



**SATIN CREDITCARE
NETWORK LIMITED**

REACHING OUT!



LEGACY.

LEADERSHIP.

COMPOSING THE UNWRITTEN .

Integrated Annual Report
2024-25

Across the Pages

1-92

Corporate Overview

Corporate Identity	4
Our Journey	10
Management's Message	12
Our Offerings	18
Business Segment Analysis	20
Economic Contribution	32
Business Model	38
Strategy	40
Stakeholder Engagement	44
Materiality Assessment	48
Governance Commitment	50
Board of Directors	54
Risk Management	58
Financial Capital	64
Physical Capital	68
Intellectual Capital	72
Human Capital	76
Natural Capital	82
Social and Relationship Capital	86
Awards and Accolades	90

93-207

Statutory Reports

Report of the Board of Directors	93
Management Discussion and Analysis	114
Business Responsibility and Sustainability Report	133
Corporate Governance Report	178

208-390

Financial Statements

Standalone	
Independent Auditor's Report	208
Balance Sheet	220
Statement of Profit and Loss	221
Cash Flow Statement	222
Statement of Changes in Equity	224
Notes to the Standalone Financial Statements	235
Consolidated	
Independent Auditor's Report	309
Balance Sheet	318
Statement of Profit and Loss	319
Cash Flow Statement	320
Statement of Changes in Equity	322
Notes to the Consolidated Financial Statements	334
Notice	391-414

Disclaimer

This document contains statements relating to anticipated future developments, financial performance and business prospects of Satin Creditcare Network Limited ('SCNL'/'The Company'), which are forward-looking in nature. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and are based on various assumptions that may or may not be accurate. Actual results, performance or achievements could differ materially from those expressed or implied in these forward-looking statements due to a number of factors, including but not limited to, regulatory changes, macroeconomic conditions, market dynamics and internal business decisions.

Readers are strongly cautioned not to place undue reliance on these statements, which speak only as of the date of this document. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, unless required by applicable law. Accordingly, this document is subject to this disclaimer and should be read in conjunction with the assumptions, risk factors, and qualifications described in the 'Management Discussion and Analysis' section of this Annual Report.

Investor Information

Market Cap :	INR 1,580 Crores
CIN :	L65991DL1990PLC041796
BSE Code :	539404
NSE Symbol :	SATIN
Bloomberg Code :	SATIN:IN
AGM Date :	August 7, 2025
AGM Mode :	Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

For more investor-related information, please visit

<https://satincreditcare.com/investor-relations-satin-creditcare/>

Or Simply Scan

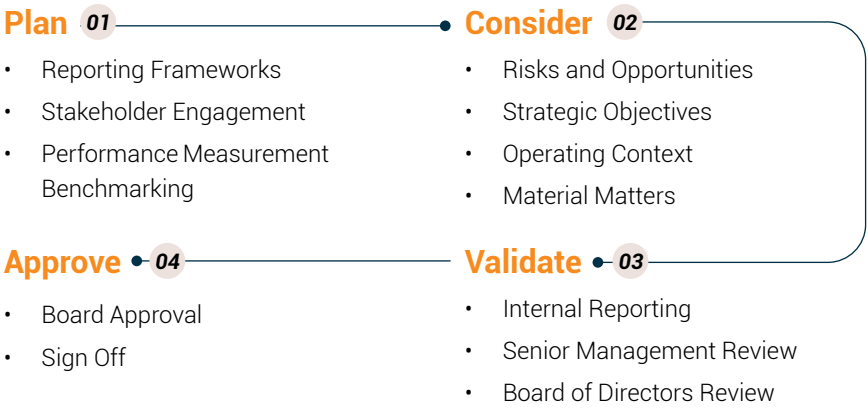


About the Report

We are proud to present Satin Creditcare Network Limited's ('SCNL', The Company,' 'We') sixth consecutive Integrated Annual Report, a milestone that underscores our continued commitment to transparency, long-term value creation, and active stakeholder engagement. Aligned with the framework developed by the International Integrated Reporting Council (now part of the Value Reporting Foundation), this Report offers a comprehensive view of our journey toward sustainable and inclusive growth in accordance with the principles of integrated reporting.

This comprehensive Report delves into SCNL's strategic vision, future potential, risk management practices, and holistic performance, including both financial and non-financial. We reaffirm our commitment to nurturing lasting relationships with our stakeholders encompassing employees, customers, investors, lenders, partners, suppliers, communities, and governing bodies by showcasing how we consistently drive value and progress together.

Our Integrated Reporting Process



Our Integrated Annual Report

Period	This report covers the reporting period between April 1, 2024 to March 31, 2025 and reflects our standalone operations, unless stated otherwise.
Boundary	We report on the primary activities of the SCNL and the Satin Group, which includes our subsidiaries. The Non-statutory Section, Statutory Section and Financial Statements, contain standalone figures unless stated otherwise. The Business Responsibility and Sustainability Report and the ESG-related sections cover the information and parameters of SCNL on a standalone basis.
Reporting on Environmental, Social and Governance (ESG) Metrics	Our Integrated Report extends beyond financial and statutory reporting and includes key ESG performance metrics. Our detailed sustainability performance is mentioned in the Corporate Overview and BRSR Report.
Audience and Key Stakeholders	The report intends to address the information needs of our stakeholders interested in SCNL's overall performance and our ability to preserve, create or enhance value over the short, medium and long term, considering risks and opportunities.

Key Stakeholders	- Customers - Lenders - Shareholders - Employees - Governments and Regulators - Communities - Lenders - Media - Rating Agencies - Analysts - Other Business Partners
Integrity	The Board - Ensured the integrity of our integrated reporting process. - Dedicated attention to management's evaluation of the effectiveness of the disclosure controls and procedures through internal control framework and assessment. - Provided final approval for publication after relevant auditing process.
Our Six Capitals	- Financial Capital - Physical Capital - Intellectual Capital - Human Capital - Natural Capital - Social and Relationship Capital

LEGACY LEADERSHIP

COMPOSING THE UNWRITTEN

Legacy is not defined by lineage but by impact. It is built on the quiet conviction to do what is right, well before it becomes necessary and the foresight to create systems that endure beyond volatility. In today's complex financial landscape, it is the organizations that are well-prepared, deeply disciplined, and grounded in field realities that not only withstand sudden disruptions but also emerge stronger. Their ability to act with foresight, rather than hindsight, is what shapes lasting influence.

Since 1990, our journey has been anchored in this belief. We have consistently upheld principles that hold firm through market cycles: robust governance, prudent risk management, sound underwriting practices, and an unshakable understanding of the field. These foundational elements have forged a resilient business model, one that is built not just to survive turbulence but to evolve and grow through it.



The year 2024–25 brought fresh layers of complexity to the operating environment. Yet, our performance remained resilient and ahead of the curve and we recorded 15 consecutive profitable quarters. Our asset quality continued to rank among the best in the industry, and credit costs remained well within guided levels. MFIN's Guardrails 1.0 and 2.0, the responsible lending frameworks introduced by the SRO, affirmed the strength of the systems and standards we had already embedded long before these norms were formalized. Since, these sector-wide initiatives aligned with our practices, their impact was modest, as our internal guardrails were already firmly in place. This outcome speaks not only of our disciplined execution and future-readiness but also of the steadiness of our leadership, ensuring that decisions on expansion, innovation, and sustainability are always anchored in long-term value creation.

We believe in composing the unwritten, establishing systems that endure and shaping outcomes before they unfold. This principle continues to guide our readiness, shape how we engage with risk, and drive the consistency of our delivery across market cycles. It is a quiet but deliberate approach, one that transforms conviction into continuity, and foresight into legacy.

Corporate Identity

BUILT ON LEGACY LED BY RESPONSIBILITY

As one of India's leading Non-Banking Financial Companies - Microfinance Institutions (NBFC-MFIs), SCNL provides accessible, collateral-free microloans and essential financial services to marginalized individuals in rural and semi-urban areas. For over three decades, we have enabled financial inclusion by offering customized credit solutions that support income-generating activities, entrepreneurship, and community development. Trusted by millions of households, our purpose is clear: to make a lasting, positive impact that goes beyond finance. At SCNL, we believe that responsible and inclusive finance can unlock human potential, foster dignity and create pathways for sustainable livelihoods. Each effort we extend is a step towards empowerment, every service a catalyst for change, transforming lives, strengthening communities and building a future that is more resilient and equitable for all.

By supporting women-led enterprises, we believe that financial empowerment is the foundation for lasting progress. With every loan we extend, we invest in more than just a dream. We invest in a stronger, more secure future for families and communities across India. Guided by our aim to promote economic self-reliance, we provide critical financial services that enable underserved individuals to build sustainable livelihoods. By combining innovative solutions with a deep understanding of

local realities, we continue to drive inclusive growth and social impact. Through responsible lending, tech-driven service delivery, and focused financial literacy efforts, we have played a meaningful role in strengthening India's microfinance ecosystem. As we look ahead, it is our legacy of trust and the strength of our leadership that will continue to guide us, enabling us to create lasting impact and transform lives through responsible, inclusive finance.



Making Micro-finance Inclusive
and Purpose Driven.

VISION

- To be a leading micro financial institution by providing a comprehensive range of products and services for the financially under-served community.
- To lead in gender empowerment by leveraging on technology and innovation that forge sustainable strategic partnerships.

MISSION

CORE VALUES

- Seeking Excellence
- Accountability & Ownership
- Teamwork & Collaboration
- Integrity
- Nurturing Lives

Our Story in Numbers

INR **11,316** Crores
Assets Under Management

INR **9,837** Crores
Disbursement

32.9 Lakhs
Number of Active Clients

29*
Number of States

15,189
Number of Employees

INR **2,377** Crores
Revenue from Operations

INR **736** Crores
PPOP

INR **217** Crores
Profit after Tax

INR **2,843** Crores
Networth

2.07%
Return on Assets

7.86%
Return on Equity

25.85%
CRAR

79
Active Lenders

A (Stable)
Long Term Rating by ICRA

*The figure mentioning number of states is on a consolidated basis across the document

Our Offerings



Satin Creditcare Network Limited (SCNL)

Income Generation Loan
Water, Sanitation and Hygiene Loan
Product Financing including Green Loans



Satin Housing Finance Limited (SHFL)

Affordable Housing Finance



Satin Finserv Limited (SFL)

Retail MSME Loan
Business Correspondence Services



Satin Technologies Limited (STL)

Satin Loan Management Solution
Satin Core Banking Solution
Satin Talent Management Solution

Proactive Actions that Set Us Apart

- **Built In-House Technology:** Created early tech backbone to enable scale and control since 2017
- **Diversification:** Rolled out subsidiaries to move into secured asset classes for portfolio strength post demonetization
- **Nationwide Footprint:** A strong pan-India presence enabling deep market penetration and broad customer reach across urban and rural segments
- **Exceptional Underwriting Expertise:** Proven credit assessment capabilities combining field intelligence with advanced analytics to ensure portfolio quality
- **Diversified and Balanced Funding Sources:** A well-diversified lender base comprising domestic and foreign banks, impact lenders, including DFIs, and capital markets, ensuring funding stability and cost efficiency
- **Process Re-engineering:** Continuously improved internal workflows for efficiency and resilience since 2018
- **Enhanced Underwriting:** Clear functional segregation between sourcing and credit decision
- **Early Establishment of Dedicated Collections Team:** Proactive risk management to ensure asset quality since 2020
- **Learned from Failures:** Not just bounced back, but came back stronger

How We Continue to Stay Ahead

- **Continuous Investment in Technology:** Leveraging technology for automation, monitoring, efficiency and scalability
- **Robust On-boarding Practices:** Rejection rates higher than the industry to maintain credit quality
- **Advanced Analytical Capability:** Centralized data analytics unit helps in identifying Early Warning Signals (EWS) and data-driven decision-making
- **Monitoring Risk Controls:** Continuous monitoring ensures early detection, timely response and operational resilience
- **Stable and Invested Leadership Team:** SCNL has one of the most consistent and committed teams at Satin
- **Strong Diversity & Inclusion:** Created an inclusive, balanced work culture

Reaching the Last Mile by Leveraging Our Subsidiaries

Through the collective efforts of our subsidiaries, we aim to provide a comprehensive range of financial services, catering to the evolving needs of our clients, particularly in rural India, through offerings in MSME and affordable housing. Each of our subsidiaries was strategically incorporated to expand into secured asset classes and strengthen our portfolio post-demonetization. Furthermore, for clients who have completed more than two loan cycles, we focus on managing the entire customer life cycle, supporting their transition from microfinance products to higher-value financial solutions. SCNL's recent foray into technological solutions through Satin Technologies Limited aims to drive efficiency, scalability, and customer satisfaction by leveraging technology to meet the evolving needs of businesses in the digital age.

Satin Housing Finance Limited (SHFL)

Established in 2017, SHFL is committed to delivering a wide range of affordable housing solutions tailored for low- to middle-income groups. With a focus on fostering financial inclusion, the company provides loans at competitive interest rates and flexible repayment terms. SHFL operates across 19 states, currently

serving 9,021 customers. It aims to broaden its footprint by capitalizing on the SCNL strong brand presence. While primarily targeting Tier 2 cities, SHFL is actively working to extend services to Tier 3 and 4 cities, bringing affordable housing closer to underserved communities.

INR **920** Crores

Assets Under Management

INR **4** Crores

Profit After Tax (PAT)

52.2%

CRAR

A-(Stable)

Credit Rating from ICRA and Infomeric

INR **479** Crores

Disbursement

32

Active Lenders including NHB Refinance



Satin Finserv Limited (SFL)

Established in 2018, SFL specializes in financial solutions designed for MSMEs. SFL's portfolio includes working capital loans, machinery financing, and trade finance solutions, offering loan amounts ranging from INR 1 Lakhs to INR 15 Lakhs for both individual entrepreneurs and corporate clients. SFL is committed to fostering entrepreneurship by providing accessible, flexible financial solutions that empower small businesses to grow and thrive. Its secured, small-ticket business loans, averaging around INR 2 Lakhs, are designed to meet a wide range of entrepreneurial needs with agility and responsiveness. Following SFL's merger with Taraashna Financial Services Limited on March 1, 2023, SFL marked an important step in broadening SFL's reach and deepening its impact within the

INR **548** Crores

Assets Under Management

37.6%

CRAR

21

Active Lenders

INR **348** Crores

Disbursement

INR **7.5** Crores

PAT

A-(Stable)

Credit Rating from ICRA

financial ecosystem. This strategic addition enhances its reach, diversifies its business model, and strengthens its role in deepening financial inclusion.

Satin Technologies Limited

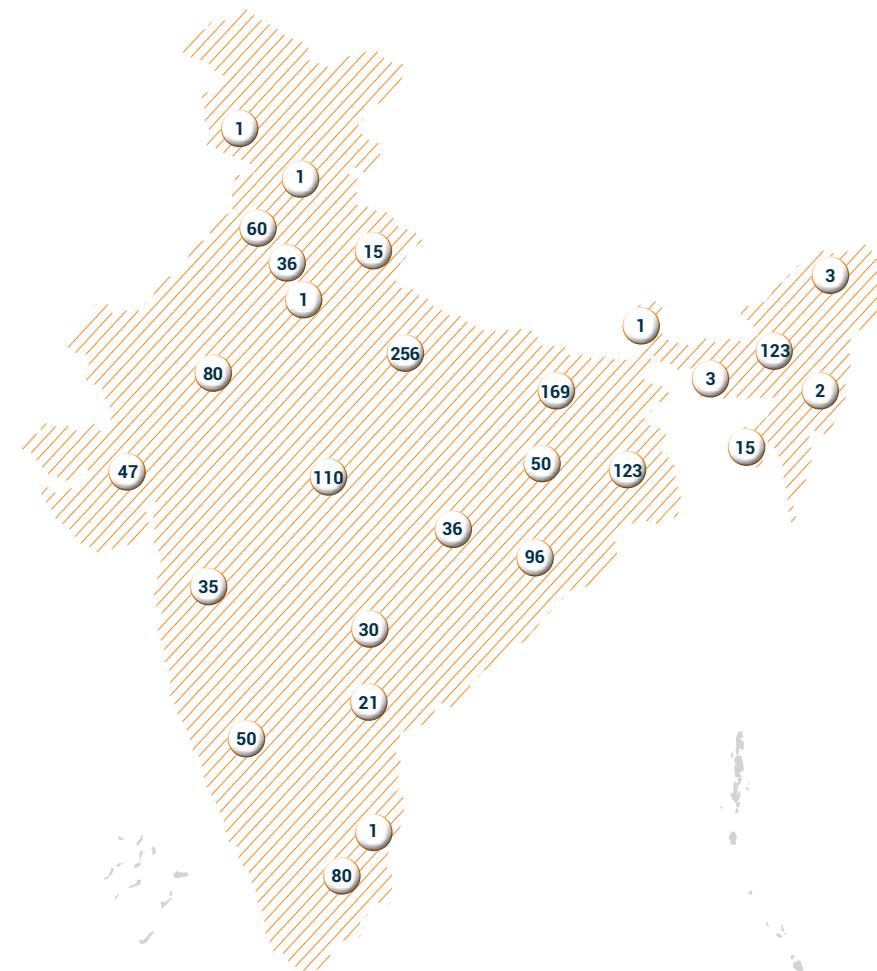
Satin Technologies Limited (STL), SCNL's wholly owned subsidiary launched in 2024, spearheads digital transformation across financial services ecosystem. Its flagship platforms, the Human Resource Management System and Loan Management Platform, enhance operational efficiency, support scalability, and elevate end-to-end

customer experiences. Tested well within SCNL, these solutions demonstrate STL's capacity to develop practical, high-impact tools tailored to evolving business needs. The establishment of STL signals a strategic shift: embedding technology at the heart of operations and preparing SCNL to thrive in an increasingly digital landscape.

