Investments at fair value through other comprehensive income</b>				
Security Receipts	-	-	5,936.39	5,936.39
<b>Investments at fair value through profit and loss</b>				
Government securities	-	0.51	-	0.51
Others	-	111.19	-	111.19
<b>Derivative financial assets at fair value through profit and loss</b>				
Currency and interest swaps	-	2,231.64	-	2,231.64



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Loans at fair value through other comprehensive income</b>				
Loans	-	4,17,502.88	-	4,17,502.88
<b>Investments at fair value through other comprehensive income</b>				
Security Receipts	-	-	4,505.00	4,505.00
<b>Investments at fair value through profit and loss</b>				
Mutual funds	59.24	-	-	59.24
Government securities	-	0.51	-	0.51
<b>Derivative financial assets at fair value through profit and loss</b>				
Currency and interest swaps	-	1,192.75	-	1,192.75

**Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- Eligible loans valued by discounting the aggregate future cash flows (both principal and interest cash flows) with discount rate that commensurate with the risk inherent in the expected cash flows for the remaining portfolio tenor.
- The use of net asset value for mutual funds and certificate of deposits on the basis of the statement received from investee party.
- The value of derivative contracts are determined using mark to market value shared by contracting bank at balance sheet date.
- The use of net asset value for security receipts on the basis of the value declared by investee party.
- The use of net asset value for government securities on the basis of the value declared by government.

**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:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	25,770.63	25,770.63	1,09,126.48	1,09,126.48
Bank balances other than cash and cash equivalents	85,665.12	85,665.12	91,067.88	91,067.88
Trade receivables	539.45	539.45	276.08	276.08
Loans	2,15,561.31	2,16,734.21	1,13,339.39	1,14,025.33
Investments	127.81	127.81	181.87	181.87
Security deposits	253.59	248.16	356.53	358.75
Other financial assets	2,059.21	2,128.31	2,546.36	2,546.36
<b>Total</b>	<b>3,29,977.12</b>	<b>3,31,213.69</b>	<b>3,16,894.59</b>	<b>3,17,582.75</b>
<b>Financial liabilities</b>				
Trade payables	507.87	507.87	1,278.48	1,278.48
Other payables	1,551.65	1,551.65	1,692.21	1,692.21
Debt securities (including interest accrued)	1,12,633.95	1,16,948.44	1,22,737.70	1,26,258.68
Borrowings other than debt securities (including interest accrued)	4,46,093.20	4,46,573.75	4,09,829.86	4,12,120.52
Sub-ordinated liabilities (including interest accrued)	37,612.39	37,947.69	47,560.79	48,051.87
Other financial liabilities	21,857.14	20,911.52	22,224.81	22,224.81
<b>Total</b>	<b>6,20,256.20</b>	<b>6,24,440.92</b>	<b>6,05,323.85</b>	<b>6,11,626.57</b>

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

- The fair values of fixed interest bearing loans are determined by applying set of discount rates and then averaged out to arrive at the fair value.
- The fair values of fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**43 Financial risk management**
**i) Risk Management**

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

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Credit limit and ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required) Maintaining high level of liquidity by investing in liquid instruments
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee ₹	Cash flow forecasting	Currency and interest rate swaps
Market risk - interest rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security price	Investments in equity securities, mutual funds, certificate of deposits and commercial papers	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**A) Credit risk**

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**a) Credit risk management**

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

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

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

Nature	Assets covered	Provision for expected credit loss
Low credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	Loans and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

**Financial assets that expose the entity to credit risk\***

Particulars	As at March 31, 2023	As at March 31, 2022
(i) <b>Low credit risk</b>		
Cash and cash equivalents	21,069.58	1,03,747.95
Bank balances other than cash and cash equivalents	85,665.12	91,067.88
Trade receivables	540.05	285.63
Loans	6,21,155.74	477,629.68
Investments	6,175.90	4,856.62
Security deposits	253.59	356.53
Other financial assets	2,059.21	2,546.36
(ii) <b>Moderate credit risk</b>		
Loans	4,314.06	8,095.38
(iii) <b>High credit risk</b>		
Loans	20,339.19	45,117.20
Other financial assets	35.40	4.14

\* 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.





**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**Trade receivables**

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

**Other financial assets measured at amortized cost**

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits, insurance claim receivables and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

**Loans**

The Group closely monitors the credit worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

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 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.

Category*	Inputs	Assumptions
Micro finance loans	1. Ageing of historical data	1. Recoverability assumptions for stage 3 loan assets
Micro, Small and Medium Enterprises loans	2. Latest available interest rate as discounting factor	2. Averaging of best case and worst case scenarios
Housing and other loans		

\* The Parent Company has used forward looking information in form of real domestic demand, consumer price index, real GDP and agriculture growth rate for Micro finance loans and real domestic demand and consumer prices growth rate for Micro Small and Medium Enterprises loans and subsidiary Companies has used forward looking information in form of inflation rate for housing and other loans.

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

**b) Credit risk exposure**
**i) Expected credit losses for financial assets other than loans**

As at March 31, 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	21,069.58	-	21,069.58
Bank balances other than cash and cash equivalents	85,665.12	-	85,665.12
Trade receivables	540.05	0.60	539.45
Investments	8,869.94	2,694.04	6,175.90
Security deposits	253.59	-	253.59
Other financial assets	2,094.61	35.40	2,059.21

As at March 31, 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,03,747.95	-	1,03,747.95
Bank balances other than cash and cash equivalents	91,067.88	-	91,067.88
Trade receivables	285.63	9.55	276.08
Investments	4,856.62	-	4,856.62
Security deposits	356.53	-	356.53
Other financial assets	2,550.50	4.14	2,546.36



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**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:**

Particulars	Stage 1	Stage 2	Stage 3
<b>Gross carrying amount as at April 1, 2021</b>	<b>5,45,344.96</b>	<b>13,675.79</b>	<b>49,977.73</b>
Assets originated*	2,97,304.82	1,032.25	2,024.24
Net transfer between stages			
Transfer to stage 1	8,021.60	(7,447.86)	(573.74)
Transfer to stage 2	(8,587.17)	8,670.38	(83.21)
Transfer to stage 3	(7,436.40)	(3,468.10)	10,904.49
Assets derecognised or collected (excluding write offs)	(3,22,408.20)	(4,121.02)	(4,361.30)
Write - offs (including death cases)	-	-	(12,338.91)
<b>Gross carrying amount as at March 31, 2022</b>	<b>5,12,239.61</b>	<b>8,341.44</b>	<b>45,549.30</b>
Assets originated*	4,93,707.59	1,059.98	1,026.80
Net transfer between stages			
Transfer to stage 1	1,948.85	(1,823.77)	(125.07)
Transfer to stage 2	(17,241.09)	17,255.74	(14.65)
Transfer to stage 3	(36,365.47)	(3,695.59)	40,061.06
Assets derecognised or collected (excluding write offs)	(3,33,275.66)	(4,215.82)	(15,038.15)
Write - offs (including death cases)	-	(12,499.33)	(51,087.79)
<b>Gross carrying amount as at March 31, 2023</b>	<b>6,21,013.83</b>	<b>4,422.65</b>	<b>20,371.50</b>

\* Assets originated has been presented net of collection made during the year.

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

Reconciliation of loss allowance	Loans			Other financial assets
	Stage 1	Stage 2	Stage 3	
<b>Loss allowance on April 1, 2021</b>	<b>2,747.84</b>	<b>5,854.80</b>	<b>20,730.24</b>	<b>6.43</b>
Increase of provision due to assets originated during the year	665.12	205.91	877.09	-
Net transfer between stages				
Transfer to stage 1	2,129.68	(1,900.34)	(229.34)	-
Transfer to stage 2	(109.99)	146.49	(36.50)	-
Transfer to stage 3	(703.17)	(1,017.43)	1,720.60	-
Assets derecognised or collected	(500.29)	(449.42)	(6,248.13)	7.26
Impact of ECL on exposures transferred between stages during the year	(2,775.66)	1,661.48	12,519.10	-
<b>Loss allowance on March 31, 2022</b>	<b>1,453.53</b>	<b>4,501.49</b>	<b>29,333.06</b>	<b>13.69</b>
Increase of provision due to assets originated during the year	1,072.86	259.97	535.54	-
Net transfer between stages				
Transfer to stage 1	206.01	(182.98)	(23.03)	-
Transfer to stage 2	(38.29)	45.66	(7.36)	-
Transfer to stage 3	(68.46)	(293.05)	361.51	-
Assets derecognised or collected	(747.65)	(3,798.66)	(25,596.43)	22.31
Impact of ECL on exposures transferred between stages during the year	(463.92)	450.11	5,922.40	-
<b>Loss allowance on March 31, 2023</b>	<b>1,414.08</b>	<b>982.54</b>	<b>10,525.69</b>	<b>36.00</b>

**c) Concentration of loans**

Particulars	As at March 31, 2023	As at March 31, 2022
Micro finance loans	5,45,850.62	4,92,128.89
Micro, Small and Medium Enterprises (MSME)	58,934.27	48,079.96
Housing finance and other loans	47,011.93	29,834.31
Less: Unamortised processing fee	(5,988.84)	(4,059.09)
<b>Total</b>	<b>6,45,807.98</b>	<b>5,65,984.07</b>

**d) Loans secured against collateral**

The Group secured portfolio pertains to MSME, housing and other loans, which are secured largely against property, plant and equipment, book debts, inventories, margin money and other working capital items. The Group collateral policy is consistent throughout the periods presented. The following table presents the maximum exposure to credit risk.

Particulars	Carrying value
<b>As at March 31, 2023</b>	
MSME loans secured by property, plant and equipment (including land, building and plots)	63,945.82
MSME loans secured by book debts, inventories, margin money and other working capital items	3,082.64
<b>As at March 31, 2022</b>	
MSME loans secured by property, plant and equipment (including land, building and plots)	41,946.63
MSME loans secured by book debts, inventories, margin money and other working capital items	1,733.28

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 Group initiate the legal proceedings against the defaulted customers.



**SATIN CREDITCARE NETWORK LIMITED**
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(All amounts in ₹ lakhs, unless otherwise stated)

**B) Liquidity risk**

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

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

**(i) Financing arrangements**

The Group had access to the following undrawn borrowing facilities:

As at March 31, 2023	Total facility	Drawn	Undrawn
- Expiring within one year	1,053.50	553.50	500.00
- Expiring beyond one year	8,527.93	2,002.92	6,525.01
<b>Total</b>	<b>9,581.43</b>	<b>2,556.42</b>	<b>7,025.01</b>

As at March 31, 2022	Total facility	Drawn	Undrawn
- Expiring within one year	89,205.00	86,700.17	2,504.83
- Expiring beyond one year	3,48,086.45	3,18,145.78	29,940.67
<b>Total</b>	<b>4,37,291.45</b>	<b>4,04,845.95</b>	<b>32,445.50</b>

**(ii) Maturities of financial assets and liabilities**

The tables below analyse the Group financial assets and liabilities into relevant maturity groupings based on their contractual maturities. The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

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

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial assets</b>					
<b>Non-derivatives</b>					
Cash and cash equivalents	25,772.71	-	-	-	25,772.71
Bank balances other than cash and cash equivalents	58,803.78	27,338.00	3,178.73	151.93	89,472.44
Trade receivables	539.45	-	-	-	539.45
Loans	4,27,315.86	2,49,808.01	27,194.68	74,137.34	7,78,455.89
Investments	0.51	-	-	-	0.51
Other financial assets	2,374.30	17.71	14.41	10.88	2,417.30
<b>Derivatives (net settled)</b>					
Derivative financial instruments	2,231.64	-	-	-	2,231.64
<b>Total undiscounted financial assets</b>	<b>5,17,038.25</b>	<b>2,77,163.72</b>	<b>30,387.82</b>	<b>74,300.15</b>	<b>8,98,889.94</b>
<b>Financial liabilities</b>					
<b>Non-derivatives</b>					
Debt Securities	67,896.95	21,028.71	30,928.40	11,606.60	1,31,460.66
Borrowings other than debt securities	3,25,521.23	1,35,285.08	35,079.11	33,744.58	5,29,630.00
Subordinated liabilities	11,611.27	3,875.63	29,262.67	2,779.18	47,528.75
Trade payables	507.87	-	-	-	507.87
Other payables	1,551.65	-	-	-	1,551.65
Other financial liabilities	21,857.14	-	-	-	21,857.14
Provision	0.13	-	-	-	0.13
<b>Total undiscounted financial liabilities</b>	<b>4,28,946.24</b>	<b>1,60,189.42</b>	<b>95,270.18</b>	<b>48,130.36</b>	<b>7,32,536.20</b>
<b>Net undiscounted financial assets/(liabilities)</b>	<b>88,092.01</b>	<b>1,16,974.30</b>	<b>(64,882.36)</b>	<b>26,169.79</b>	<b>1,66,353.74</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