2 Number of Active Clients

8 Number of Employees

Our Nation-wide Footprint



State	Number of Branches
Uttar Pradesh	256
Bihar	169
Assam	123
West Bengal	123
Madhya Pradesh	110
Odisha	96
Rajasthan	80
Tamil Nadu	80
Punjab	60
Jharkhand	50
Karnataka	50
Gujarat	47
Telangana	39
Haryana	36
Chhattisgarh	36
Maharashtra	35
Andhra Pradesh	21
Tripura	15
Uttarakhand	15
Meghalaya	3
Arunachal Pradesh	3
Nagaland	2
Delhi	1
Jammu & Kashmir	1
Puducherry	1
Sikkim	1
Himachal Pradesh	1
Total*	1,454

*On a Standalone Basis

Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Our Presence in Numbers*

29

States and Union Territories

529

Districts

1,568

Branches

3 Lakhs

Centres

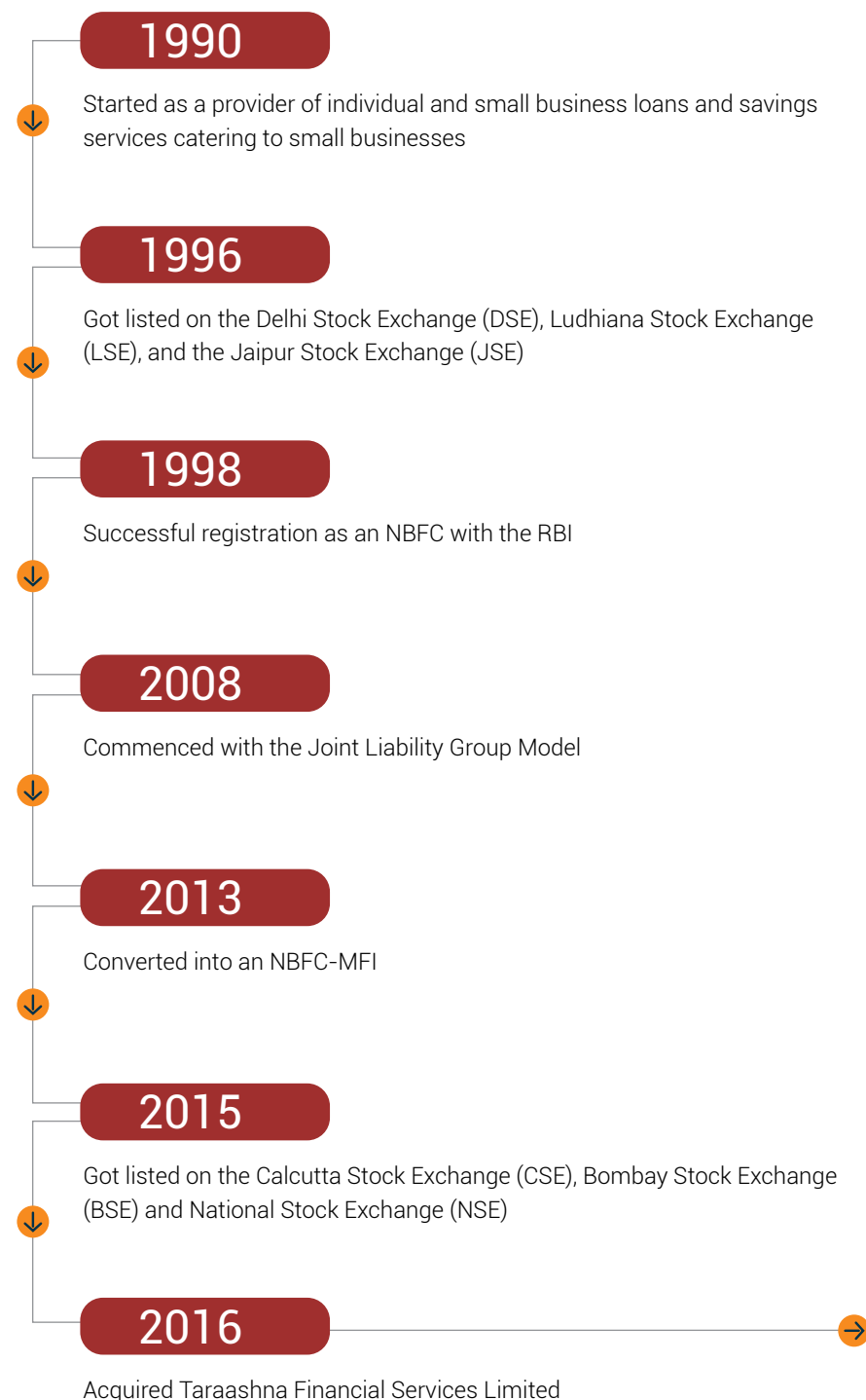
*Consolidated Numbers

Our Journey

REFLECTING ON MILESTONES. ADVANCING WITH PURPOSE.

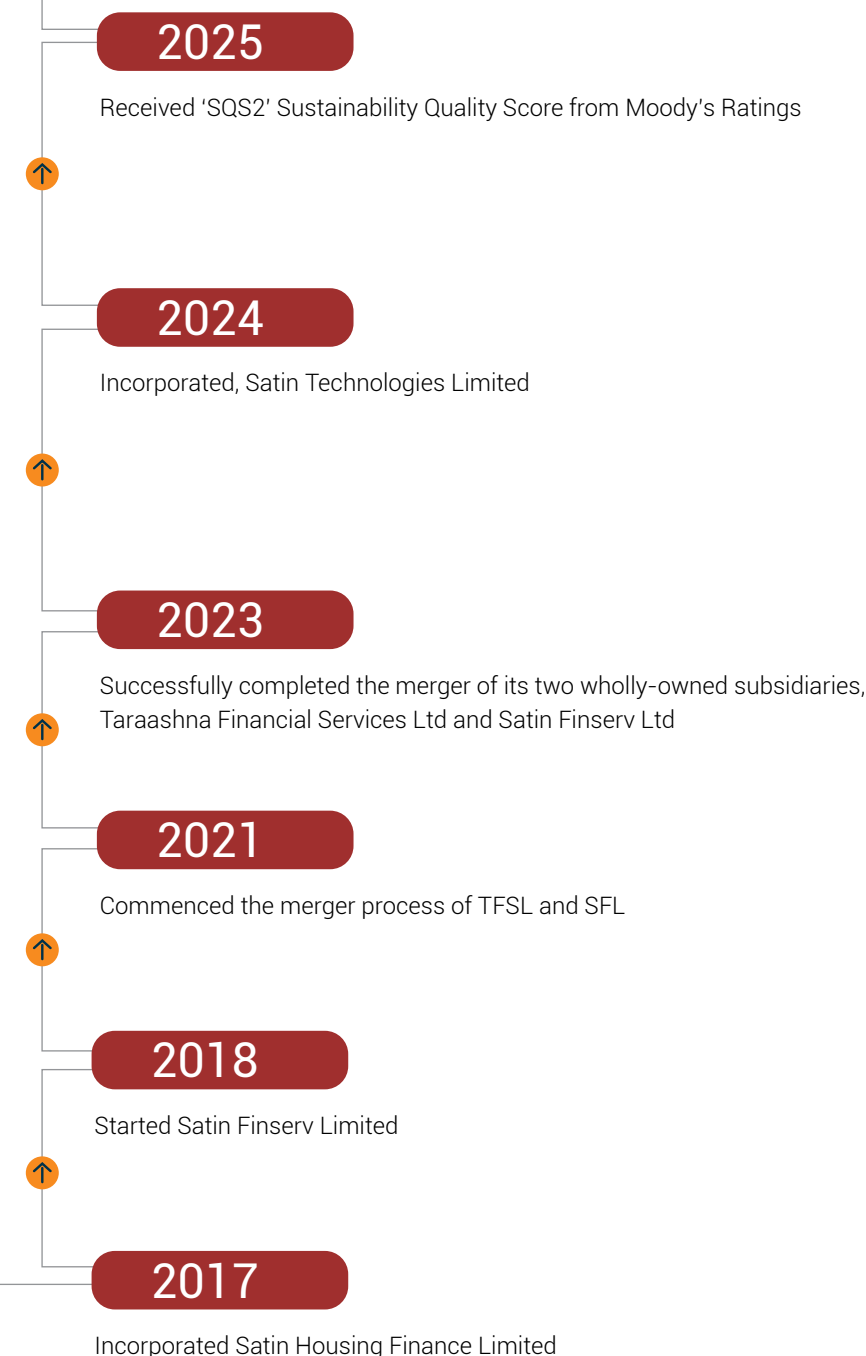
Over time, we have come to represent the strength, stability, and innovation that define India's evolving microfinance sector. Each chapter in our journey has reinforced our dedication to strong governance, sustainable practices, and disciplined growth.

Rooted in purpose and shaped by experience, we stand ready not just to lead but to redefine what meaningful impact looks like for the communities we serve.



34 YEARS

of Trusted Leadership



There was a time I relied on others just to get by. Today, my handicraft business supports my family with pride. With regular loans from SCNL, I have grown my handicraft business and improved my family's financial condition. I grew stronger, more confident, and more independent. It's not just income anymore, it's dignity, stability, and a future I shaped myself

Shanti Lata Mudli,
Odisha



At first, a broken toilet seemed like a small issue. But over time, it led to daily illness, rising expenses, and growing worry, especially for my young daughter.

Through Satin's Sanitation Loan, I found a way forward. Today, my family lives with dignity, better hygiene, and renewed health. Sometimes, a repaired toilet can bring lasting comfort and open the door to a healthier life.

Chumki Saha, Bihar



Management's Message

CHAIRMAN CUM MANAGING DIRECTOR'S STATEMENT



Our journey has been shaped by a deeply embedded commitment to institutional foresight, system resilience, and a client-first ethos - principles that have seen us through economic cycles, sectoral shifts, and regulatory changes. This steadfast approach has not only strengthened our foundation but has also prepared us to tackle emerging challenges with confidence.

Dear Shareholders,

For over 34 years, Satin Creditcare Network Limited has stood as a beacon of stability, navigating change, fostering inclusion, and empowering lives at the last mile. Our journey has been shaped by a deeply embedded commitment to institutional foresight, system resilience, and a client-first ethos - principles that have seen us through economic cycles, sectoral shifts, and regulatory changes. This steadfast approach has not only strengthened our foundation but has also prepared us to tackle emerging challenges with confidence. It is against this backdrop that we faced the complexities of 2024-25, a year shaped by macroeconomic shifts, unpredictable weather patterns, floods, elections, and regional stress pockets. Furthermore, instances of borrower overleveraging across the industry had intensified the situation. However, at Satin, we have spent years nurturing the culture of preparedness, ensuring that we can not only withstand such tests but also emerge stronger, more agile and capable each time.

We have reinforced our institutional foundation through enhanced governance, process re-engineering and robust underwriting practices. To support this evolution, we have developed a strong in-house technology stack to drive speed and

scalability as well as strengthened oversight, diversified our lending portfolio to reduce concentration risk, and elevated decision-making through data-driven insights. These choices reflect the legacy we are shaping, the leadership we aim to uphold, and our commitment to composing the unwritten with forward looking perspective and fortitude. At the core lies a single principle: to stay future-ready amid uncertainty, without compromising on quality.

This Integrated Annual Report reflects our continued commitment to quality, performance, and progress. It not only highlights what we achieved during the year, but also captures how our leadership, strategic focus, and institutional capabilities have strengthened to keep us future-ready in an increasingly dynamic operating environment.

The Sector Through the Year: Navigating Disruptions with Resolve

The year 2024-25 was a defining chapter for India's microfinance sector; a period that stood out as both a moment of reckoning and a pivotal inflection point. While India's macroeconomic engine remained strong with GDP growing at 6.5%, conditions on the ground, particularly in rural areas, were significantly more challenging. Agrarian incomes were disrupted by prolonged heatwaves,

erratic monsoons, and localized flooding. The longer than usual general election cycle added another layer of uncertainty, and signs of credit saturation emerged in high-penetration states. Together, these dynamics triggered a sector-wide phase of introspection, strategic realignment, and renewed focus on resilience. As of March 31, 2025, the microfinance sector's Gross Loan Portfolio (GLP) stood at INR 3.75 Lakh Crores, registering de-growth of 13.5%; a notable shift after years of sustained growth. This contraction signals underlying stress in the system and prompted the sector to take a series of measures to tackle emerging challenges throughout the year, measures that continue to be implemented given the prevailing circumstances.

Despite these headwinds, the industry's leading segment, NBFC-MFIs continues to hold the largest market share at 39%, representing continued demand for credit. However, competitive intensity has risen, especially from Small Finance Banks and universal banks expanding their footprint in semi-urban areas. The sector now faces a decisive moment balancing credit growth with prudent risk management to sustain financial inclusion without compromising asset quality.

In the face of these challenges, the regulatory landscape evolved significantly to address systemic vulnerabilities and reinforce credit discipline. To promote sustainable sectoral growth, the Microfinance Institutions Network (MFIN) introduced Guardrails 1.0 in July 2024; followed by Guardrails 2.0 in November 2024, which took effect from January 1, 2025, with select provisions deferred to April. Key reforms in the Guardrails 2.0 included reducing the maximum number of microfinance lenders per borrower to three (from four), capping total indebtedness at INR 2 Lakhs (including unsecured retail loans), prohibiting lending to borrowers with overdue amounts exceeding INR 3,000 for more than 60 days, and requiring enhanced transparency in disclosing interest rates and fees.

Collectively, these measures marked a decisive shift toward protecting borrowers, improving institutional accountability, and ensuring long-term sectoral stability.

As the sector adapts to the evolving regulatory regime, the focus has shifted toward balancing financial inclusion with responsible lending, with greater emphasis on credit discipline, borrower protection, and operational resilience.

At SCNL, however, staying ahead of the curve has never been a reactive measure. It is a principle deeply embedded in our operating philosophy. In our quest to build a sustainable business, we consistently think years ahead and have already been implementing strategies designed to strengthen our foundations and drive lasting impact. These are not short-term adjustments, but deliberate investments in resilience and quality, driven by our long-term vision. Our performance in 2024-25 stands as an evidence to the consistency and foresight of our approach, positioning us not just to weather volatility, but to lead through it.

In a year where many were forced into reactive mode, Satin's ability to respond with calm and disciplined execution sets it apart. This is what enabled us to preserve stability, build trust, emerge stronger from a year the industry will remember as both a stress test and a structural turning point.

Performance Backed by Foresight and Purpose

Amid heightened volatility and structural shifts in the microfinance sector, Satin Creditcare delivered a resilient performance in 2024-25. Despite external pressures and elevated credit costs across the industry, we closed the year with a standalone PAT of INR 217 Crores. While profitability was lower than the previous year, these results underscore our ability to maintain profitability in a landscape where many peers experienced significant financial stress owing to asset quality concerns, resulting in huge losses. We have maintained strong performance, emerging as one of the top performers in the industry, a reflection of our forward-looking strategy and disciplined execution. Importantly, we have reported 15 consecutive profitable quarters, an achievement that underscores our consistency and operational discipline. Our strong bottom-line performance was supported by steady business growth. Satin recorded Assets Under Management (AUM) of INR 11,316 Crore, registering a 6.8% year-on-year increase, significantly outperforming the industry, which saw a contraction of approximately 13% during the same period.

During the year, we disbursed INR 9,837 Crores, marking a 1.5% year-on-year increase. It's worth noting that 2023-24 was a strong year both for the industry as well as Satin, whereas 2024-25 posed a tougher operating landscape. Yet, even in a more demanding environment, we surpassed our

previous year's disbursement figures, a reflection of our structural strengths and consistent execution. Even incremental growth in a challenging year is a strong indicator of long-term stability and strong leadership.

Our active borrower base grew to nearly 33.6* Lakhs individuals across 29* States and Union Territories. This is a testament to the trust underserved communities continue to place in us, even in uncertain times.

As per the latest MFIN report, we are the third-largest MFI in India in terms of AUM and borrower base, and hold the top position in terms of state presence. This growth reinforces the strength of our calibrated, risk-aware strategy and stands in sharp contrast to broader industry trends

It is in the realm of credit quality and risk management that Satin's differentiated model truly stood apart. While many players contended with elevated delinquency levels, we delivered one of the most commendable performances across the industry. Our PAR 1 ratio improved significantly, from 6.8% in September 2024 to 4.9% by March 2025, well below the sector average. This improvement was not the result of retreating from specific geographies or restricting disbursements. It was achieved through disciplined, data-driven borrower engagement, agile front-line response, and targeted, risk-aware field interventions. Against the backdrop of rising delinquencies and asset quality stress across the microfinance sector, particularly in geographies such as Bihar, and Uttar Pradesh, our portfolio quality has remained notably resilient. In our top four states: Uttar Pradesh, Bihar, Assam, and West Bengal, which together contribute around 61% of our overall portfolio, PAR 90 stood at a contained 3.3% as of March 2025. We maintained on-book provisions of INR 288 Crores, which is almost double the amount specified by RBI,

*Figures are kept on a consolidated basis

and improved our Stage 3 coverage ratio to 62.3% during the year. At the same time, we recovered INR 38 Crores from earlier write-offs, further strengthening our portfolio hygiene. Each of these steps reflected our core belief: resilience must be embedded in the model, not improvised under pressure.

This performance was particularly noteworthy in a year when peer institutions struggled with sharp increases in overdue accounts. Assam, historically viewed as a high-risk market, emerged as a bright spot, validating our counter-cyclical strategy of staying invested and reinforcing local operations rather than scaling back during earlier periods of unrest. Similarly, in Bihar and Uttar Pradesh, markets that saw pronounced borrower fatigue and rising stress across the industry, our PAR 90 levels remained well below sector averages. This outcome reflects the maturity of our risk management systems, the strength of our field-level engagement, and the rigor embedded in our monitoring and recovery frameworks. In a year marked by external volatility and internal recalibration, our ability to sustain asset quality across high-exposure regions underscores the foresight of our strategic decisions and the consistency of our on-ground execution.

Regulatory Stewardship and Responsible Alignment

The year 2024-25 marked an important phase in the regulatory

evolution of the microfinance sector, with the complete roll out of the Guardrails 1.0 and 2.0 frameworks. At SCNL, this transition was smooth and seamless, as many of the regulatory expectations were already embedded in our core operating practices. Stringent underwriting standards, borrower exposure limits, and checks on lender overlaps have long been integral to our internal credit governance. As a result, the implementation of the Guardrails framework did not have any major operational impact for us. We had already institutionalized the very practices these frameworks sought to mandate. This proactive stance has allowed us to stay ahead of compliance curves while continuing to protect portfolio quality. The evolving regulatory landscape continues to unlock fresh avenues for growth. The RBI's relaxation of the Qualifying Asset (QA) norm from 75% to 60% of total assets, has been a landmark move, enabling NBFC-MFIs to expand beyond traditional microloans into underserved segments such as MSME, micro-housing, and retail finance. This strategic flexibility allows institutions to diversify portfolios, enhance liquidity management. Complementing this, the repo rate cut by the RBI has further strengthened liquidity and lowered the cost of funds, creating a more conducive environment for inclusive lending and credit expansion. Together, these measures position the sector for accelerated and balanced growth.

Our alignment with the Scale-Based Regulation (SBR) framework

further reinforces the maturity of our governance and control architecture. With strong internal checks, adequate regulatory buffers, and active supervision at the Board level, we have consistently operated with the prudence and discipline expected of a systemically important NBFC.