As at March 31, 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>Financial assets</b>					
<b>Non-derivatives</b>					
Cash and cash equivalents	1,08,762.50	-	-	-	1,08,762.50
Bank balances other than cash and cash equivalents	70,643.62	16,891.12	5,862.12	350.56	93,747.42
Trade receivables	276.08	-	-	-	276.08
Loans	3,91,124.21	1,80,888.26	24,490.37	43,996.35	6,40,499.19
Investments	1,004.65	1,967.83	1,824.41	-	4,796.89
Other financial assets	2,942.28	51.80	34.85	53.80	3,082.73
<b>Derivatives (net settled)</b>					
Derivative financial instruments	1,192.75	-	-	-	1,192.75
<b>Total undiscounted financial assets</b>	<b>5,75,946.09</b>	<b>1,99,799.01</b>	<b>32,211.75</b>	<b>44,400.71</b>	<b>8,52,357.56</b>
<b>Financial liabilities</b>					
<b>Non-derivatives</b>					
Debt Securities	56,779.37	63,675.91	10,313.58	9,607.41	1,40,376.27
Borrowings other than debt securities	3,13,041.16	96,224.07	37,800.22	20,154.43	4,67,219.88
Subordinated liabilities	16,954.57	10,421.85	3,874.35	32,041.86	63,292.63
Trade payables	1,278.48	-	-	-	1,278.48
Other payables	1,692.21	-	-	-	1,692.21
Other financial liabilities	22,224.81	-	-	-	22,224.81
Provision	2.78	-	-	-	2.78
<b>Total undiscounted financial liabilities</b>	<b>4,11,973.38</b>	<b>1,70,321.83</b>	<b>51,988.15</b>	<b>61,803.70</b>	<b>6,96,087.06</b>
<b>Net undiscounted financial assets/(liabilities)</b>	<b>1,63,972.71</b>	<b>29,477.18</b>	<b>(19,776.40)</b>	<b>(17,402.99)</b>	<b>1,56,270.50</b>

The Group has restructured certain loans in accordance with the RBI circular RBI/2021-22/31 DOR STR REC 11/21.04.048/2021-22 dated May 05, 2021. The maturities of financial assets and liabilities, as above, are the amount due and payable only to the extent the contractual terms with borrowers and provider of finances were amended as at March 31, 2022.

**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. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Group manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure.

**Foreign currency risk exposure:**

The Group exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
<b>Financial liabilities</b>			
External commercial borrowings (including interest accrued)	USD	41,691.24	31,437.45
(Gain)/loss: Derivative contract		(2,231.64)	(1,192.75)

**Sensitivity**

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>USD sensitivity*</b>		
INR/USD- increase by 5%	(2,084.56)	(1,571.87)
INR/USD- decrease by 5%	2,084.56	1,571.87

\* Holding all other variables constant

**b) Interest rate risk**
**i) Liabilities**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2023, the Group is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

**Interest rate risk exposure**

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

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Variable rate liabilities</b>		
Debt securities	-	-
Borrowings other than debt securities	1,70,303.80	1,60,014.19
Subordinated liabilities	20,000.00	20,000.00
<b>Fixed rate liabilities</b>		
Debt securities	1,09,643.58	1,19,241.39
Borrowings other than debt securities	2,74,054.46	2,48,065.77
Subordinated liabilities	17,122.90	27,030.53
<b>Total</b>	<b>5,91,124.74</b>	<b>5,74,351.88</b>



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**Sensitivity**

The profits earned by the Group are sensitive to the change in interest rates on debt securities. The following table shows the sensitivity of profit/(loss) due to change in interest rates:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest sensitivity*</b>		
Interest rates – increase by 0.50%	774.96	738.81
Interest rates – decrease by 0.50%	(774.96)	(738.81)

\* Holding all other variables constant

**ii) Assets**

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

**c) Price risk**
**i) Exposure**

The Group's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit and loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

**ii) Sensitivity**

The table below summarises the impact of increases/decreases of the index on the Group's equity and profit for the period:

**Impact on profit after tax**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Mutual fund, Certificate of deposits and commercial paper</b>		
Net assets value – increase by 5%	-	2.99
Net assets value – decrease by 5%	-	(2.99)

**44 Capital management**

The primary objectives of the Group's capital management policy is to ensure that the Group complies with capital adequacy requirements required by the Reserve Bank of India and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group's capital management objectives are

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Net debt*	4,84,903.79	3,79,933.99
Total equity	1,62,812.44	1,58,185.34
<b>Net debt to equity ratio</b>	<b>2.98</b>	<b>2.40</b>

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



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(All amounts in ₹ lakhs, unless otherwise stated)