As regulatory expectations evolve, our focus remains unchanged: to not only remain compliant, but also lead by example, setting benchmarks for responsible, resilient, and sustainable lending.

Segmental Performance and Regional Insights

The WASH segment saw meaningful traction, in rural and semi-urban areas, particularly in Bihar, Uttar Pradesh, and West Bengal, where it helped address critical gaps in household sanitation infrastructure. Our work in this domain was honored with the 'Best MFI Support in WASH Training – National' certificate, presented by FINISH Mondial and the Trust of People.

Our MSME book, operated under Satin Finserv Limited (SFL), grew to INR 516 Crores in on-book AUM, reflecting a year-on-year expansion of 58%. Satin Housing Finance Limited (SHFL) reported a healthy uptick in demand as well, with its AUM increasing to INR 920 Crores, a 22% growth over the previous year. The performance of both subsidiaries reinforces the strategic strength and resilience of our diversification-led growth model.

Digital Execution with Commercial Potential

One of our strategic moves this year was the incorporation of Satin Technologies Limited (STL), our wholly owned subsidiary established to drive digital transformation across the financial services ecosystem with a clear focus on leveraging technology to drive efficiency, scalability, and customer satisfaction. STL is designed to meet the evolving needs of businesses in the digital age.

INR **12,784** Crores
Consolidated AUM

INR **10,663** Crores
Consolidated Disbursements

INR **186** Crores
Consolidated PAT

15
Consecutive Profitable Quarters

Within just two months of launch, STL onboarded its first two external clients, quickly positioning itself as a value-generating business unit rather than a conventional cost center.

Additionally, our AI and ML-powered credit engines and portfolio intelligence systems are now fully integrated across the loan life cycle. This is complemented by the in-house SATIN-ERP platform for LOS and LMS, which enables seamless, end-to-end digital loan processing with complete back-end integration. Our client self-service app offers 24/7 access, while facial recognition-based authentication ensures secure, real-time identity verification. Together, these digital capabilities have enabled dynamic pricing, sharper geographic targeting, enhanced fraud detection, and early warning signal identification, empowering us to extend credit responsibly to new-to-credit and thin-file borrowers, while maintaining tight control over portfolio quality.

Governance Rooted in Accountability, Environment Built for Impact

At the core of SCNL's philosophy is uncompromising governance, anchored in transparency, accountability, and a future-ready operational ethos. Our governance framework is fully aligned with the regulatory requirements and is upheld through board diversity, and independent supervision and an active risk management committee. During 2024-25, we further reinforced our Anti-Bribery and Corruption Policy and ensured 100% committee independence. The Board convened nine times during the year, recording an average attendance of ~94%. Additionally, our grievance redressal mechanism remained highly responsive, with over 99% of customer complaints resolved within prescribed turnaround timelines. For us, governance is not a box-ticking exercise but the foundation of long-term stakeholder trust.

Our commitment to responsible business also extends beyond compliance. It is deeply rooted in our approach to environmental stewardship. Satin's headquarters, is equipped with solar panels, a sewage treatment plant, radiant cooling systems, and smart energy technologies. In 2024-25, we provided over 29,586 solar torches and 35,000 clean cooking devices, while our clean energy program reduced CO₂ emissions by 2.1 Lakhs tonnes. As part of our journey to become a climate-positive NBFC-MFI, we have been assessing our greenhouse gas (GHG) emissions across Scope 1, 2, and 3 for the past two years. This ongoing effort reflects our commitment to environmental responsibility and transparency, already showing positive outcomes, especially in Scope 1. By understanding our carbon footprint, we are driving targeted actions to reduce emissions and contribute to global climate goals. Furthermore, with environmental practices such as applying solar-reflective roof paint, installing water-efficient fixtures, digitizing operations to minimize paper usage, and our ISO 27001:2022 certification, we continue to embed sustainability into both our operations and our organizational culture. These efforts were recognized with an SQS2 rating from Moody's for our Social Financing Framework, one of the highest ratings awarded to BFSI players in India. We also received a 'Top Quartile' ESG rating from ESG Risk Assessments & Insights Limited, further reinforcing our commitment to environmental and social responsibility.

People: Our Most Valuable Capital

SCNL's success is deeply anchored in the commitment, resilience, and growth of our people. The year 2024-25 was a period marked by significant strides in building an inclusive, engaging, and future-

We are honored to be recognized as a Great Place to Work® for the sixth consecutive year and to be ranked among the Top 25 in India's Best Workplaces in BFSI 2024™ in and the Top 50 India's Best Workplaces in Health and Wellness. Adding to this recognition, we are proud to be ranked 57th amongst India's Great Places to Work 2025 across industries. These accolades reflect not only what we offer as an employer, but also how we continue to evolve with empathy, equity, and excellence at the centre of our people philosophy

ready workplace. We introduced several marquee initiatives that underscored our belief in family values and long-term employee development. Among them was the Satin Sammaan program, a welfare initiative that provides monthly support to the parents of tenured and high-performing employees. Complementing this was the Satin Shagun program, which honours the families of new joiners at the time of on boarding, reinforcing the emotional connect between the Company and its people.

We opened an all-women branch in Northeast India, marking a milestone in our gender inclusion journey. Additionally, several departments are now predominantly led and staffed by

women, further amplifying diversity in our workforce. This was supported by inclusive policies like menstrual leave under Satin Ease, extended maternity benefits, and structured POSH awareness campaigns.

To enable holistic growth, we revamped our Internal Job Posting and referral framework, launched an in-house digital on boarding module, and strengthened our role-based learning journeys through an integrated LMS platform. From front line staff to future leaders, our people development efforts were driven by tailored learning journeys, focused mentoring for high-potential talent, and a transparent, performance-based evaluation framework.

Capital Strength and Fundraising

Our Capital Adequacy Ratio stood at 25.85%, well above the RBI's minimum requirement of 15%, providing a strong buffer and ample headroom for growth. The year 2024-25 was a defining period for liability strategy, as we focused on broadening our lender base and optimizing borrowing costs. During 2024-25, we successfully mobilized INR 7,742 Crores, including a USD 100 Million syndicated social term loan under the ECB framework, a strong endorsement of our credibility in international impact-focused financial circles.

We also closed our first Pass-Through Certificate (PTC) transaction with HSBC India, valued at INR 119.12 crore. Additionally, we raised EUR 15 Million in External Commercial Borrowing (ECB) from OeEB – Oesterreichische Entwicklungsbank AG, the Development Bank of Austria. This year, we welcomed 14 new institutional partners on board, underscoring the strong trust and confidence earned from its stakeholders.

During the year, our marginal cost of borrowing fell by 68 basis points to 11.2%, strengthening our ability to lend competitively while protecting

margins. Together, these outcomes reflect increasing partner confidence in SCNL's fundamentals and strengthen our position to scale in a fiscally disciplined, well-capitalized manner.

Looking Ahead: Building the Future with Stability and Intent

As we enter 2025-26, we remain committed to charting a trajectory that balances financial prudence with purposeful growth. We will continue to exercise discipline in credit risk management, with particular attention to portfolio hygiene, right on boarding, focused expansion, and borrower engagement. Even as the sector navigates lingering stress in select regions, we remain focused on maintaining asset quality without compromising our commitment to financial inclusion.

At the same time, we are transitioning from a traditional microfinance institution into a more expansive and inclusive financial services platform. While microfinance remains central to our mission and model. Simultaneously, we are embarking on a strategic transformation towards a more comprehensive financial services platform, prioritizing scalable, high-impact verticals like WASH, MSME, and affordable housing. This approach is aligned with our objective to capture growth across diversified segments and expand our footprint in both core and untapped markets.

Enhancing our analytics capabilities, sharpening customer segmentation, and embedding more dynamic pricing strategies will be critical enablers as we pursue smarter, not just faster, growth. On the liability side, we intend to further deepen our funding partnerships, both domestic and international, ensuring a diversified and cost-efficient capital base that aligns with our growth aspirations.

Our broader ambition is clear: to evolve into a resilient, responsible, and digitally agile financial institution,

anchored in community, guided by prudence, and equipped to serve India's underserved with greater precision and empathy.

We will continue to institutionalize STL as a lever for both internal efficiency and external service delivery, particularly through analytics-driven credit models, digital LOS/LMS, and intelligent onboarding tools.

Closing Note

As we step into the future, we carry with us the weight of our legacy, not as a reflection of the past, but as a foundation for what lies ahead. Ours has never been a journey of merely keeping pace; it has been one of setting direction. With steady leadership and a commitment to purpose, we continue to shape the contours of an evolving industry. In a world where much remains unwritten, we do not wait for the next chapter, we author it with purpose, guided by conviction, and built on a legacy of leading through action, not intention.

Best regards,

Dr HP Singh
Chairman cum Managing Director

Our Offerings

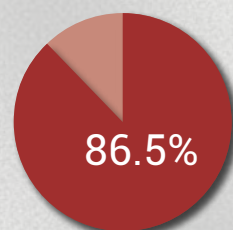
EMPOWERING DREAMS. FINANCING ASPIRATIONS.

Satin Group delivers a diversified portfolio of lending solutions designed to meet the evolving credit needs of underserved communities across India. From micro-credit for women entrepreneurs to affordable and secured loans for small businesses and households, we are expanding beyond traditional unsecured lending to build a well-balanced book to cater to the needs of rural India. This inclusive approach not only bridges critical gaps in access to formal finance but also enables financial independence. This further lays the groundwork for empowerment at the grassroots level.

Assets Under Management Mix (%)

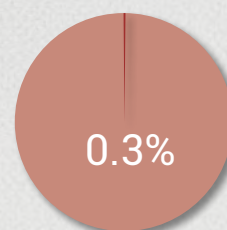
(As on March 31, 2025)

Income Generation Loans



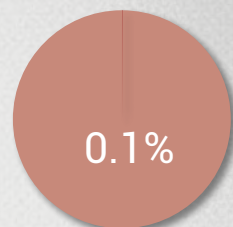
> Read more on page 20

Water, Sanitation & Hygiene Loans



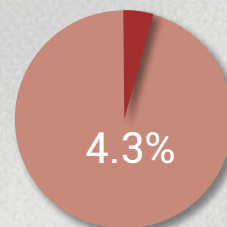
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Other Customized Offerings



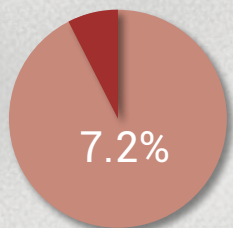
> Read more on page 24

MSME Loans



> Read more on page 26

Housing Loans



> Read more on page 28



We are expanding beyond traditional unsecured lending to build a well-balanced book to cater the needs of rural India

Business Segment Analysis

INCOME GENERATION LOAN (IGL)

For many underserved borrowers across rural and semi-urban India, an Income Generation Loan (IGL) from SCNL marks their first step into formal credit ecosystem. This segment has long been the cornerstone of our mission and continues to be a key driver of our growth and impact.

IGL supports micro-entrepreneurs engaged in agriculture, trade, and home-based businesses, focusing on those often overlooked by conventional lending models. Delivered through our JLG structure and strengthened by digital on-boarding, geo-tagging, and credit scoring tools, the IGL business remains a consistent performer across markets and cycles.

Insights from Our Senior Management

We concluded 2024-25 with disbursement of INR 9,654 Crores and an average ticket size of INR 0.53 Lakhs in the IGL segment. What stood out was the continued trust from long-term borrowers and healthy portfolio expansion across both established and new geographies. Our focus on borrower quality, combined with process digitization and ground-level risk calibration, helped us deliver resilient performance while safeguarding asset quality. IGL continues to be a well-rounded lever of inclusive growth, anchored in scale, discipline, and impact.

Highlights 2024-25

INR **11,058** Crores
Assets Under Management (AUM)

86.5%
Contribution to Assets Under Management (AUM)

33.05 Lakhs
Number of Loan Accounts



Foundational Strategies

- Driving IGL business growth through robust processes, strong underwriting, and extensive pan-India reach.
- Enhancing customer experience with strategic investments in advanced technology infrastructure.
- Empowering economically active women in rural areas by increasing their income-generating potential through our tailored offerings, promoting self-dependence.



Demand Drivers

Demographic Advantage

With a median age of 29, India's youth is rapidly embracing digital finance, especially in rural areas where nearly 97% of 15-29-year-olds now use mobile phones and over 92% access the internet. This surge has created a tech-adept, credit-aware population in semi-urban and rural communities, precisely the segment we serve with accessible and responsible lending solutions.

Unmet Potential Demand

With approximately 20.83 Crores households earning less than INR 3 Lakhs annually, the demand for IGL remains largely untapped, offering substantial headroom for growth in this segment.



Business Segment Analysis

WATER, SANITATION AND HYGIENE (WASH) LOAN

Access to clean water, safe sanitation, and basic hygiene is essential to living with dignity. Yet, for many households across rural and semi-urban India, these remain out of reach. Through our WASH loan vertical, we have committed to addressing this critical gap. What began as a financing solution has now evolved into a focused intervention, strengthening household-level infrastructure and enabling healthier, more secure living conditions.

Through this segment, we help low-income families invest in basic sanitation infrastructure and potable water connections. These life-improving changes help enhance public health, reduce disease incidence, and strengthen household productivity. Each loan is backed by careful credit assessment and on-ground engagement, supported by borrower awareness initiatives tailored to local languages and cultural contexts.

Highlights 2024-25

Developed an e-learning module in collaboration with Water.org, available in multiple regional languages.

Conducted workshops in collaboration with FINISH Mondial to train our Community Service Officers (CSOs).

0.3%

Contribution to Assets Under Management (AUM)

INR **32** Crores

Assets Under Management (AUM)

28,494

Number of Loan Accounts

Insights from Our Senior Management

The WASH loan portfolio continues to operate with purpose, expanding in regions such as Uttar Pradesh, Bihar, and West Bengal. These are regions where we have seen our financing translate into tangible health and social benefits. We remain committed to offering structured, need-based credit in this segment, and our recognition at the national level for WASH training reaffirms the deep value our model creates on the ground.

Foundational Strategies

- Focusing on underserved rural and semi-urban regions where access to clean water and sanitation facilities remains a significant challenge.
- Educating customers about our products through engaging awareness campaigns, leveraging written content and audio-visual materials to ensure clear understanding. Extending our reach to underserved communities through a well-established ecosystem, supported by a dedicated in-house professional team.
- Bridging the critical gap in access to improved water, sanitation, and hygiene, enabling households and schools across India to enhance living conditions and reduce the spread of preventable diseases.

Demand Drivers

Supportive Government Policies

Initiatives like the Swachh Bharat Mission continue to create strong tailwinds for sanitation-related improvements, driving greater demand for financing solutions.

Untapped Rural Potential

A large section of rural India still lacks access to proper sanitation facilities, presenting a significant opportunity to expand our WASH loan offerings and contributing to improved public health and hygiene.

Rising Social Consciousness

With increasing awareness around health, hygiene, and sanitation, more individuals and communities are seeking financial support to build proper facilities, aligning closely with our objective to deliver impactful, need-based credit solutions.

We are proud to share that we have been certified as the 'Best MFI Support in WASH Technical Training - National' by FINISH Mondial and Trust of People. This prestigious recognition showcases our commitment to promoting sustainable WASH practices across underserved communities.

Business Segment Analysis

OUR INCLUSIVE FINANCIAL OFFERINGS

SCNL also offers targeted financing solutions that address daily-life essentials and small-ticket asset needs across low-income communities. These offerings are designed to enhance productivity, support mobility, and enable basic conveniences, further strengthening the Company's role in advancing financial inclusion at the grassroots level.

Insights from Our Senior Management

Inclusion is the foundation of our approach. We believe meaningful progress happens only when everyone moves forward together. For us, inclusion means bridging social and economic divides to ensure no one is left behind on the path to holistic development.

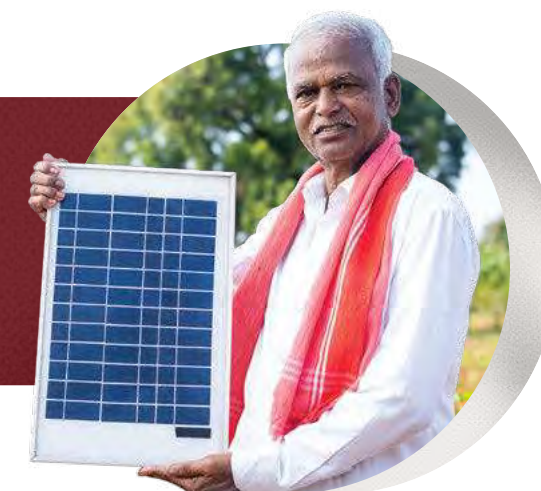
7,343

Loans disbursed in 2024-25



Solar Energy

Financing solutions for solar-powered lighting systems are offered in regions with limited or inconsistent electricity connectivity. These products help households gain reliable access to electricity, improving safety, study hours, and overall quality of life.



Cycles

We offer flexible loan solutions designed for bicycle purchases, enabling our clients to enhance their daily commutes and improve overall efficiency.

Home Appliances

Our loan products cover a range of household appliances which enables families to access comfort and income-generating tools, which are otherwise out of reach.



Mobile Phones

Financing for affordable smartphones helps bridge the digital divide. This provides individuals from lower income households and small businesses with tools for communication, education, and mobile-based commerce.

Business Segment Analysis

MSME LOAN

SCNL's presence in the MSME loan segment is anchored by its wholly owned subsidiary, Satin Finserv Limited (SFL), which manages this vertical with a specialized focus on secured, small-ticket MSME financing. SFL provides structured credit solutions that address the working capital and expansion needs of micro and small enterprises, enabling them to scale operations with stability. The model is built on flexibility, prudence, and the larger objective of fostering sustainable business growth across India's emerging enterprise landscape.

Highlights 2024-25

INR **348** Crores
Disbursement

INR **548** Crores
Assets Under Management (AUM)

4.8%
GNPA

Insights from Our Senior Management

At SCNL, we believe MSMEs are the heartbeat of India's economy. Our goal is to provide them not just with capital, but with confidence. By understanding their unique challenges and aspirations, we design solutions that enable growth, resilience, and self-reliance. Every loan we disburse is a step toward empowering entrepreneurs and unlocking the true potential of local businesses.



Foundational Strategies

- Focusing on loans with a ticket size of under INR 3.5 Lakhs, making up around 97% of total MSME portfolio.
- Streamlining operations with a robust in-house software, ensuring speed and security while enhancing customer satisfaction.
- Prioritizing secured retail MSME lending, capitalizing on SCNL's strong foothold in rural areas to drive growth.
- Partnering with 21 active lenders, including banks and impact funds, to establish a diverse and reliable fund sourcing network.