#### 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.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	25,770.63	-	1,09,126.48	-
Bank balances other than cash and cash equivalents	57,206.38	28,458.74	69,387.96	21,679.92
Derivative financial instruments	2,231.64	-	1,192.75	-
Trade receivables	539.45	-	276.08	-
Loans	3,22,586.32	3,10,299.35	3,03,109.49	2,27,732.78
Investments	0.51	6,175.39	1,195.97	3,660.65
Other financial assets	2,240.16	72.64	2,836.48	66.41
	<b>4,10,575.09</b>	<b>3,45,006.12</b>	<b>4,87,125.21</b>	<b>2,53,139.76</b>
<b>Non-financial assets</b>				
Current tax assets (net)	3,321.63	1,005.92	(116.53)	642.63
Deferred tax assets (net)	-	8,857.48	161.66	8,092.00
Property, plant and equipment	-	8,681.88	118.71	8,163.47
Capital work-in-progress	-	-	-	17.89
Investment Property	-	664.26	-	698.26
Goodwill	-	3,370.66	-	3,370.66
Other intangible assets	-	179.17	-	230.40
Other non-financial assets	2,482.17	812.43	3,441.33	441.61
	<b>5,803.80</b>	<b>23,571.80</b>	<b>3,605.17</b>	<b>21,656.92</b>
<b>TOTAL ASSETS</b>	<b>4,16,378.89</b>	<b>3,68,577.92</b>	<b>4,90,730.38</b>	<b>2,74,796.68</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Financial liabilities</b>				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	10.42	-	10.42	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	497.45	-	1,268.06	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	23.87	-	172.02	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,527.78	-	1,520.19	-
Debt securities	57,375.23	52,268.35	44,657.54	74,583.85
Borrowings (other than debt securities)	2,50,304.41	1,94,053.85	2,70,723.18	1,37,356.78
Subordinated liabilities	7,168.00	29,954.90	11,102.78	35,927.75
Other financial liabilities	25,527.97	1,543.97	27,865.61	135.67
	<b>3,42,435.13</b>	<b>2,77,821.07</b>	<b>3,57,319.80</b>	<b>2,48,004.05</b>
<b>Non-financial liabilities</b>				
Provisions	226.85	707.50	320.41	661.92
Other non-financial liabilities	953.82	-	1,033.96	1.58
	<b>1,180.67</b>	<b>707.50</b>	<b>1,354.37</b>	<b>663.50</b>
<b>TOTAL LIABILITIES</b>	<b>3,43,615.80</b>	<b>2,78,528.57</b>	<b>3,58,674.17</b>	<b>2,48,667.55</b>
<b>Net equity</b>	<b>72,763.09</b>	<b>90,049.35</b>	<b>1,32,056.21</b>	<b>26,129.13</b>





**SATIN CREDITCARE NETWORK LIMITED****Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**46 Transferred financial assets**

In the course of its financing activity, the group transfers financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the group retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The group has securitized its loan assets to unrelated and unconsolidated entities. As per the terms of the agreements, the group is exposed to first loss default guarantee amounting in range of 12% to 20% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying 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:

<b>Securitisations</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Gross carrying amount of securitised assets	1,30,709.80	54,457.03
Gross carrying amount of associated liabilities	1,15,267.09	50,294.24
Carrying value and fair value of securitised assets	1,29,764.99	54,153.40
Carrying value and fair value of associated liabilities	1,15,267.09	50,294.24
<b>Net position</b>	<b>14,497.90</b>	<b>3,859.16</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**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.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employers contribution to provident and other fund	2,946.28	3,472.89

**B Defined benefit plans**
**Gratuity**

The Group has defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Companies. The liability of Gratuity is recognized on the basis of actuarial valuation.

**Risks associated with plan provisions**

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation	1,585.86	1,524.78
Fair value of plan assets	1,612.68	1,490.84
Net obligation recognised in balance sheet as non-financial assets	(26.82)	33.94

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	291.01	276.93
Past service cost including curtailment gains/losses	-	(3.09)
Interest cost on defined benefit obligation	102.48	94.07
Interest income on plan assets	(104.49)	(96.24)
Net impact on profit/(loss) before tax	289.00	271.67

**Amount recognised in the other comprehensive income:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial gain/(loss) unrecognised during the year	(47.92)	19.57

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

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation as at the beginning of year	1,524.78	1,498.59
Current service cost	291.01	276.93
Interest cost	103.76	101.30
Past service cost including curtailment gains/losses	-	(3.09)
Benefits paid	(373.63)	(348.23)
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	(57.23)
Actuarial (gain)/loss on arising from change in financial assumption	(11.18)	(17.00)
Actuarial loss on arising from experience adjustment	51.12	73.51
Present value of defined benefit obligation as at the end of the year	1,585.86	1,524.78



**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Funds managed by insurers	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at beginning of year	1,490.84	1,530.68
Actual return on plan assets	94.31	119.23
Employer's contribution	401.24	189.16
Benefits paid	(373.63)	(348.23)
Expected return on plan assets	2.39	-
Actuarial loss/(gain) on plan assets	(2.47)	-
<b>Fair value of plan assets at the end of the year</b>	<b>1,612.68</b>	<b>1,490.84</b>

## (vi) Actuarial assumptions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discounting rate	7.39%	7.26%
Future salary increase	4.00%	4.00% - 8.00%
Retirement age (years)	60	58 - 60
Withdrawal rate		
Up to 30 years	56.21% - 25.50%	56.21% - 5.00%
From 31 to 44 years	43.75% - 17.77%	43.75% - 3.00%
Above 44 years	50.00% - 0.00%	50.00% - 0.28%
Weighted average duration	1.36 - 3.94	1.36 - 3.73

Mortality rates inclusive of provision for disability -100% of IALM (2012 - 14)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012 - 14) Ultimate table.

## (vii) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	1,585.86	1,524.78
- Impact due to increase of 0.50 %	(42.52)	(34.30)
- Impact due to decrease of 0.50 %	45.71	36.57
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	1,585.86	1,524.78
- Impact due to increase of 0.50 %	46.93	37.52
- Impact due to decrease of 0.50 %	(43.98)	(35.45)

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)

	As at March 31, 2023	As at March 31, 2022
0 to 1 year	398.57	431.91
1 to 2 year	179.64	191.80
2 to 3 year	130.63	143.54
3 to 4 year	98.88	105.93
4 to 5 year	139.82	79.23
5 to 6 year	64.57	113.21
6 year onwards	573.75	459.16
<b>Total</b>	<b>1,585.86</b>	<b>1,524.78</b>



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**48 Related party disclosures**
**A List of related parties and disclosures**
**Key managerial personnel and their relatives:**