Demand Drivers

Growth Headroom

The MSME loan segment offers significant growth potential, focusing on mid and small-ticket business loans typically above INR 2 Lakhs, secured by collateral. With the market still underpenetrated, there is immense potential for growth and expansion in this space.

Budgetary Announcements

The Union Budget 2025-26 unveiled a host of measures to strengthen the MSME sector by improving credit access, supporting first-time entrepreneurs, and promoting labor-intensive industries. Some of the key initiatives include increased thresholds for turnover and investment, enhanced credit availability, introduction of credit cards for micro enterprises, targeted support for start-ups, and a renewed focus on labor-intensive sectors. All these are expected to significantly catalyse the demand for MSME loans.

Government Approvals

The Government of India's approval of the Mutual Credit Guarantee Scheme for MSMEs (MCGS-MSME) is a key driver for loan demand. The scheme offers 60% guarantee coverage by National Credit Guarantee Trustee Company Limited (NCGTC) for credit facilities up to INR 100 Crores, enabling MSMEs to secure funding for equipment and machinery purchases. This reduces lending risk and enhances access to capital, fueling growth and innovation within the MSME sector.

Increased Registrations

As of January 1, 2025, MSME registrations in India stood at 6.30 Crores, covering both formal and informal enterprises. This marks a significant increase from the 2.53 Crores registrations reported in November 2024, indicating a substantial growth of nearly 150% in less than six months.

Business Segment Analysis

HOUSING LOAN

Satin Housing Finance Limited (SHFL), a wholly owned subsidiary of SCNL, focuses on making homeownership accessible for individuals in rural and semi-urban areas. Through affordable and flexible credit solutions, SHFL enables families to invest in secure housing, often their first owned asset, contributing to household stability and improved living conditions. The business continues to gain momentum by addressing the growing affordability gap in housing finance, particularly for informal-income borrowers who have long been overlooked by mainstream lenders.

Insights from Our Senior Management

At SHFL, our housing finance solutions are designed to empower families in underserved regions to build, improve, and own their homes with dignity. By offering accessible, affordable, and customer-friendly housing loans, we are not just enabling homeownership, we are helping create a foundation for long-term stability and prosperity.



Highlights 2024-25

INR **479** Crores
Disbursement

INR **920** Crores
Assets Under Management (AUM)

2.8%
GNPA



Foundational Strategies

- Positioning for growth through strong operational processes, rigorous underwriting standards and extensive nationwide reach.
- Leveraging SCNL's vast geographical footprint to further scale and expand the business, maximizing reach and impact



Demand Drivers

Government Support

As of April 2025, the Indian government's commitment to the Pradhan Mantri Awas Yojana (PMAY) was significantly bolstered, with a total allocation of INR 78,126 Crores for 2025-26. This marks a substantial 64% increase over the revised estimates for 2024-25, underscoring a renewed focus on addressing the country's housing needs across both urban and rural sectors.

Increasing Aspirations for Homeownership

The growing demand for housing loans is fueled by the rising aspirations of rural and semi-urban populations to own homes. Driven by the pursuit of better living standards and financial security, more individuals are viewing homeownership as a long-term investment toward stability and upward mobility.

Business Segment Analysis

TECHNOLOGY SOLUTIONS BUSINESS

Satin Technologies Limited (STL), a wholly owned subsidiary incorporated during the year, serves as SCNL's digital innovation arm. With a sharp focus on financial services industry, STL is building technology-led solutions that enhance operational efficiency, enable scalability, and respond to the evolving demands of modern businesses. Designed to operate as both an internal enabler and an independent enterprise, STL reflects SCNL's broader ambition to integrate technology at the core of financial inclusion and institutional agility.



Objective

Aims to help businesses grow and adapt by leveraging technology solutions that align with the evolving needs of a dynamic marketplace.



Advanced Platforms

Offers an advanced Human Resource Management System (HRMS) a Loan Management Platform, and a Core Banking Solution, all successfully implemented and tested at SCNL.



Leadership

Appointed Mr. Rupinder Kalia as CEO and MD, an MBA with over 20 years of IT and consulting experience, previously serving as MD in the consulting division of a Big Four firm.



Early Success

Achieved notable success by acquiring two clients within the first two months of incorporation, underscoring the immediate impact and value of its solutions.



Economic Contribution

CREATING VALUE. ADVANCING PROSPERITY.

Our contribution to economic development is rooted in the ability to extend financial access where it is most needed. Our interventions, particularly in rural and semi-urban India, are helping build resilient livelihoods, expand local enterprise, and uplift household financial stability. Together, these efforts support the broader goal of fostering inclusive and sustainable economic growth.

Economic Value

Fostering Financial Inclusion

We drive economic value by ensuring that low-income households and small businesses across India have access to affordable financial solutions. This enables them to overcome barriers to growth and participate fully in the economy.

Encouraging Entrepreneurship

By offering tailored financial products, we empower individuals and businesses to start or expand their ventures, creating new job opportunities and boosting local economies.

Promoting Financial Literacy and Empowerment

Through comprehensive financial literacy programs and capacity-building initiatives, we equip borrowers with the knowledge to make informed decisions, fostering long-term resilience and sustainable growth within communities.

Supporting Poverty Alleviation and Growth

Our focus on affordable credit and economic empowerment contributes directly to poverty alleviation efforts, helping individuals improve their financial well-being and stimulate broader economic growth.

Direct Economic Value Generated

INR **2,243** Crores
Interest Income

INR **115** Crores
Treasury Income

INR **19** Crores
Other Operating Income

Direct Economic Value Distributed

To Employees

INR **507** Crores
Employee Salaries and Benefits

To Depositors and Lenders

INR **950** Crores
Interest Expenses

To Government

INR **16** Crores
Tax Payment

To Community

INR **2.8** Crores
Corporate Social Responsibility Projects

INR **217** Crores
Economic Value Retained

Employment Generation

Empowering Entrepreneurship

As a leading NBFC-MFI, we focus on providing micro credit facilities that enable individuals to realize their entrepreneurial potential, fueling economic growth and self-sufficiency.

Driving Job Creation

Our initiatives have significantly contributed to job creation at the grassroots level, empowering local communities and helping to reduce unemployment.

National Employment Impact

Operating across 29* states in India, we continue to play a key role in employment generation, offering direct employment to ~17,000 individuals across the country.

*On Consolidated basis

Employer of Choice

Our consistent recognition by Great Place To Work (GPTW) India across multiple categories reaffirms our commitment to creating an inclusive, purpose-driven workplace. Through our broad-based impact and deep focus on community development, we have reinforced our position as an employer of choice, attracting top talent and nurturing a culture of support, growth, and shared purpose, attracting top talent and nurturing a culture of support and purpose.

Satin has given me a career path that I could once only dream of. I began my journey as a Community Service Officer, unsure of what lay ahead. Today, as a Circle Head of West Uttar Pradesh, I look back with immense gratitude. Each step forward was supported by a team that believed in me, trained me, and helped me discover my true potential.

Ramyash Kushwaha,
Circle Head, UP West



15,189
Total Direct Employment Generated

34%
Employment Growth Rate

20.2%
Female Workforce at Corporate Office

89%
Workforce under 35 Years

Constant Innovation

Technology-First Leadership

We are redefining the microfinance landscape through strategic investments in digital infrastructure, particularly e-KYC, e-Sign (IRIS Based), AI & ML Based Credit Underwriting and Insight Platform, enhancing security, minimizing fraud, and enabling seamless customer on-boarding.

Operational Excellence through Advanced Technologies

By harnessing the power of advanced analytics, artificial intelligence, machine learning, and cloud platforms, we optimize credit evaluation, accelerate processing and scale operations efficiently.

Precision-Driven Credit Solutions

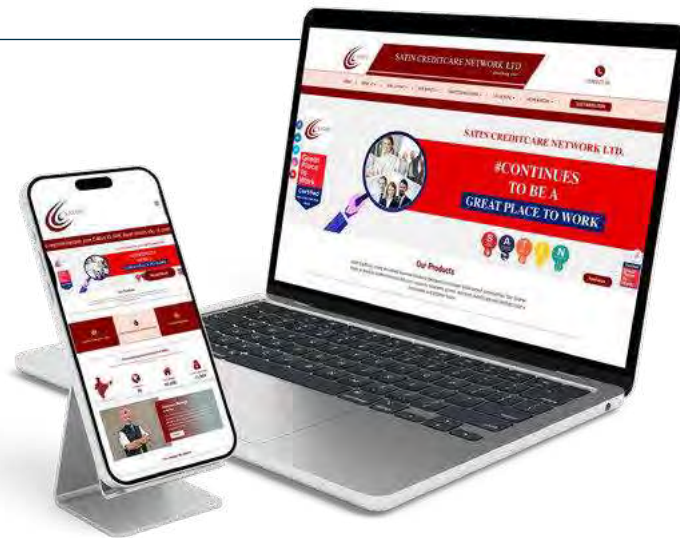
Leveraging customized scorecards and predictive modelling, we deliver data-driven, personalized credit offerings, ensuring responsible lending practices and a stronger, more resilient portfolio.

Culture of Continuous Innovation

Through strategic collaboration with Satin Technologies Ltd. (STL), targeted employee up skilling, and innovation-led initiatives, we cultivate a culture that champions transformation and technology adoption.

Future-Ready, Customer-Centric Strategy

Our forward-looking road map includes expanding AI/ML capabilities in credit risk management, advancing cloud optimization, and launching intuitive digital platforms, empowering sustainable growth and operational agility.



2,00,000

Number of App Downloads in 2024-25

~9%

Growth in Transactions in 2024-25

10%-12%

Transaction Volume Growth in 2024-25

Tax Contributions

Commitment to Compliance

We strictly adhere to all tax regulations mandated by governing authorities, ensuring our practices align seamlessly with applicable laws.

Zero Non-Compliance Since the Incorporation

Responsible Corporate Citizen

As a conscientious Company, we uphold the highest standards of integrity in fulfilling our tax obligations without exception.

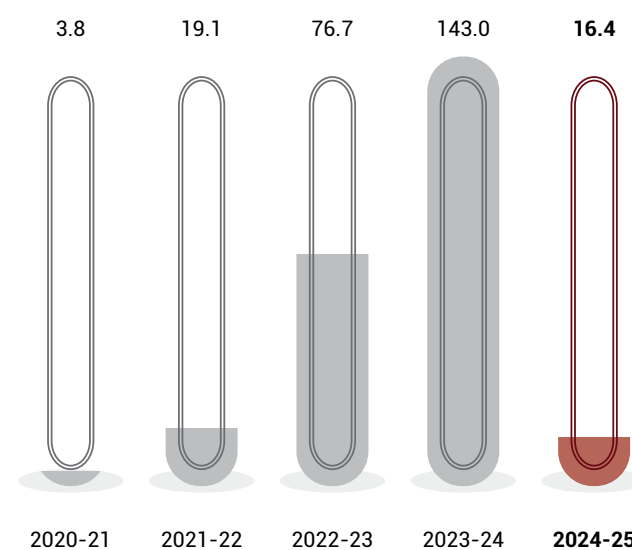
Recognized Excellence

Our dedication to prompt and accurate tax filings earned us Certificates of Appreciation from the Central Board of Indirect Taxes and Customs for four consecutive years.

Transparent Practices

Our commitment to compliance reflects our broader dedication to building trust, ensuring transparency, and upholding accountability in every financial interaction.

Taxes Paid to the Government (INR Crores)



Women Empowerment

Access to Credit

At SCNL, we recognize women as catalysts for lasting progress. We empower them by providing access to credit through targeted outreach and diverse financial products. Our approach supports women in achieving financial inclusion and independence, encouraging entrepreneurship across diverse income levels.

WASH Loans

Through WASH loans, we enhance sanitation facilities, directly benefiting women and their families while improving overall community health.

Health Workshops

During the year under review, we organized health workshops for our female clients and their family members, empowering them with the knowledge and resources necessary for a healthier lifestyle.

Financial Education Programs

We deliver financial literacy programs alongside health and hygiene awareness sessions, equipping women with essential knowledge for informed decision-making.

Satin Ease Policy

We value our female employees and offer a menstrual leave policy known as Satin Ease. This policy ensures that our female staff can take the necessary time off to manage their menstrual health, reflecting our dedication to creating a supportive and inclusive work environment.

Travel Allowances

We also offer allowances to female Community Service Officers for travel purposes.

INR 11,058 Crores

IGL Outstanding for Women Entrepreneurs in 2024-25

INR 32 Crores

WASH Loans Outstanding for Women in 2024-25

65%

Growth of Women employees in 2024-25

We opened an all women branch in Dolabari, Assam, empowering women to achieve greatness in every role they take on



Rural Development

Enhancing Livelihoods

By offering loans, we empower entrepreneurs and small businesses to strengthen their ventures, improving their livelihoods and creating lasting value.

Creating Job Opportunities

Empowered entrepreneurs generate employment opportunities, driving economic growth at the grassroots level.

Enriching Communities

By empowering individuals, we enable them to uplift their dependents and contribute to the well-being of the larger community.

I started my Pooja Samagri store with the financial support from Satin. The credit helped me set up the shop and stock all the necessary inventory. Over time, my business has steadily grown and today, I'm proud to say it's running successfully and bringing in good profits.

Krishna Devi, Lucknow



33,49,606

Number of Rural Entrepreneurs Catered

8,29,969

Additions in the Number of Rural Entrepreneurs Catered in 2024-25

Community Development

Prioritizing Vulnerable Groups

Our welfare measures are meticulously designed to address the needs of the economically disadvantaged sections of society.

Breaking the Poverty Cycle

Our initiatives empower individuals to generate sustainable income streams, reducing reliance on traditional employment avenues.

Social and Cultural Advancement

We actively promote social and cultural development to strengthen community resilience and inclusivity.

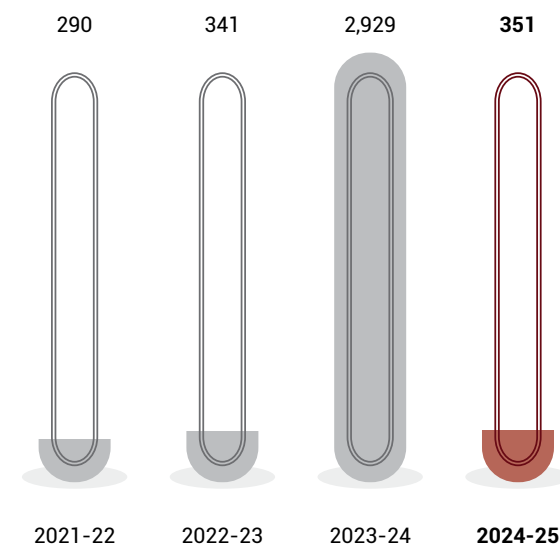
Humanitarian Relief

We take great pride in our humanitarian and disaster relief efforts. In the event of emergencies such as cyclones, floods, or other natural disasters, we support our clients and local communities by distributing essential relief supplies and rations.

Environmental Stewardship

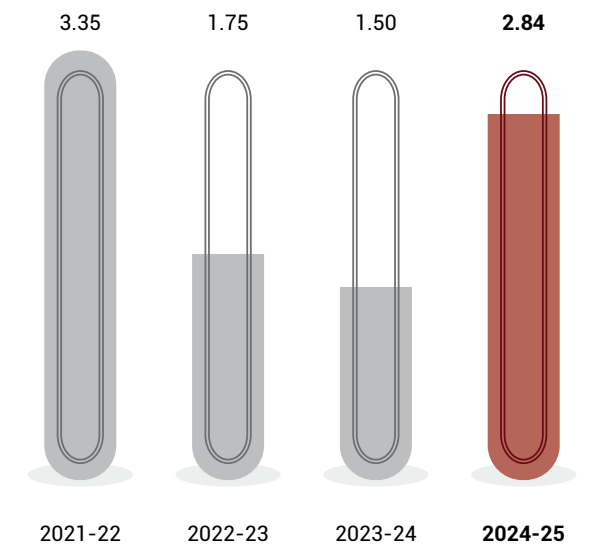
Recognizing the link between community well-being and environmental preservation, we engage in proactive initiatives to protect the environment and maintain ecological balance.

Number of Beneficiaries from CSR Spend



CSR Spend

(INR Crores)



BUSINESS MODEL

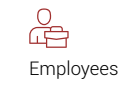
CREATING VALUE. EMPOWERING SUCCESS.

Stakeholders


Investors/
Shareholders

Government/
Regulators


Customers



Employees


Communities/
NGOs

Business
Partners

Capital Inputs → Business Model → Outcomes → Impact on Stakeholders

Capital Inputs	Business Model	Outcomes	Impact on Stakeholders
Financial Capital Debt Funding: INR 7,742 Crores Networth: INR 2,843 Crores CRAR: 25.8%	Key SDGs Involved Risks Impacting the Particular Capital Credit Risk Liquidity and Funding Risk Operational Risk Compliance Risk	Mobilize capital through a balanced mix of debt, equity, and strategic asset sell-downs to support sustainable growth Leverage advanced technology and data-driven insights to identify and onboard creditworthy borrowers, primarily in underserved regions	Return to Shareholders and Investors ROE: 7.9% ROA: 2.1% NIM: 13.0% EPS: INR 19.7
Physical Capital Total Branches: 1,454 Districts: 452 Regional Offices: 106 States and UTs: 29* *On Consolidated Basis	Key SDGs Involved Risks Impacting the Particular Capital Technology Risk Operational Risk Climate Change Risk	Extend timely and affordable credit through robust and responsible underwriting practices that ensure financial inclusion with minimal risk Strengthen collections by promoting digital repayment channels, enhancing efficiency, transparency, and borrower convenience	Customer-centricity Total customers: 32,87,098 Customers added during 2024-25: 8,29,969 Core products disbursement: INR 9,837 Crores
Intellectual Capital Stable & Scalable Technology Infrastructure Association with Private Financiers New Customers Onboarded Digitally Credit policy and Underwriting Skills Risk Management Framework Cashless Disbursement	Key SDGs Involved Risks Impacting the Particular Capital Credit Risk Liquidity and Funding Risk Technology Risk Operational Risk Compliance Risk Climate Change Risk	Our Offerings IGL Loans WASH Loans Cycle Loans Solar Loans	Digital Capabilities Number of users of our loan app: 2,00,000 Average cashless disbursements: 100% Cashless collections: 9%
Human Capital Total Employees: 15,189 Employees under the age of 35 years: 13,535	Key SDGs Involved Risks Impacting the Particular Capital Operational Risk Climate Change Risk	Key Enablers Rigorous Compliance Standards Robust Risk Management Practices Adoption Of Cutting-Edge Technology Strong Client Relationships Expertise in Credit and Finance Positive Work Culture Skilled Workforce with Specialized Expertise	Employee Engagement Total training hours by employees: 3,32,494 Average training hours by employees: 8
Social and Relationship Capital CSR Contributions: INR 283.66 Lakhs Enduring Relationships with Relevant Stakeholders such as Investors, Lenders, and Rating Agencies	Key SDGs Involved Risks Impacting the Particular Capital Credit Risk Liquidity and Funding Risk Technology Risk Operational Risk Compliance Risk Climate Change Risk		Community Development Loan to first cycle customers: 17,97,469 Lives impacted: 351 Total customers benefitted under WASH loans: 28,494
Natural Capital Adept Energy Consumption Optimum Water Usage Efficient Waste Management	Key SDGs Involved Risks Impacting the Particular Capital Climate Change Risk		Optimum Resource Utilization GHG emissions Scope 1: 72.76 in metric tonnes of CO₂ Equivalent GHG emissions Scope 2: 3,490.82 in metric tonnes of CO₂ Equivalent Solar torches provided: 29,586 GHG emissions Scope 3: 4,476.59 in metric tonnes of CO₂ Equivalent

Strategy

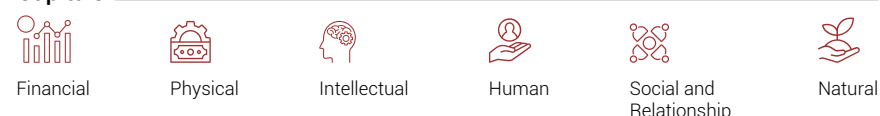
PLANNING WITH PURPOSE. EXECUTING WITH PRECISION.

Rooted in a legacy of empowering communities, our strategy reflects our growth into a sectoral leader in financial inclusion. We are scaling with purpose and resilience, guided by disciplined underwriting, technology-driven execution, and a nuanced understanding of our customers' evolving aspirations. By embedding risk intelligence into front line decisions and expanding responsibly in untapped markets, we are reinforcing our leadership while shaping the future of inclusive finance.

With digital adoption, stakeholder trust, and inclusive growth as core enablers, we are not just growing in scale, but also building a smarter, stronger, and more resilient company.

Our Strategies

Capitals



Stakeholders



S1

Enhanced Shareholder Value

- Sustaining steady growth and profitability, ensuring long-term financial success.
- Maintaining healthy return ratios.
- Implementing efficient and effective processes and policies to drive operational excellence and risk management.

2024-25 Performance

ROA: **2.07%**
ROE: **7.86%**
Debt raised: **INR 7,742 Crores**
Added **14** lenders

Key Capitals Involved



Key Stakeholders Involved



S2

Maintaining a Diversified Portfolio with High Asset Quality

- Leveraging cutting-edge technology supported by robust policies to ensure portfolio integrity and quality.
- Empowering a skilled and effective field team to manage and monitor the portfolio across diverse sectors.
- Implementing a thorough risk management framework to mitigate potential risks and maintain high asset quality.
- Collaborating with private financiers to diversify funding sources and enhance portfolio resilience.
- Leading with an experienced management team to drive informed decision-making and sustain asset quality.

2024-25 Performance

GNPA: **3.7%**
PAR 1: **4.9%**

Key Capitals Involved



Key Stakeholders Involved



S3

Optimizing Branch Network

Expanding our footprint across varied regions to enhance accessibility and reach. Opening 218 new branches to strengthen our market penetration, with 92% of our branches strategically located in tier 3/4 regions to tap into underserved markets and drive growth.

2024-25 Performance

Broad-based presence in **29*** States and union territories
Increased penetration in existing states

*On a Consolidated Basis

Key Capitals Involved



Key Stakeholders Involved





S4 Responsible Financing

- Achieving growth in the number of new clients, reflecting our expanding reach and trust in our services.
- Promoting gender equality with a zero-tolerance policy for discrimination, ensuring inclusive financial access for all.
- Demonstrating strong commitment to client protection, maintaining ethical practices and transparency in all our dealings.

2024-25 Performance

Disbursements increased by **1.5%** even during the challenging year

100% Women borrowers in MFI Portfolio

76% clients are based in rural hinterlands of India

Received **SQS2 Sustainability Quality Score** from **Moody's Ratings**

Key Capitals Involved



Key Stakeholders Involved



S6 Maximizing Product Financing Opportunities

- Expanding and diversifying our product portfolio to cater to a broader range of customer needs.
- Increasing the volume of customized financing loans tailored to specific customer requirements.

2024-25 Performance

Diverse Product Offerings:

- Income Generation Loan
 - Water & Sanitation
 - Product Financing
- ~55%** of repeat customers of the same product

Key Capitals Involved



Key Stakeholders Involved



S5 Investments in Technology

- Implementing a fully digital journey for loan processing, enhancing efficiency and customer experience.
- Integrating advanced technologies such as IRIS and geotagging to streamline operations and improve data accuracy.
- Installed Customer Service App (CSA) and enabled cashless collections through multiple channels
- E-signing of loan documents using IRIS and fingerprint authentication ensures instant, secure verification with enhanced levels of security and user trust.

2024-25 Performance

100% Cashless disbursement

100% Paperless in operational processes

Improved operational efficiencies and customer experience

Key Capitals Involved



Key Stakeholders Involved



S7 Harnessing Enhanced Underwriting Capabilities

- Ensuring no loans are extended to overdue customers, maintaining a high-quality portfolio.
- Integrating Credit Bureau data and application-based scorecards to enhance credit risk assessment and decision-making.
- Proactively identifying early warning signals to mitigate potential defaults and reduce risk exposure.
- Conducting thorough household income assessments to ensure accurate creditworthiness evaluations.

2024-25 Performance

100% of loan applications assessed using scorecards

100% of applicants undergoing household income verification

Key Capitals Involved



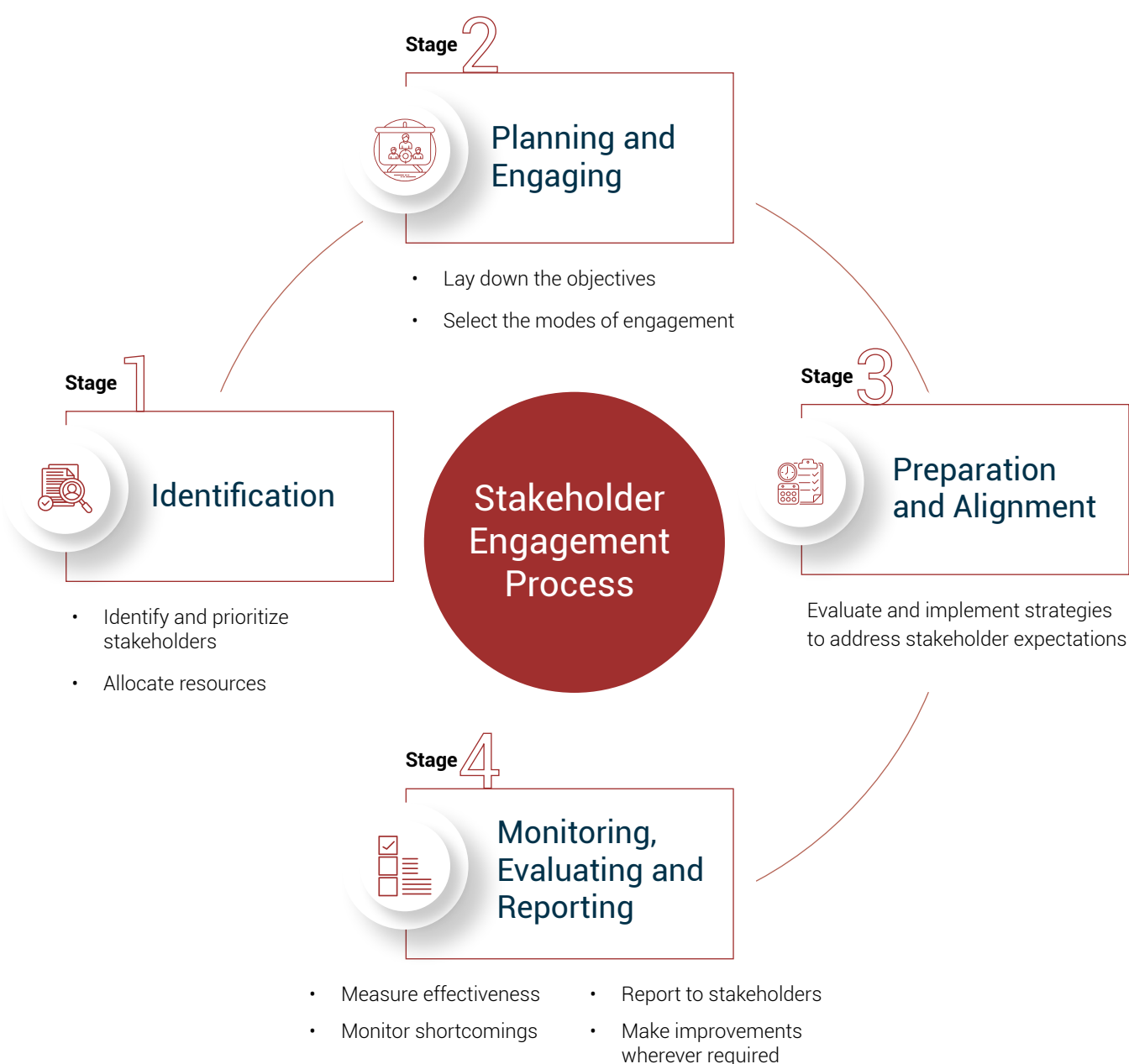
Key Stakeholders Involved



Stakeholder Engagement

FOSTERING STRONG PARTNERSHIPS. DRIVING COLLECTIVE SUCCESS.

Our business is deeply interwoven with the aspirations, expectations, and progress of the people and institutions we serve. At SCNL, stakeholder engagement is not an obligation, but a strategic imperative that shapes how we operate, evolve, and deliver impact.



Stakeholder Mapping

Customers

As a customer-focused NBFC, we enhance customer experience by supporting them through innovative initiatives

Government/ Regulatory Bodies

We ensure full adherence to all applicable regulatory and statutory requirements, maintaining transparent and continuous communication

Communities

Through our long-term commitment to sustainability, we aim to create lasting value for the communities in which we operate.

Employees

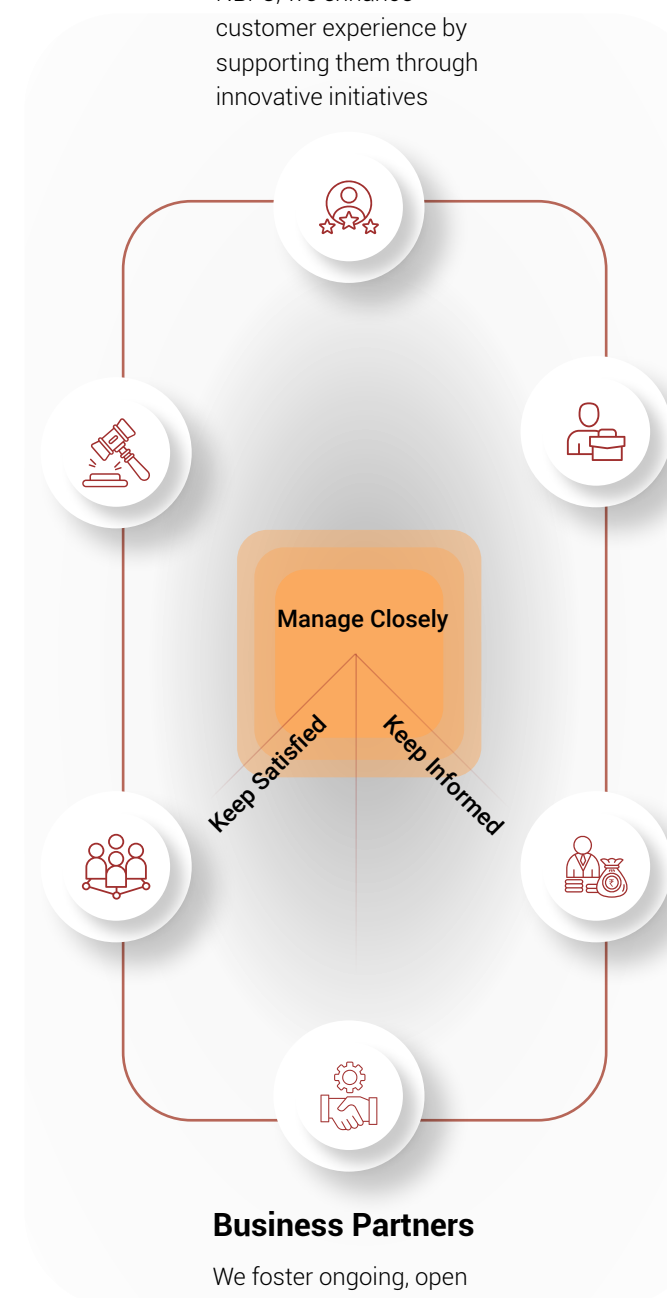
We deeply value our team, recognizing them as a crucial enabler of our success. Our HR policies and processes are designed to build and nurture a future-ready workforce

Shareholders and Fund Providers

Through our well-rounded strategies, we drive shared shareholder value and deliver consistent returns

Business Partners

We foster ongoing, open communication with all suppliers and business partners to promote and strengthen our sustainability practices



Stakeholder Needs and Expectations

Stakeholder Engagement	Engagement Platforms	Engagement Initiatives
Shareholders and Fund Providers SDGs Impacted Quality of Relationship: Strong	- Investor and analyst meetings - Conferences - Periodic meetings - Annual report, press releases, or media updates - Earnings calls	- Providing consistent returns on investment - Keeping transparent disclosures - Ensuring ethical business conduct and comprehensive risk management - Focusing on preserving balance sheet strength
Customers SDGs Impacted Quality of Relationship: Strong	- Center meetings - Digital tools - House visits - Interaction at the branches - Surveys and feedback - Community events - Sparsh mechanism for grievance redressal	- Reinforcing brand loyalty and advocacy - Establishing mutual long-term collaborative relationships - Improving experience through enhanced processes - Increased access to finance through multiple branches across India - Conducting financial literacy workshops for clients to make informed borrowing decisions - Support clients in case of emergency through insurance
Employees SDGs Impacted Quality of Relationship: Strong	- Internal meetings - Employee engagement initiatives - Cultural events - Training and development workshops - Health initiatives - Performance appraisals - Atoot Bandhan mechanisms for grievances - Rewards and recognition - Employee surveys	- Providing skill development and knowledge through diverse and enriching experiences - Encouraging leadership that inspires and empowers - Cultivating a professional culture rooted in honesty, integrity, and ethical values - Fostering learning opportunities and pathways for career growth - Offering a comprehensive range of perks and benefits designed to support employee wellbeing like Satin Sahyog, Satin Suraksha, Satin Ease, etc. and many more

Stakeholder Engagement	Engagement Platforms	Engagement Initiatives
Communities SDGs Impacted Quality of Relationship: Strong	- CSR and SPM initiatives - Focus on health, education, livelihood, and poverty alleviation - Skill development and training workshop - Employee volunteering	- Empowering underserved children, youth, and women through education and skill development initiatives - Facilitating employment generation and financial inclusion across the country - Enhancing quality of life by providing access to improved healthcare facilities through DocOnline association - Ensuring community safety through the adoption of secure and responsible work practices - Conducting relief programs in case of emergency
Government/Regulatory Bodies SDGs Impacted Quality of Relationship: Strong	- Meetings, reports, and networking in different forums organized by regulatory authorities - Mandatory regulatory filings - Periodical submission of business performance - Annual report - Other written communication	- Ensuring strict compliance with all applicable laws and regulations - Actively participating in regulatory working groups to contribute to policy development
Business Partners SDGs Impacted Quality of Relationship: Strong	- Ongoing written communication - Regular meetings - Periodic bidding process - Publications on Financial Statements and Annual Reports	- Engaging in transparent selection and competitive bidding process - Ensuring no payment defaults - Automating procurement process

Materiality Assessment

PRIORITIZING WHAT MATTERS MOST TO DRIVE SUSTAINABLE GROWTH

As part of SCNL's commitment to aligning strategy with sustainability, we undertook our first formal materiality assessment in 2024-25. This exercise enabled us to identify 21 material topics through a rigorous four-step process. While areas such as business ethics, financial inclusion, customer satisfaction, responsible lending, transparency and community development remain ingrained in the very soul of SCNL—defining who we are as a responsible NBFC-MFI and a listed institution with an unblemished governance record, this assessment spotlighted emerging themes that demand strategic focus on our way forward.

Our top three material topics—Data Privacy & Security, Water and Wastewater Management, and Climate Change and Decarbonization—clearly reflect the evolving expectations of stakeholders and the broader operating environment and stand out as imperatives in today's rapidly evolving landscape. These priorities not only mirror the concerns of a changing world but also align with regulatory direction, including the RBI's evolving focus on data stewardship and environmental sustainability. This materiality map will serve as a compass to shape our future initiatives and sustainability roadmap.