Name of key managerial personnel	Designation
Mr. Harvinder Pal Singh	Chairman cum Managing Director
Mr. Jugal Kataria	Group Controller
Mr. Rakesh Sachdeva	Chief Financial Officer
Mr. Adhish Swaroop (till May 11, 2021)	Company Secretary and Compliance Officer
Mr. Vipul Sharma (w.e.f. May 12, 2021 till September 10, 2022)	Company Secretary and Compliance Officer
Mr. Vikas Gupta (w.e.f. October 8, 2022)	Company Secretary and Compliance Officer
Mr. Satvinder Singh	Non-Executive and Non-Independent Director
Mr. Sundeep Kumar Mehta	Non-Executive and Independent Director
Mr. Sanjay Kumar Bhatia	Non-Executive and Independent Director
Mr. Anil Kumar Kalra	Non-Executive and Independent Director
Mr. Christan Bernhard Ramm (till March 1, 2023)	Nominee Director
Mr. Goh Colin	Non-Executive and Independent Director
Mrs. Sangeeta Khorana	Non-Executive and Independent Director
<b>Taraashna Financial Services Limited*</b>	
Mr. Rahul Garg (till February 28, 2023)	Chief Financial Officer
Mr. Manoj Kumar Jasoria (till January 31, 2022)	Company Secretary
Ms. Sneha Khanduja (w.e.f. July 29, 2022 till February 28, 2023)	Company Secretary
Mr. Partha Mukherjee (till August 31, 2022)	Chief Executive Officer & Whole Time Director
<b>Satin Housing Finance Limited</b>	
Mr. Sachin Sharma	Chief Financial Officer
Mr. Prince Kumar (till April 27, 2022)	Company secretary and Compliance officer
Ms. Vaishali Goyal (w.e.f. April 28, 2022)	Company secretary and Compliance officer
Mr. Amit Sharma	Managing Director and Chief Executive Officer
Dr. Jyoti Ahluwalia (w.e.f. April 27, 2022)	Director
<b>Satin Finserv Limited</b>	
Mr. Arjun Bansal (w.e.f. June 15, 2021)	Chief Financial Officer
Mr. Jitendra Jain (till May 31, 2021)	Chief Financial Officer
Mr. Puneet Jolly	Company secretary and Compliance officer
Mr. Sumit Mukherjee	Director & Chief Executive Officer

\*Taraashna Financial Services Limited got merged with Satin Finserv Limited vide NCLT order dated March 1, 2023)

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

Satin Neo Dimensions Private Limited

Niryas Food Products Private Limited



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

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

Name of related party	Nature of transaction	For the year ended	For the year ended
		March 31, 2023	March 31, 2022
Mr. Harvinder Pal Singh	Remuneration	140.32	140.32
	Provident fund and others	14.39	14.39
	Personal guarantees given	25,780.00	8,333.33
	Personal guarantees withdrawn	10,655.81	-
Mr. Satvinder Singh	Personal guarantees given	-	-
	Personal guarantees withdrawn	10,000.00	20,000.00
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees given (jointly)	79,100.00	-
	Personal guarantees withdrawn (jointly)	95,451.53	31,618.74
Mr. Jugal Kataria	Remuneration	140.29	132.89
Mr. Rakesh Sachdeva	Remuneration	77.53	74.18
Mr. Adhish Swaproop	Remuneration	-	3.10
Mr. Vipul Sharma	Remuneration	8.52	17.74
Mr. Vikas Gupta	Remuneration	16.14	-
Mr. Partha Mukherjee	Remuneration	17.50	39.69
Mr. Rahul Garg	Remuneration	21.08	18.06
Mr. Manoj Kumar Jasoria	Remuneration	-	7.94
Ms. Sneha Khanduja	Remuneration	3.18	-
Mr. Amit Sharma	Remuneration	93.25	81.50
Mr. Sachin Sharma	Remuneration	50.01	34.55
Mr. Prince Kumar	Remuneration	0.56	11.26
Ms. Vaishali Goyal	Remuneration	11.64	-
Mr. Sumit Mukherjee	Remuneration	105.60	96.92
Mr. Arjun Bansal	Remuneration	23.49	16.63
Mr. Jitendra Jain	Remuneration	-	5.26
Mr. Puneet Jolly	Remuneration	15.08	13.00
Mr. Satvinder Singh	Sitting fees	4.25	6.00
Mr. Sundeep Kumar Mehta	Sitting fees	7.45	9.10
Mrs. Sangeeta Khorana	Sitting fees	2.50	3.70
Mr. Goh Colin	Sitting fees	4.55	5.80
Mr. Sanjay Kumar Bhatia	Sitting fees	4.55	6.10
Dr. Jyoti Ahluwalia	Sitting fees	0.70	-
Mr. Anil Kumar Kalra	Sitting fees	5.40	6.50
Satin Neo Dimensions Private Limited	Interest income	27.24	41.92
	Inter corporate loan received back	85.09	70.44
Niryas Food Products Private Limited	Purchase of property, plant & equipment (WIP)	-	18.44
	Rent received	-	1.98

**C Key management personnel compensation includes the following expenses:**

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Short-term employee benefits	738.57	707.43
Post employment benefits	28.64	18.72
Other long-term benefits	17.85	(34.16)
Share based payment	-	(33.09)

**D Outstanding balances with related parties in ordinary course of business:**

Name of related party	Nature of balance	As at	As at
		March 31, 2023	March 31, 2022
Mr. Satvinder Singh	Personal guarantees against borrowings^	-	10,000.00
Mr. Harvinder Pal Singh	Personal guarantees against borrowings^	28,131.70	14,961.31
Mr. Harvinder Pal Singh and Mr. Satvinder Singh	Personal guarantees (jointly) against borrowings^	1,09,885.23	1,26,236.76
Mr. Goh Colin	Sitting fees	0.58	1.20
Mr. Anil Kumar Kalra	Sitting fees	0.63	-
Mr. Sanjay Kumar Bhatia	Sitting fees	0.63	-
Mr. Satvinder Singh	Sitting fees	0.27	-
Mr. Sundeep Kumar Mehta	Sitting fees	0.27	-
Mrs. Sangeeta Khorana	Sitting fees	0.63	-
Satin Neo Dimensions Private Limited	Inter corporate loan*	97.48	182.57
	Interest accrued	1.52	2.79

^Personal guarantee balances outstanding indicates outstanding amount of borrowings against which guarantee was given.