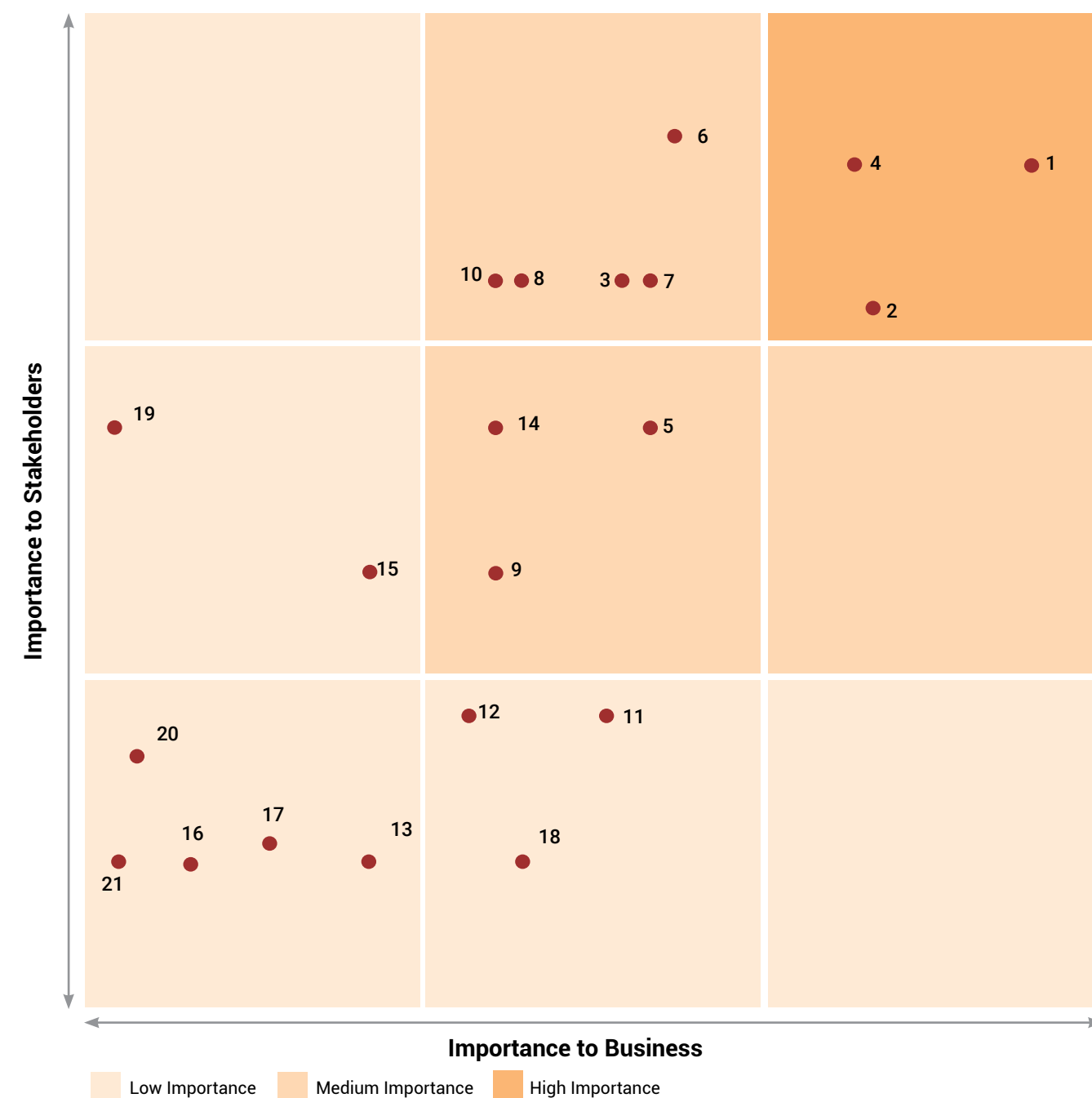
We analyzed relevant sustainability topics for the financial services industry using peer analysis and global frameworks such as the Sustainability Accounting Standards Board (SASB), MSCI ESG Industry Materiality Map, and Corporate Sustainability Assessments (DJSI CSA)

These topics were then discussed with a diverse range of internal and external stakeholders, including employees, lenders, investors vendors and NGO partners. This was done through interviews and survey to gather their input and feedback

We analyzed the responses to understand the stakeholders' perspectives and feedback

The senior management critically reviewed this feedback to identify the areas of importance over short, medium and long term

Based on the assessment conducted, we have identified a set of 21 material topics which have been presented in the matrix below.



Rank	Topic
1	Data Privacy & Security
2	Water and Wastewater Management
3	Employee Health & Safety
4	Climate Change & Decarbonization
5	Waste Management
6	Digitization
7	Employee Well Being & Development
8	Sustainable Business Strategy
9	Energy Management
10	Human Rights & Labor Practices
11	Business Ethics & Corporate Governance

Rank	Topic
12	Risk & Crisis Management
13	Financial Inclusion
14	Customer Satisfaction
15	Financial Performance
16	Innovative Products
17	Responsible Lending
18	Stakeholder Relations
19	Transparency & Reporting
20	Community Development
21	Diversity, Equity and Inclusion

Governance Commitment

UPHOLDING INTEGRITY. LEADING WITH GOVERNANCE.

At SCNL, our governance practices are rooted in transparency, accountability, and a deep commitment to financial inclusion. We uphold the trust of our borrowers and stakeholders through ethical conduct and transparent practices. In a highly regulated sector, our principled approach drives sustainable growth and lasting impact.

We have consistently upheld the highest standards of ethics, governance, and compliance in daily business operations, helping navigate challenges and remain resilient even during financial crises. We are committed to continuously enhancing this approach through innovation and adaptability to stay ahead in the evolving business and regulatory landscape.

Strengthening

Board Leadership

With the tenure of four directors concluding, SCNL undertook a rigorous selection process to appoint new board members who embody excellence in governance. The newly inducted professionals bring deep domain expertise, industry credibility, and strategic acumen, reinforcing SCNL's commitment to a board-driven, forward-looking management that upholds integrity while navigating the evolving microfinance landscape.

Key Pillars of Our Corporate Governance

Board Independence

- Balanced mix of Independent and Non-Independent Directors, ensuring governance independence and clear separation from management functions.
- Composed of 6^a members, including 4^a independent directors, one of whom is a woman.
- Committed to proactive adherence to regulatory requirements.

^aAs on March 31 2025

Internal Governance Framework

- Aligned with RBI's Scale-Based Regulations through enhanced board oversight, strengthened risk and compliance frameworks and calibrated policies tailored to our size and complexity.
- Established a robust Internal Guidelines policy on Corporate Governance.
- Defines the Governance Philosophy, structure, and terms of reference for key committees.

Comprehensive Governance Policies

- Includes policies such as Code of Conduct, Whistle Blower Policy, Material Subsidiary Policy, Succession Plan, Internal Audit Policy, Prevention of Sexual Harassment Policy, Anti-Bribery, and Anti-Corruption Policy.
- Reinforces our commitment to ethical business practices.

Commitment to Fair and Transparent Practices

- Ethical foundation through well-defined policies and codes.
- Code of Conduct on Insider Trading, Directors' Code of Conduct, and Fair Practice Code promote transparency and accountability at every level.

Promoting Board Diversity

- Prioritize diversity in gender, age, cultural background, educational background, ethnicity and professional expertise.
- Board appointments are based on merit, evaluated against objective criteria.
- Recognizing the critical role of diversity in enriching decision-making processes.

Effective Board Committees

- Specialized committees to support the Board in fulfilling its responsibilities.
- Committees include subject matter experts and independent members working collaboratively to drive effective governance.



Committees of the Board of Directors



Meetings held in 2024-25

7	Audit Committee	4	Nomination and Remuneration Committee	1	CSR and ESG Committee
5	Risk Management Committee	1	Stakeholders' Relationship Committee	29	Working Committee
4	Asset Liability Management Committee	4	IT Strategy Committee		

A Snapshot of Our Governance

9	Number of Board Meetings Conducted	95.38%	Average Attendance Rate at Board Meetings	92.43%	Average Attendance rate at Board Committee Meetings
99%	Consumer Complaints Resolved within Turnaround Time	6	Total Members on the Board	4	Number of Independent Directors on the Board

Board of Directors

LEADING WITH VISION. STEERING SUSTAINABLE SUCCESS.



Dr HP Singh

Chairman cum Managing Director



A law graduate and fellow of The Institute of Chartered Accountants of India since 1984, Dr HP Singh brings over four decades of experience in financial services and is a veteran in financial inclusion and innovation. In addition to his expertise in lending, particularly in the microfinance sector, Dr Singh stands out not only for his financial acumen but also for his remarkable ability to inspire and mentor future leaders. His motivational leadership style, combined with a keen ability to drive organizational growth, has consistently empowered teams to achieve excellence. Adept at navigating crises with a calm, solution-oriented approach, he has been instrumental in SCNL's emergence as one of India's leading NBFC-MFIs, holding a strong national presence and serving millions of rural households.

With a sharp strategic vision and a deep commitment to inclusive growth, Dr Singh has led the transformative expansion of Satin beyond traditional microfinance. Under his leadership, the Company has diversified into affordable housing, MSME lending and most recently, technology-enabled solutions through its subsidiaries. By laying the foundation for the Satin Group, he has not only broadened the Company's operational horizon but also deepened its inclusive reach.

Dr Singh is a part of the industry forum, the Federation of Indian Chambers of Commerce and Industry (FICCI), where he lends his expertise as a Banking and Financial Institution Committee member. As the former Chair of Sa-Dhan, he contributed significantly to the sector's growth and development over his two-year tenure. Dr. Singh has also been appointed as Trade Commissioner for the Indian ASEAN Trade Council, where he oversees the Council's efforts to enhance trade and economic cooperation between India and the ASEAN region.

Dr Singh participated in Harvard Business School's Accion Program on Strategic Leadership for Microfinance in 2009, as well as the leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011. He has been an inspiration right from the very beginning when the Company came into being in 1990, until today where he continues to be actively involved in the Company's day-to-day operations.

Dr Singh has been conferred with the degree of Doctor of Philosophy – Microfinance (Honoris Causa) by GNA University, a prestigious institution based in Punjab, India. This distinguished recognition was awarded following a recommendation from the University's Governing Body in acknowledgment of his remarkable contributions to the field of microfinance and his steadfast commitment to driving social and economic empowerment.

- Audit Committee
- Nomination & Remuneration Committee
- Asset Liability Management Committee
- CSR and ESG Committee
- Risk Management Committee
- IT Strategy Committee
- Stakeholders' Relationship Committee
- Working Committee
- NCD Public Issuance Committee
- Wilful Defaulter Review Committee

C Chairman

M Member



Mr Satvinder Singh

Non-Executive and Non-Independent Director



Mr Satvinder Singh holds extensive consumer marketing and finance experience and has developed new methods of credit appraisal and marketing for SCNL as Company Director. Associated with the SCNL since its inception in 1990, Mr Singh also acted as Managing Director between September 1995 and February 2011.



Mr Anil Kumar Kalra

Non-Executive and Independent Director



With 31 years of banking experience across leading companies India and London, Mr Kalra is extremely well versed in the areas of banking, financial services, investment banking and infrastructure financing. He spent 5 years as the Chief Executive Officer in the Financial Services Company in London, UK and has been associated with various well-known banks and financial Institutions across India and London, including public sector banks. Prior to this, Mr Kalra served as Senior Vice President in a leading NBFC engaged in providing financial services to corporates (including asset financing, debt syndication, corporate advisory, merchant banking) and support to sister companies within the group with focus on infrastructure projects financing. He holds a Finance MBA from the Faculty of Management Studies (FMS), Delhi University and B.Com (H) from the Shree Ram College of Commerce.



Mr Anil Kaul^A

Non-Executive and Independent Director



Mr Anil Kaul is former Managing Director, TATA Capital Housing Finance Ltd. He brings with him rich experience of working in Banking and Finance industries for more than three decades. He worked with ICICI Group for more than two decades including the Rural & Inclusive Banking Group, Future Capital Holdings Ltd., Bank Muscat SAOG, Standard Chartered Bank India and Citibank N.A. India. He had completed MBA with First Rank in 1989. He had also participated in Emerging Leader Development Program, Graduate School in Business, Columbia University in 2002, as well as the leadership program organized by The Wharton School, University of Pennsylvania in 2006.

^AResignation of Mr Anil Kaul as Non-Executive & Independent Director of the Company, w.e.f. close of business hours of June 27, 2025 due to his professional pre-occupation by accepting a new assignment which needs his full-time attention and time commitment.



Mr Joydeep Datta Gupta

Non-Executive and Independent Director



Mr Joydeep Datta Gupta is a former Partner of Deloitte India and a Board Member of Deloitte Asia Pacific. A Chartered Accountant by profession, he has over thirty years of experience across two major professional services firms. He has also held senior leadership positions at Deloitte India.

Among his many roles over sixteen years at Deloitte India, Mr Gupta has led the go-to-market function. Prior to that, he was the Chief Operating Officer for the Consulting business. He has been Technology Consulting leader for Deloitte South Asia. He also set up the Advisory Practice for Deloitte in Bangladesh.

Prior to Deloitte, Mr Gupta was a Partner at PricewaterhouseCoopers India and led the Business Transformation Services practice, the Oracle ERP practice, the Human Capital Consulting practice, the Risk Management practice and the BPO practice. He had also held senior leadership positions at PricewaterhouseCoopers. His internal roles included serving as the HR Leader for the firm and the Technology Leader for the firm.

Mr Gupta has served on Boards of several Chambers of Commerce, Social and Charitable organizations and a Municipality. Joydeep has been a speaker and chaired several panels at leading National and Global seminars.



Ms Jyoti Davar Vij

Non- Executive and Independent Director



Ms Jyoti Davar Vij is a business economist and a seasoned industry leader with nearly three decades of work experience with apex Indian industry associations. Through the years, she has worked across multiple sectors and with a large set of stakeholders on policy and business issues. Ms Vij is currently responsible for overseeing the operations of FICCI including, its outreach to members of Indian industry across sectors and regions. Ms Vij regularly interfaces with senior government officials, multilateral organizations, and industry leaders on a large number of economic issues and projects. Ms Vij has contributed to several policy initiatives of the government aimed at enhancing the ease of doing business in the country and improving the competitiveness of Indian industry. Ms Vij has been part of government committees on various subjects and has handled numerous projects with multilateral organizations. Ms Vij also contributes to the investment promotion activities of the government.



Mr Ashok Kumar Sharma[^]

Additional Director (Non-Executive & Independent)



Mr Ashok Kumar Sharma is a former Executive Director of the Life Insurance Corporation of India (LIC), where he held a wide range of leadership and operational roles over nearly four decades. He brings with him over 40 years of rich experience in India's financial services sector, spanning insurance, banking, capital markets, venture capital, and regulatory frameworks. Following his retirement, he joined the LIC IPO as an Advisor, contributing to one of India's most significant public offerings.

He also served as Director & CEO at LICHFL Asset Management Company Ltd. for more than four years, where he led the operations and strategic direction of its Real Estate Fund, focusing on investment strategy, compliance and investor confidence. In addition, he was associated with IDBI Bank as General Manager from October 2022 to March 2024, contributing to key areas such as regulatory oversight, banking operations, and stakeholder engagement.

Mr Sharma has served on the boards of eight organizations, including TIDEL Park Ltd., bringing strategic leadership, sound governance, and a strong customer-centric approach to each role throughout his career.

He holds a graduate degree in Economics and Military Science from Kurukshetra University and a Postgraduate Diploma in Insurance Management from Pondicherry University.

[^]With effect from June 27, 2025.



Mr Anupam Kunal Gangaher[^]

Additional Director (Non-Executive & Independent)



Mr Anupam Kunal Gangaher is a seasoned Chartered Accountant with over 40 years of experience in audit, taxation, and financial advisory. A graduate of Delhi University and proprietor of A.K. Gangaher & Co., he has advised Indian and multinational clients across sectors including manufacturing, trading, hospitality, exports, software, and financial services, offering expertise in auditing, accounting, financial consulting, and business strategy.

His core expertise lies in direct and indirect taxation, transfer pricing, and non-resident taxation, with extensive experience representing clients before statutory authorities. Known for his pragmatic insights and regulatory acumen, Mr Gangaher continues to provide strategic guidance to businesses navigating complex financial and compliance landscapes.

[^]With effect from June 27, 2025.

Risk Management

MANAGING RISK. NAVIGATING UNCERTAINTY.

Risk at SCNL is evaluated through the lens of where we operate, who we serve, and how we grow. With a presence across geographies marked by income volatility, climate exposure, and regulatory sensitivity, our approach balances operational agility with disciplined oversight.

Risks are identified through ongoing monitoring at both the field and enterprise levels, supported by structured governance and periodic Board reviews. This framework enables us to anticipate challenges early, calibrate decisions accordingly, and reinforce long-term resilience across our portfolio and business operations.

Risk Management Framework

Risk management and compliance are integral to SCNL's governance framework, with oversight provided by the Board. Our approach is built on the principle of the three lines of defense, ensuring a robust and effective system for managing and mitigating risks.

1

Diverse Business and Support Functions

Our business and support functions such as operations, finance, IT, HR, and administration work cohesively to drive last-mile delivery of financial services. These teams enable scalable outreach, robust customer engagement, and the smooth functioning of our extensive field network across rural and semi-urban India.

2

Risk and Compliance Function

Our risk and compliance function play a pivotal role in safeguarding portfolio quality and ensuring regulatory adherence across all lending activities. By leveraging credit bureau data, policy frameworks, and monitoring mechanisms, the team ensures prudent underwriting and minimizes exposure to credit and operational risks.

3

Audit Function

The internal audit function at SCNL provides critical oversight by regularly reviewing branch operations, loan disbursement practices, and adherence to internal controls. Through systematic audits and field inspections, it helps uphold transparency, strengthen governance, and ensure alignment with our mission of responsible lending.

Risk Management Committee

A dedicated Risk Management Committee, led by our Independent Directors, plays a vital role in developing, executing, and overseeing the Company's risk management plan. The Committee ensures that risk management strategies align with our strategic goals and supports ongoing monitoring and evaluation of these initiatives.

Risk Management Team

Our Risk Management Team continuously monitors risks stemming from the dynamic financial landscape, ensuring that overall risk exposure stays within the thresholds set by the Board. This approach enables us to quickly identify and address emerging risks, safeguarding the Company's interests. The ALCO committee plays a critical role in overseeing fund mismatches, managing daily liquidity to meet operational needs, and securing funds for maturing liabilities. Moreover, the Audit Committee, endorsed by the Board, provides additional oversight, scrutinizing financial risks and controls to ensure robust risk management across the organization.

Our Risk Management Framework Incorporates the Following Key Elements:



Strategic Alignment

Key business strategies are guided by the vision and direction set by the Board and senior leadership, ensuring cohesive and informed decision-making.



Comprehensive Risk Oversight

The identification, analysis, response, and monitoring of risks are led by senior leadership, who continuously track the various factors critical to our business. The Board conducts regular evaluations and reviews of this process to ensure a proactive and forward-looking approach.



Evolving Risk Mitigation

Our risk mitigation strategies evolve in tandem with emerging risks. The Board holds primary responsibility for this, cascading the approach through various business functions to ensure effective action and implementation at all levels.



The Major Risks Identified Serve as the Foundation for Shaping our Risk Management Priorities.

Risk Description

Our Response

Risk Linkage to Capitals

Risk Category

Credit Risk

We may face financial risks if a borrower defaults on their contractual obligations.

We mitigate this risk through robust, technology-supported underwriting mechanisms. Our established protocols for credit approvals ensure a thorough assessment process. Vigilant monitoring post-disbursal helps us proactively address potential issues. Risk management guidelines issued by the RBI and SROs serve as a guiding framework for developing and implementing our risk systems.