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**49 Leases disclosure as lessee**

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

**March 31, 2023**

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	450	1 Months-64 Months	8 Months - 18 Months	399	-	-	450
Vehicles	1	48 Months	46 Months	1	1	-	1

**March 31, 2022**

Right-of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office building	106	1 Months-78 Months	7 Months-46 Months	106	-	-	106

2 Additional information on the Right-Of-Use assets by class of assets is as follows:

**March 31, 2023**

Right-of use assets	Carrying amount as on April 1, 2022	Additions	Depreciation	Impairment	Carrying amount as on March 31, 2023
Office building	619.65	1,256.53	603.82	45.96	1,226.40
Vehicles	-	80.69	6.14	-	74.55

**March 31, 2022**

Right-of use assets	Carrying amount as on April 1, 2021	Additions	Depreciation	Impairment	Carrying amount as on March 31, 2022
Office building	785.44	137.59	289.72	13.66	619.65

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

Particulars	As at March 31, 2023	As at March 31, 2022
Current	651.47	250.95
Non-current	758.75	477.71
<b>Total</b>	<b>1,410.22</b>	<b>728.66</b>

4 At March 31, 2023 the Group had not committed to leases which had not commenced

5 The undiscounted maturity analysis of lease liabilities is as follows:

**March 31, 2023**

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	772.71	430.44	230.81	213.25
Finance charges	121.25	61.77	31.45	22.52
<b>Net present values</b>	<b>651.46</b>	<b>368.67</b>	<b>199.36</b>	<b>190.73</b>

**March 31, 2022**

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	316.29	238.39	147.08	181.06
Finance charges	65.34	40.01	25.27	23.54
<b>Net present values</b>	<b>250.95</b>	<b>198.38</b>	<b>121.81</b>	<b>157.52</b>

6 The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.





**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

7 The Group had total cash outflows for leases of ₹ 2,198.22 Lakhs in March 31, 2023 (March 31, 2022: ₹ 2,074.13 Lakhs).

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets	609.96	331.62
Interest expense on lease liabilities	141.07	87.66
Expense relating to short-term leases (included in other expenses)	1,480.76	1,661.98
Total amount recognised in profit or loss	<b>2,231.79</b>	<b>2,081.26</b>

The Group had lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 1 and 9 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

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

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

The Group does not anticipate any material leases to be terminated in next three years or beyond that.

**Operating leases**

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

**Office premises**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short term leases	794.84	1,923.90

**Operating leases as lessor**

The Group has given certain premises under operating lease arrangements. The contractual future minimum lease income in respect of these leases are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Minimum lease receipts:		
- within one year	20.86	12.63
- Later than one year but not later than two years	0.73	-



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**SATIN CREDITCARE NETWORK LIMITED****Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**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 operates only in India which is considered as a single geographical segment.

**51 Contingent liabilities and commitments:**

(to the extent not provided for)

- i) The Parent Company has received income tax notice under section 143(3) of the Income Tax Act 1961 dated April 05, 2021 for tax demand amounting to ₹ 194.63 lakhs on account of disallowance of expenses under section 43B and 36(1)(va) for assessment year 2018-19. In response to such notice, the company had filed rectification under section 154 and correspondingly received the order under said section dated March 12, 2023 from assessing office reducing the demand to ₹ 64.96 lakhs. The company has also filed an appeal with CIT (A) against such demand which is pending for hearing.
- ii) The Parent Company has received income tax notice under section 143(3) of the Income Tax Act, 1961 dated September 24, 2022 for tax demand amounting to ₹ 67.35 lakhs on account of disallowance under section 14A for assessment year 2020-21. In response to such notice, the company has filed an appeal with CIT (A) against such demand which is pending for hearing.
- iii) The Parent Company has received income tax notice under section 143(1) and 143(3) of the Income Tax Act, 1961 dated September 22, 2022 and December 20, 2022 respectively for tax demand amounting to ₹ 389.40 lakhs on account of disallowance under section 41 and section 14A for assessment year 2021-22. In response to such notice, the company has filed an appeal with CIT (A) against such demand which is pending for hearing.

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contract remaining to be executed on capital account and not provided for	-	57.14
The Group has undrawn exposure towards borrowers	4,210.80	1,417.67
<b>Total</b>	<b>4,210.80</b>	<b>1,474.81</b>

**52 Assets pledged/hypothecated as security**

The carrying amounts of assets pledged/hypothecated as security are:

Particulars	As at March 31, 2023	As at March 31, 2022
Loan assets	3,96,710.26	4,09,913.97
Vehicles*	156.02	117.08
Land & Buildings	150.36	157.73
<b>Total assets pledged as security</b>	<b>3,97,016.64</b>	<b>4,10,188.78</b>

\*This excludes right of use asset of ₹ 74.55 (March 31, 2022 : Nil).



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## SATIN CREDITCARE NETWORK LIMITED

### Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

#### 53 Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

##### **Ind AS 1 "Presentation of Financial Statements"**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

##### **Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

##### **Ind AS 12 "Income Taxes"**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.



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**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

**54 Interest in other entities**
**Subsidiaries**

Name of entities	Country of incorporation	Functional currency	Ownership interest held by the Group		Principal activities
			As at March 31, 2023	As at March 31, 2022	
Taraashna Financial Services Limited*	India	INR	-	100.00%	Business correspondent
Satin Housing Finance Limited	India	INR	100.00%	100.00%	Financing
Satin Finserv Limited*	India	INR	100.00%	100.00%	Financing

\*The Board of Directors of Taraashna Financial Services Limited ("TFSL") and Satin Finserv Limited ("SFL"), in their respective meetings held on August 03, 2021, have considered and approved the Scheme of Arrangement for Amalgamation of TFSL ("Transferor Company") with SFL ("Transferee Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and rules made thereunder. Consequently, the first motion application was filed before Hon'ble National Company Law Tribunal ("NCLT"), Chandigarh Bench after obtaining requisite NOCs from shareholders and creditors of TFSL and SFL. The said first motion application was reserved and allowed by the said Hon'ble NCLT on hearing dated April 6, 2022. The said order was pronounced on hearing dated May 17, 2022 by Hon'ble NCLT. Both the companies filed joint second motion application with Hon'ble NCLT on May 25, 2022. The said joint second motion application was admitted by Hon'ble NCLT in its hearing dated July 08, 2022 and issued necessary directions of serving notices and newspapers advertisements. Both the companies have served the notices to government authorities and completed publication in requisite newspapers as per order. The Hon'ble NCLT vide its order dated January 31, 2023 has approved the scheme of amalgamation and the necessary form has been filed to the Registrar of Companies on March 1, 2023 which is considered as effective date and accordingly accounting effect as per the scheme has been given in the books of account of SFL.

Due to the said amalgamation, SFL which is registered as a Non-Banking Financial Company (NBFC) is not fulfilling principal business criteria laid down by Reserve Bank of India (RBI). As per the criteria, atleast 50% of total assets of SFL should be financial assets and atleast 50% of the gross income should be from financial activities. SFL meets the first criteria, but does not meet the second criteria as on March 31, 2023. However, RBI vide letter dated July 22, 2022 has granted time till March 31, 2024 for fulfilling the said criteria.

**Subsidiary with material non-controlling interests (NCI)**

No subsidiary company has non-controlling interests that are material to the group for the year ended March 31, 2023 and March 31, 2022.

**55 Additional information in pursuant to Schedule III of the Companies Act, 2013**

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent Company</b>								
Satin Creditcare Network Limited	117.54%	1,91,371.68	5491.87%	26,432.92	92.17%	(1,904.81)	-1547.16%	24,528.11
<b>Indian subsidiaries</b>								
Taraashna Financial Services Limited*	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Satin Housing Finance Limited	8.94%	14,556.16	123.07%	592.36	7.44%	(153.66)	-27.67%	438.70
Satin Finserv Limited*	8.46%	13,767.52	125.97%	606.30	0.40%	(8.20)	-37.73%	598.10
Elimination	-34.94%	(56,882.90)	-5640.91%	(27,150.27)	-	-	1712.56%	(27,150.27)
<b>Total</b>	<b>100.00%</b>	<b>1,62,812.46</b>	<b>100.00%</b>	<b>481.31</b>	<b>100.00%</b>	<b>(2,066.67)</b>	<b>100.00%</b>	<b>(1,585.36)</b>



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## SATIN CREDITCARE NETWORK LIMITED

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

## Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

## Part- A Subsidiaries

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

S.No.	1	2	3
Name of subsidiary	Taraashna Financial Services Limited*	Satin Housing Finance Limited	Satin Finserv Limited*
The date since when subsidiary was acquired	September 01, 2016	April 17, 2017	August 10, 2018
Reporting period for the subsidiary concerned, if different from the Parent Company's reporting period -	NA	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries :-	NA	NA	NA
Share capital	NA	11,340.00	14,051.49
Other equity	NA	3,216.16	(283.97)
Total assets	NA	48,298.83	32,918.85
Total Liabilities	NA	33,742.67	19,151.33
Investments	NA	Nil	Nil
Revenue	NA	6,187.21	10,650.69
Profit/(loss) before taxation	NA	784.18	821.40
Tax expenses	NA	191.82	215.10
Profit/(loss) after taxation	NA	592.36	606.30
Other comprehensive income	NA	(153.66)	(8.20)
Total comprehensive income	NA	438.70	598.10
Proposed dividend	NA	Nil	Nil
Extent of shareholding (in percentage)	NA	100%	100%

i) Names of subsidiaries which are yet to commence operations: N.A.

ii) Names of subsidiaries which have been liquidated or sold during the year - Taraashna Financial Services Limited got merged with Satin Finserv Limited w.e.f. March 1, 2023.



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**56 Employee Stock Option Plan / Scheme (ESOP/ ESOS)**

Pursuant to the approval accorded by Shareholders of Satin Creditcare Network Limited (Company) at their Annual General Meeting held on July 6, 2017, the Nomination and Remuneration Committee of the Parent Company formulated a new scheme 'Satin Employee Stock Option Scheme 2017' (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (or any amendment thereto or any other provisions as may be applicable). ESOS is applicable to all permanent and full-time employees (as defined in the Plan), excluding Promoters of the Parent Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Parent Company or its subsidiaries 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 425,000 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:

Particulars	Grant – 1 of ESOS 2009			Grant – 2 of ESOS 2009			Grant – 3 of ESOS 2009		
No. of options granted	1,50,000			98,300			87,900		
Date of grant of options	January 12, 2010			December 2, 2013			December 2, 2016		
No. of employee to whom such options were granted	2			29			36		
Financial year (F.Y.)	F.Y. 2010-11	F.Y. 2011-12	F.Y. 2012-13	F.Y. 2014-15	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2019-20
No. of employees who have exercised the option	2	2	2	25	23	23	22	18	15
No. of options exercised	50,000	50,000	50,000	25,824	22,633	27,243	21,100	19,300	13,300

Note: There was NIL options vested in F.Y. 2013-14.

Satin ESOP 2010: 100,000 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: 150,000 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 Parent Company as on March 31, 2017 (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Parent Company as may be applicable from time to time including the shares lying with the Trust that may remain unutilized 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 Parent 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 Parent Company held on July 6, 2017.