Conventional



Market Risk

Unfavorable market changes such as economic downturns, regulatory shifts or fluctuating demand could disrupt daily operations by affecting supply chains, customer preferences or operational costs.

We implement stringent policies to monitor market movements effectively. Active engagement with stakeholders helps us stay alert to emerging trends. Our priority is to optimize business performance and profitability. We are committed to maintaining strong and resilient business fundamentals.

Conventional



Capitals



Financial



Physical



Intellectual



Human



Social and Relationship



Natural

Liquidity Risk

Our inability to consistently maintain a sufficient liquidity buffer to meet immediate obligations, such as debt repayments and committed loan disbursements, due to specific reasons might impact our financial position.

We have implemented comprehensive Asset Liability Management (ALM) and Liquidity Risk Management policies. Our Liquidity Risk Management policy includes a framework for monitoring liquidity positions on a weekly or monthly basis. We are committed to maintaining robust liquidity and capital adequacy levels. Our guiding principle ensures the availability of funds to address upcoming liabilities, support business expansion, and provide a buffer against financial strains.

Conventional



Climate Risk

The potential adverse impacts of climate change, including physical, transition and liability risks, could affect the Company's operations and overall business performance.

We maintain a vast operational network across 29* states to reduce the impact of adverse climatic conditions in specific regions. Although our focus is on financial services products, we are not directly exposed to physical climate risks. We have implemented strategies to identify and mitigate portfolio-level risks arising from environmental and regulatory changes. We prioritize ESG factors when evaluating the viability of opening new branches, alongside business and risk considerations.

Emerging



Risk Description

Our Response

Risk Linkage to Capitals

Risk Category

ERM Risk

The absence of a robust ERM system could pose potential risks to the Company's financial stability, operational continuity, and achievement of strategic objectives.

We have adopted an Enterprise Risk Management (ERM) framework to assess and quantify comparative movements. ERM frameworks promote a consistent risk management culture, ensuring continuity despite changes in personnel or industry norms. They offer guidance to risk management functions, helping enterprises navigate complexity and visualize risks. The framework supports effective risk allocation by assigning ownership and defining responsibilities for assessing and monitoring risk controls.

Conventional



Interest Rate Risk

Fluctuations in interest rates pose a potential risk to the long-term sustainability of the business as they can negatively impact the cost of funds.

According to our business model, we lend at a fixed rate and borrow at a floating rate. Furthermore, RBI regulations have introduced a positive change, allowing us to incorporate risk pricing into our lending practices. The recent cut in the repo rate by the RBI further supports this framework, potentially easing borrowing costs and enhancing our interest rate risk management.

Conventional



IT/ Cyber Security Risk

We manage sensitive customer data, making us a prime target for cybercriminals. Incidents like data breaches, phishing, ransomware attacks, and advanced persistent threats (APTs) could lead to disruptions in business operations, along with significant financial and reputational damage.

We prioritize the security of our clients' information and adhere to strict confidentiality standards. We hold a certification under ISO 27001:2022. We maintain a robust Information Security Management System (ISMS) to safeguard sensitive customer data.

Conventional



Capitals



Financial



Physical



Intellectual



Human


Social and
Relationship


Natural

Compliance Risk

The increasing focus on regulatory compliance and its inherent complexities presents a challenge, potentially impacting our ability to fully meet evolving regulatory expectations. Additionally, any violations of regulations could result in stringent actions and penalties imposed by regulatory bodies or statutory authorities.

Our compliance policy mandates full adherence to rules and regulations governing our operations across all states in which we operate. We have implemented a system-driven monitoring mechanism to minimize the risk of non-compliance with regulatory requirements. We are committed to strictly adhering to all applicable rules and regulations governing our business operations.

Conventional



Model Risk

We rely on various models and frameworks in our decision-making processes, while acknowledging the potential for incorrect outputs due to possible misuse.

We review the models and underlying assumptions on an annual basis to ensure they remain aligned with the current environment. Models are used for specific purposes only, minimizing the risk of misuse.

Conventional



Financial Capital

DRIVING GROWTH. PRESERVING FINANCIAL STRENGTH.

Financial capital remains the foundation of our enduring commitment to sustainable growth, disciplined execution, and long-term institutional resilience. 2024–25 was a year defined by resilience. In the face of tightening spreads, shifting asset quality trends, and a volatile macro environment, we continued to deliver profitability. While our year-on-year earnings declined, our ability to stay profitable reflects the strength of our fundamentals and the agility of our response to sector-wide headwinds. Our performance during this period reflects not only operational strength, but also the depth and maturity of our financial strategy, anchored in prudent capital allocation, rigorous cost discipline, and a diversified, stable funding base.

Capital Snapshot



SDGs Covered



Our Financial Capital Story

With prudent capital management and a continued focus on optimizing our cost of funds, we remain well-positioned to navigate short-term volatility while building long-term value. Our disciplined financial strategy enables us to respond with resilience to market dynamics, ensuring stability and sustainable growth.

In every aspect of our financial approach, we are not only achieving outcomes but also laying the foundation for what is yet to come. This reflects our commitment to inclusive finance and to creating enduring impact across the communities we serve. Through prudent capital

management and purpose-driven investment, we continue to reinforce our financial foundation while advancing our broader mission.

Sustainable value creation is fundamental to our long-term success, particularly as we work to deepen financial inclusion across underserved regions. Each initiative we undertake aligns with this overarching vision and is rooted in future-focused thinking. Our governance framework continues to support financial stability and strengthens our ability to withstand external disruptions.

Financial Summary of the Year

Our consolidated revenue grew by 16.1% year-on-year to INR 2,602 Crores in 2024-25. On a standalone basis, revenue stood at INR 2,377 Crores, reflecting a 15.9% increase. This strong topline performance highlights the impact of our focused efforts to improve operational efficiency and embed sustainable financial practices. Our Pre-Provision Operating Profit (PPOP) reached INR 754 Crores on a consolidated basis, up 3%, while standalone PPOP rose by 5.3% to INR 736 Crores. These outcomes underscore the strength and resilience of our core operations amid a challenging macroeconomic and sectoral environment.

We maintained healthy Net Interest Margin, 12.6% consolidated and 13.0% standalone, despite sector-wide pressures from narrowing spreads and asset quality concerns. The marginal yield compression during the year was primarily attributable to higher NPAs and increased interest reversals on write-offs, particularly in 2024-25 compared to the previous year. Asset quality remained well-controlled, with GNPA levels stable as of March 2025. To proactively manage sector-specific challenges, we made prudent provisions fully aligned with RBI guidelines. Operating expenses were temporarily elevated due to these headwinds, standing at 6.5% on a consolidated basis and 6.3% on a standalone basis. On the profitability front, Return on

Assets (ROA) stood at 1.7% consolidated and 2.1% standalone, while Return on Equity (ROE) was 7.5% and 7.9%, respectively, reflecting underlying resilience and strength in our bottom line.

Our liquidity position remained strong, supported by a well-diversified funding base and access to a wide range of financing instruments. Notably, our marginal cost of borrowing declined by 68 basis points, standing at 11.2% in 2024-25 compared to 11.9% in 2023-24, a clear reflection of our continued focus on efficient capital sourcing. While 2024–25 presented its share of macro and sectoral headwinds, we navigated them with discipline and agility. Our financial fundamentals remain strong, we are well-positioned for sustained, responsible growth, anchored in inclusive finance and long-term community impact.

The quality of underwriting standards in this business determines the portfolio quality. We continue to adhere to the basics of the joint liability group (JLG) model with group training involving organizational values, followed by a re-interview and a group recognition test to re-validate. We focus on timely group meetings and strong engagement with clientele through weekly meetings leading to on-ground discipline. All these aspects are reflected in our asset quality numbers which continue to behave well as we scale our business.

A Landmark Year for Strategic Debt Mobilization

In 2024-25, we strategically mobilized capital to fuel our growth to fortify our financial inclusion mission. With a well-diversified funding approach, we have raised over INR 7,742 Crores through a mix of domestic and international instruments, showcasing our strong creditworthiness, partnership trust, and purpose-driven focus.

Unlocking Global Capital for Local Impact

Marking a significant milestone on the global stage, SCNL secured a USD 100 Million syndicated social loan through External Commercial Borrowings (ECB). The funding, secured under a social impact framework, to expand our reach to underserved borrowers across India, enabling broader access to inclusive and responsible finance.

Reinforcing Liquidity through Securitization

To further strengthen our liquidity position, we successfully closed our first Pass-Through Certificate (PTC) transaction with HSBC India, valued at INR 119.12 Crores.

Deploying Debt Instruments Strategically

During the year, we successfully raised multiple Non-Convertible Debentures (NCDs), including the closure of three private placement issuances specifically for retail investors. This strategic move has helped broaden our investor base, with our presence among retail investors increasing from 3,487 in 2024 to 4,615 in 2025.

Backed by Global Development Institutions

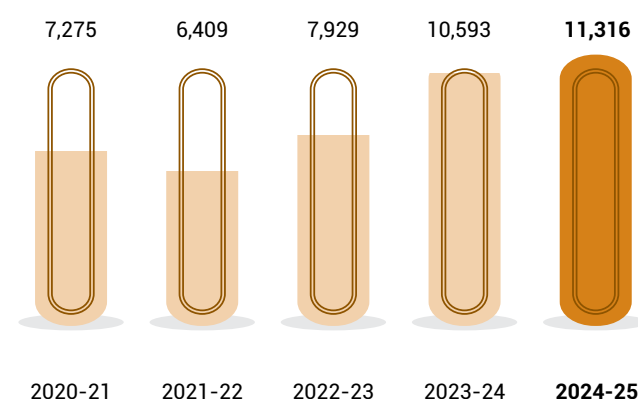
In another significant milestone, SCNL raised INR 332 Crores through NCDs from the Dutch Entrepreneurial Development Bank (FMO). This marked a strategic, long-term engagement with FMO, aimed at supporting SCNL's mission to advance financial inclusion and promote responsible lending. This investment reflects the growing confidence of international partners in SCNL's impact-led model and institutional strength.

Strong Asset Liability Management

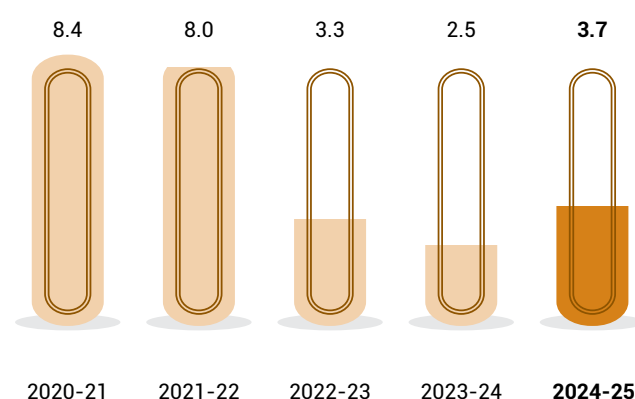
We continue to maintain a positive liquidity position, with cumulative inflows consistently exceeding outflows across all maturity buckets. This prudent approach enables us to comfortably meet our obligations while remaining agile in the face of evolving market conditions. Our liability profile is broad-based and well-diversified across domestic and international partners, including banks, financial institutions, and development finance institutions. This depth of funding relationships helps mitigate concentration risk and reinforces the overall stability of our capital structure.

We also maintain a healthy buffer of high-quality liquid assets, giving us the flexibility to address unforeseen funding needs with confidence. Alongside this, our robust interest rate risk management strategies enable us to navigate market fluctuations effectively, while our consistently strong capital adequacy continues to anchor our long-term financial stability. Together, these measures ensure that our asset-liability management (ALM) practices not only meet regulatory standards but also align with our broader goal of fostering sustainable and inclusive financial growth.

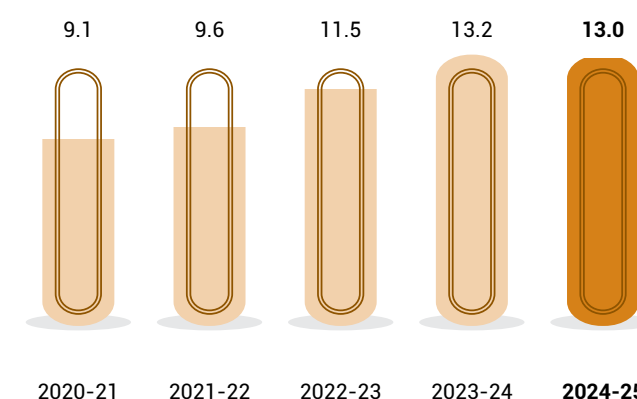
Assets Under Management (INR in Crores)



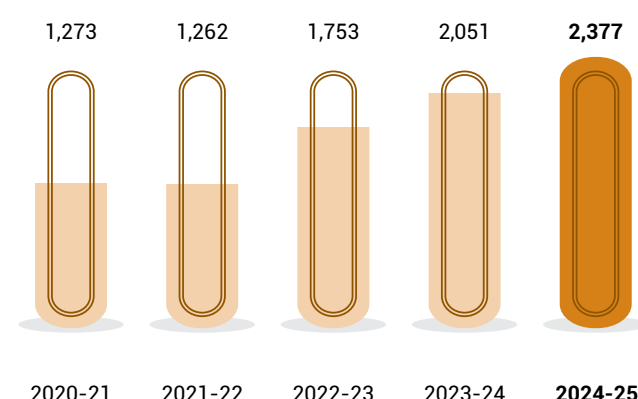
Gross NPA (%)



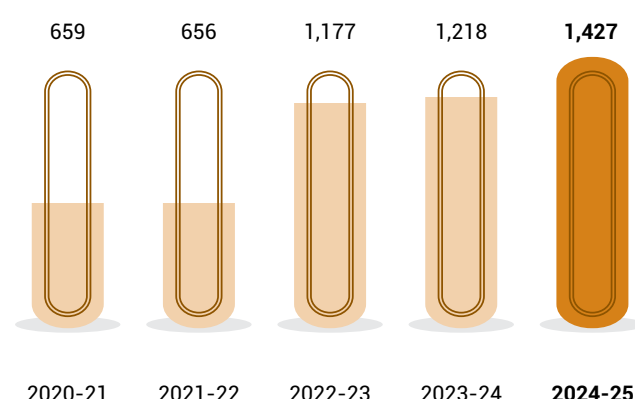
Net Interest Margin (%)



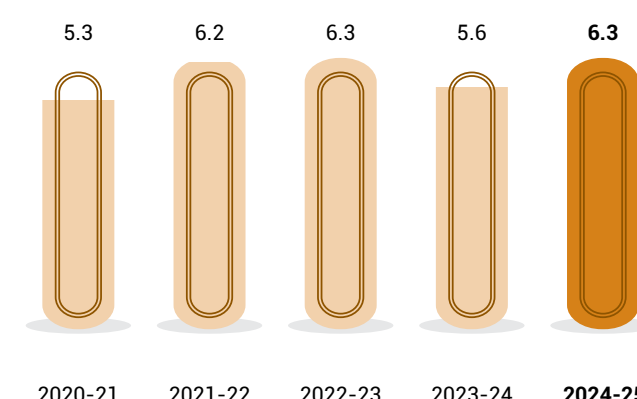
Gross Income (INR in Crores)



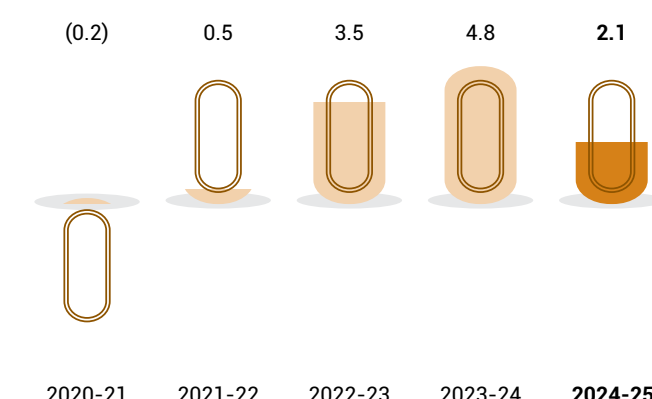
Net Interest Income (INR in Crores)



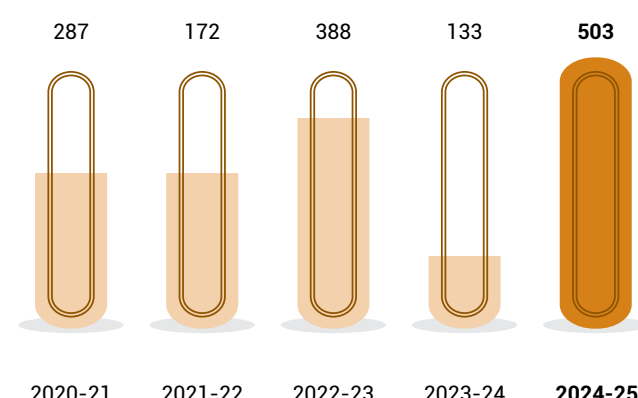
Opex to Average AUM (%)



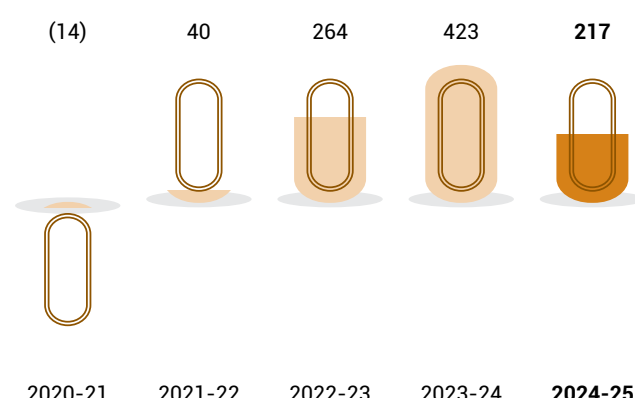
Return on Assets (%)



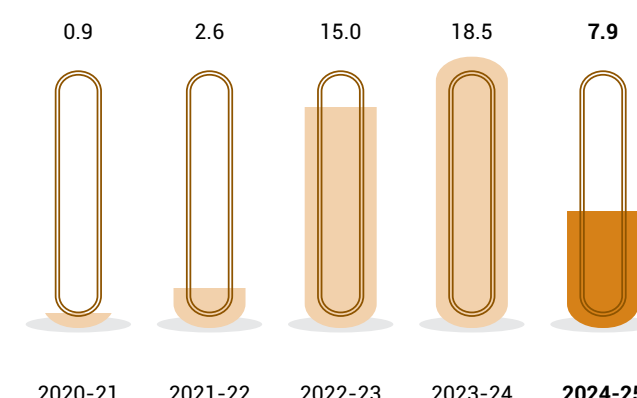
Credit Cost (INR in Crores)



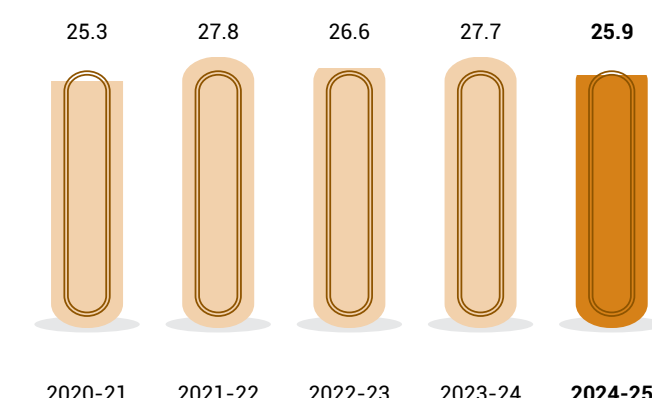
Net Profit (INR in Crores)



Return on Equity (%)



Capital Adequacy Ratio (%)



Physical Capital^

BUILDING ROBUST INFRASTRUCTURE. ENABLING LAST-MILE SUCCESS.