Details of grant and exercise of such options are as follows:

Particulars	Grant – 1 of ESOS 2017			Grant – 2 of ESOS 2017		
No. of options granted	1,45,200			2,26,600		
Date of grant of options	August 14, 2017			May 30, 2018		
No. of employee to whom such options were granted	57			35		
Financial year (F.Y.)	F.Y. 2018-19	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22
No. of employees who have exercised the option	18	27	Nil	13	Nil	NA
No. of options exercised	12,200	13,500	Nil	20,950	Nil	NA



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

- b) The Parent Company has provided following share based options to its employees:

Particulars	ESOS 2009	ESOS 2017
Date of grant	January 12, 2010, December 2, 2013 and December 2, 2016	August 14, 2017 and May 30, 2018
Date of board meeting, where ESOP/ESOS were approved	November 27, 2009	May 26, 2017
Date of committee meeting where grant of options were approved	January 12, 2010 November 12, 2013 and November 09, 2016	August 14, 2017 and May 30, 2018
Date of shareholders' approval	June 1, 2009	July 06, 2017
No. of options granted	336,200 out of 425,000	3,71,800
Method of settlement	Equity	Share/Cashless route
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Parent Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme.	The actual vesting of options will depend on continuation to hold the services being provided to the Parent Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017.
Vesting period	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.	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
Exercise period	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	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

Note: ESOS 2009 scheme was 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):**

Vesting Date	Vested options	No of options exercised
January 12, 2011	50,000	50,000
January 12, 2012	50,000	50,000
January 12, 2013	50,000	50,000
December 2, 2014	29,090	25,824
December 2, 2015	29,100	22,633
December 2, 2016	29,110	27,243
December 2, 2017	22,300	21,100
December 2, 2018	19,300	19,300
December 2, 2019	13,300	13,300

**Details of Vesting and Exercise of Options (Grant 1 of ESOS 2017):**

Vesting Date	Vested options	No of options exercised
August 14, 2018	21,400	12,200
August 14, 2019	15,800	13,500
August 14, 2020*	11,400	-

\* These options are available for exercise till August 13, 2021

**Details of Vesting and Exercise of Options (Grant 2 of ESOS 2017):**

Vesting Date	Vested options	No of options exercised
May 30 2019	1,05,050	20,950
May 30 2020	96,850	-

\* These options were available for exercise till May 29, 2021

- i) The details of ESOS Scheme 2017 are summarized below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	ESOS 2017		ESOS 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding options at the beginning of the year	-	-	79,300	At a discount/ premium on fair value
Exercised during the year	-	-	-	160
Number of shares arising as a result of exercise of options	-	-	-	160
Expired/ lapsed during the year under ESOS Scheme, 2017	-	-	79,300	160
Options expired/ lapsed under earlier ESOP Scheme's (adjusted)*	-	-	-	-
Outstanding options at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years) of the option exercisable	-	-	-	-
Weighted average fair value of the options exercisable at grant date	Grant -1	-	Grant -1	-
	Grant -2	-	Grant -2	-
Loan repaid by the Trust during the year from exercise price received (amount in Lakhs)	-	-	-	-

\* Outstanding Options of previous ESOS schemes has been transferred to new ESOS scheme 2017



**SATIN CREDITCARE NETWORK LIMITED**
**Notes to the Consolidated financial statements for the year ended March 31, 2023**

(All amounts in ₹ lakhs, unless otherwise stated)

- ii) Weighted average exercise price (fair market value) of share during the year ended March 31, 2023: NA (March 31, 2022: NA).

The detail of exercise price for stock option at the end of the financial year 2022-2023 is:

Series	Range of exercise price	No. of options outstanding for Exercise	Weighted average remaining contractual life of options	Weighted average exercise price	Remarks
			(In years)		
Grant-3 ESOS 2009	20/- per option	-	-	20	Scheme Repealed
Grant-1 ESOS Scheme 2017	160/- per option	-	0.00	160	New Scheme
Grant-2 ESOS Scheme 2017	160/- per option	-	0.00	160	New Scheme

- iii) 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:

Particulars	Grant 3 ESOS 2009	Grant 1 ESOS 2017			Grant 2 ESOS 2017	
	3rd tranche of vesting	1st tranche of vesting	2nd tranche of vesting	3rd tranche of vesting	1st tranche of vesting	2nd tranche of vesting
Date of grant	December 2, 2016	August 14, 2017	August 14, 2017	August 14, 2017	May 30, 2018	May 30, 2018
Fair market value of option on the date of grant	438.40	267.38	267.38	267.38	386.65	386.65
Exercise price	20.00	160.00	160.00	160.00	160.00	160.00
Expected volatility (%)	60.39%	55.86%	62.90%	62.90%	45.31%	53.94%
Expected option life (weighted average)	3.08	1.50	2.50	3.50	1.50	2.50
Expected dividends yield	-	-	-	-	-	-
Risk free interest rate (%)	6.03%	6.35%	6.40%	6.45%	7.53%	7.66%

The expected volatility was determined based on historical volatility data of the Parent Company's shares listed on the National Stock Exchange of India Limited.

- iv) The Parent Company has recognized share based payment expense of ₹ NIL (March 31, 2022: Nil ) during the year as proportionate cost.
- v) The Parent Company has ₹ 169.69 Lakhs (March 31, 2022: ₹ 169.69 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.



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**SATIN CREDITCARE NETWORK LIMITED**

Notes to the Consolidated financial statements for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

**57 Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule III of Companies Act, 2013**

- (i) All the borrowings of the group are used for the specific purpose for which it was taken.
- (ii) There are no proceedings which have been initiated or pending against any company of the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (iii) No company in the group is a wilful defaulter as declared by any bank or financial Institution or any other lender.
- (iv) The group reviews transactions on an ongoing basis to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies except as mentioned below:

Name of the company	Nature of transaction	Amount of transaction	Balance outstanding	Relationship
Mekhal Hospitality Services Pvt. Ltd.	Tour & Travel Expense	0.03	Nil	None
KYR Broadband Service Pvt. Ltd.	Internet charges	0.09	Nil	None

- (v) The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (vi) With respect to Companies in the Group, there are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The group has not traded or invested in Crypto currency or Virtual Currency during the year.

**58 Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification/disclosure adopted in the current year.**

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm's Registration No. 000756N

**Naveen Aggarwal**

Partner

Membership Number: 094380



For and on behalf of the Board of Directors

**Satin Creditcare Network Limited**

**Harvinder Pal Singh**

(Chairman cum Managing Director)

DIN: 00333754

**Satvinder Singh**

(Director)

DIN: 00332521

**Sanjay Kumar Bhatia**

(Chairman Audit Committee cum Director)

DIN: 07033027

**Rakesh Sachdeva**

(Chief Financial Officer)

**Vikas Gupta**

(Company Secretary & Compliance Officer)

Membership Number: A24281

Place : Gurugram

Date : April 29, 2023

Place : Gurugram

Date : April 29, 2023