At SCNL, we leverage the strength of our extensive rural and semi-urban network, with 1,568 branches strategically spread over 1,00,000 villages and underserved regions of India. In line with the evolving needs of our customers, we continue to scale our physical presence while integrating digital innovations to boost operational efficiency and deepen engagement. Our end-to-end digital capabilities from client onboarding and credit assessment to loan disbursement and collections, demonstrate our commitment to providing accessible, seamless financial services. Building on this momentum, in 2024-25, we expanded our footprint with 175 new branches, reinforcing our mission to promote financial inclusion at the grassroots level.

Capital Snapshot

34.3 Lakhs

Loan Accounts

29

Presence in States and Union Territories

3 Lakhs

Centers

114

Regional Offices

529

Districts

97.4%

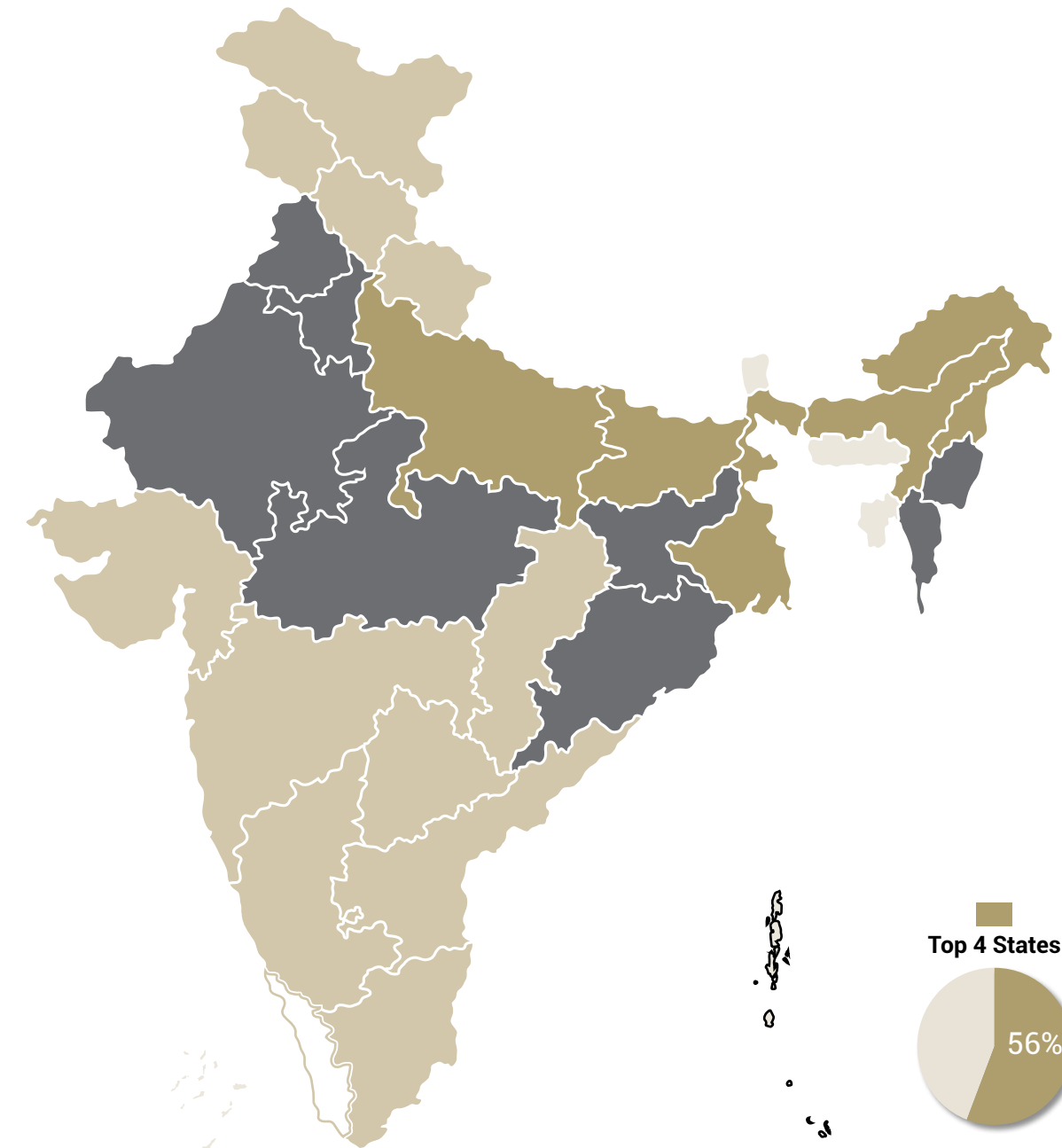
Districts with <1% Exposure



SDGs Covered

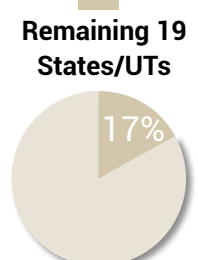
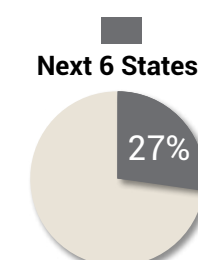
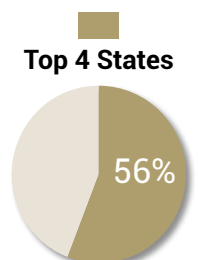


Presence Across 29 States and UTs



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness

^On Consolidated basis



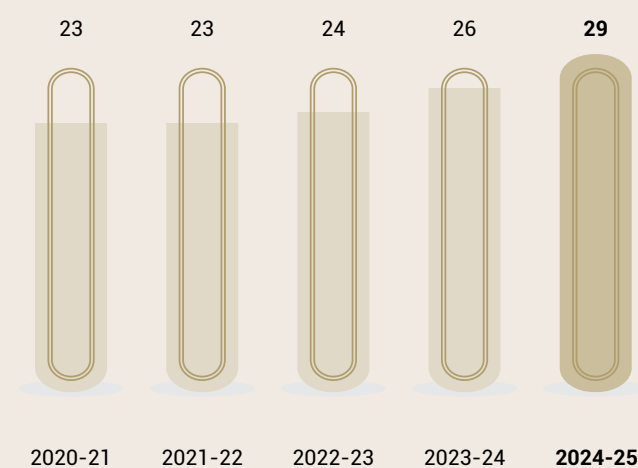
Optimizing Branch Operations

SCNL is refining its branch network to boost efficiency and strengthen customer relationships. By reorganizing branches based on performance metrics, client density, and regional demand patterns, we ensure more effective resource allocation, sharper operational focus, and enhanced local accountability. This approach allows us to deploy managerial oversight where it is most needed, streamline branch operations, and tailor services more closely to the evolving needs of our clients.

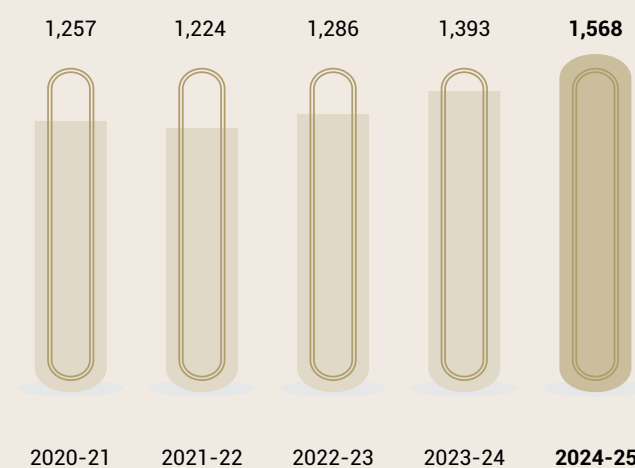
By steadily bringing down the average client load per Customer Service Officer (CSO), our loan officers are better equipped to provide personalized support, ensure timely collections, and proactively resolve customer issues. We have also strengthened our supervisory framework through regular performance reviews, unannounced branch visits, rigorous audits, and ongoing staff training to maintain high standards of compliance and customer service.

Our Presence Across India

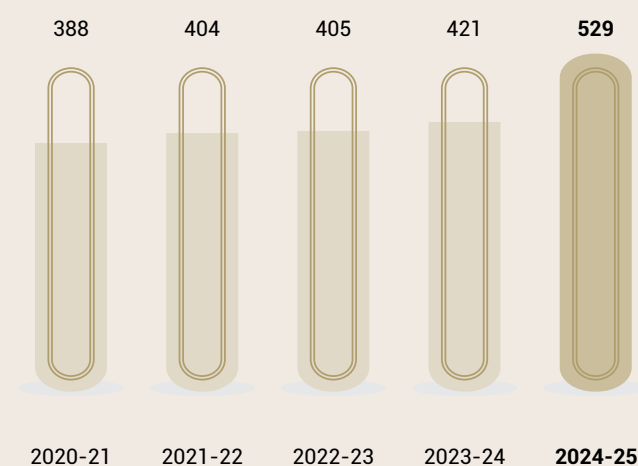
States & UTs



Branches



Districts



Strengthening Recovery Mechanisms

We have strategically strengthened our recovery framework by leveraging our deep on-ground presence and deploying focused, data-driven interventions. Our field staff, trained and equipped with an in-house loan management system, enable real-time portfolio tracking and maintain proactive borrower engagement with borrowers, facilitating timely repayments and early resolution of delinquencies. To reinforce local accountability, we reorganized our branch structure for sharper supervision, with dedicated teams that monitored collection performance closely and addressed overdue accounts with agility. We further enhanced this framework by introducing a performance-linked incentive structure for loan officers and field agents, which enabled a strong recovery culture and aligned front line efforts with our organizational goals in asset quality management.



Intellectual Capital

REINFORCING TECH EXPERTISE. SUSTAINING GROWTH.

We consider our intellectual capital to be a vital driver of our success, enabling us to advance inclusive growth, deepen customer engagement, and create long-term value for our stakeholders. Our strategic integration of technology into core operations delivers efficient, transparent, and customer-centric services across underserved regions. By continuously enhancing our digital infrastructure, we improve both accessibility and reliability for clients while reinforcing our leadership in the microfinance sector, setting new standards for financial empowerment.

Capital Snapshot

8,29,969

New Clients Digitally Processed

100%

Cashless Disbursement

100%

Paperless Operations

9%

Cashless Collection

100%

Digitization of Field Operations



SDGs Covered



Building Intellectual Capital for the Future

As the microfinance landscape becomes increasingly digital, our approach to building intellectual capital is deeply rooted in tech-enabled learning, data-driven decision-making, and a culture of continuous innovation.

Transforming Loan Management with Digital Innovation

At SCNL, we are enhancing our loan processes through digital solutions to improve efficiency and customer experience.



Digital Loan Origination and Disbursement

By implementing digital loan origination systems, SCNL accelerates the loan application process, eliminating paperwork, and speeds up approval and disbursement, ensuring quicker access to funds for customers.



Real-Time Monitoring and Compliance

Our in-house LMS enables real-time tracking of loan disbursements and repayments, ensuring compliance with regulatory guidelines, minimizing errors, and enhancing data security.



Digital Underwriting and Credit Assessment

We have enhanced our underwriting process by leveraging data analytics, alternative data points, and AI-driven credit models. These digital tools enable us to assess customer creditworthiness more accurately and efficiently, especially in thin-file or underserved segments. By using automated rule engines, we reduce manual interventions, improve consistency in decision-making, and significantly cut down turnaround time, ensuring faster, smarter, and more inclusive credit approvals.



Digital Payments and Collections

With the integration of various digital payment platforms such as UPI, auto-debit, mobile wallets, and bank transfers, the Company makes loan repayments convenient and cashless, improving overall collection efficiency.

Key Focus Areas of Our IT Road map



Key Focus Areas of Our IT Road map



Driving Compliance through Technology

By automating regulatory reporting and integrating tools like Aadhaar-based e-KYC and CKYC systems, we ensure real-time accuracy and adherence to KYC/AML norms. Our seamless integration with credit bureaus enables us to safeguard customers from over-indebtedness, in line with RBI's customer protection guidelines.

Insights from Our Senior Management

In August 2024, SCNL took a significant leap towards technological innovation by establishing Satin Technologies Limited (STL), a wholly-owned subsidiary dedicated to driving next-generation solutions. STL is poised to harness the power of AI, Machine Learning (ML), and cloud computing to develop scalable, future-ready technologies that boost operational efficiency across diverse industries. As part of this broader digital transformation, we also received AUA/KUA licenses from UIDAI during FY 2024-25, enabling us to facilitate seamless e-KYC transactions through a fully digital and automated verification process.

Fostering a Technology-First Mindset

By implementing digital loan origination systems, SCNL accelerates the loan application process, eliminating paperwork, and speeds up approval and disbursement, ensuring quicker access to funds for customers.

Fostering Financial Inclusion

Our culture of innovation is actively nurtured through internal hackathons and targeted innovation challenges, particularly within our technology and operations teams. These initiatives promote a spirit of experimentation and recognize creative problem-solving, helping to generate practical, scalable solutions from within the Company.

Collaborating with the Innovation Ecosystem

To amplify internal efforts, we also engage deeply with the broader innovation ecosystem. Our strategic partnerships with fintechs, startups, and knowledge networks enable us to co-create next-generation solutions such as AI-powered underwriting engines, chat bot-led customer support, and predictive analytics tools.

Staying Connected to Industry Best Practices

Our active participation in industry forums ensures that we remain aligned with global best practices in financial technology and inclusive finance. This enables us to stay ahead of emerging trends and regulatory developments.

Key Achievements

We are proud to have been recognized for our commitment to innovation and operational excellence:

- Best Solution in Cash Management (India)** at the prestigious The Asset Triple A Awards 2024
- Best Technology Innovation for Operational Efficiency – Microfinance** at the 5th Annual BFSI Excellence Awards 2024

Embedding Feedback and Data into Learning

We believe that technology and learning must evolve together. Ongoing feedback from customers, field teams, and internal dashboards play a critical role in refining our digital platforms and operational strategies. At the same time, we are increasingly using data analytics to identify skill gaps and tailor learning and development programs, ensuring our teams are future-ready and equipped to perform with confidence.

Harnessing Advanced Analytics for Smarter Lending

01 | Enabling Smarter Credit Assessment with Data-Driven Scorecards

02 | Leveraging AI/ML for Deeper Risk Insights

03 | Enhancing Underwriting and Credit Decisions

04 | Driving Strategic Portfolio Management

We are focused on building a future-ready tech stack to support our expansion across geographies and verticals. By enhancing data-driven decision-making through integrated BI tools, we aim to position technology as a core competitive advantage in the evolving microfinance landscape.

Human Capital

NURTURING EMPLOYEES. SUSTAINING GROWTH.

We regard our human capital as a key driver of financial inclusion and community empowerment. Our diverse workforce, enriched with deep local knowledge, plays a vital role in driving our purpose-led growth. Their dedication, expertise, and front line experience shape our culture and amplify our impact. By consistently investing in their development, well-being, and leadership potential, we cultivate a motivated and agile team, capable of navigating complexity, building trust with customers, and delivering sustained value across the communities we serve.

Capital Snapshot

15,189

Number of Employees

28.3 Years

Average Age

20.2%

Of Women Workforce at Corporate Office

3,32,494

Total Person-hours of Training

501

Number of Female Employees Hired

57.6%

Middle-Layer Management Associated for Over 5 Years

89

Employees who took Parental Leave



SDGs Covered



Enabling Excellence through Continuous Learning

We believe that a learning organization is a thriving one. Our holistic learning and development ecosystem are designed to help every employee grow with clarity and confidence.



Structured Learning and Development

We have built a centralized e-learning platform that delivers impactful training modules accessible to all. Our role-based learning paths are thoughtfully curated to meet the unique needs of different functions and career stages.



Coaching and Mentorship

Our structured mentorship ecosystem is designed to empower and develop talent across all levels of the organization. Senior leaders play an active role in guiding emerging talent through formal mentorship engagements, while our buddy programs ensure that new joiners feel welcomed, supported, and seamlessly integrated into the Company culture from day one.



Managerial Development

We have introduced targeted training for first-time managers, helping them smoothly transition from individual contributors to effective, people-first leaders.



Functional Upskilling

We continue to strengthen our front line teams through regular field force skilling initiatives, enhancing operational excellence and on-ground capabilities.

New Programs Launched in 2024-25

- **All-Women Branch in Northeast India:** Launched a fully women-led branch, championing gender diversity in microfinance.
- **Revamped IJP and Referral Process:** Streamlined internal mobility and enhanced transparency in career advancement.
- **Online Onboarding Module:** Rolled out an in-house digital onboarding solution to boost efficiency and engagement.
- **Satin Shagun Initiative:** Honored new joiners' parents with welcome gifts, reinforcing our commitment to family values.

Aligning Performance with Purpose

At SCNL, performance management is a strategic enabler that aligns every individual's effort with our larger organizational vision. From setting goals to recognizing achievements, our approach empowers employees across all levels to grow, contribute meaningfully, and drive shared success. A key pillar of this framework is our focus on recognizing and nurturing internal talent by providing them with the opportunities and positions they rightfully deserve, ensuring that potential is not just identified, but also rewarded with meaningful career progression.



SMART Goals Framework

We believe that clarity in expectations is the first step toward performance excellence. To ensure every team member understands not just what they are working toward, but why and how, we have institutionalized the SMART Goals Framework across the organization. This approach translates broad ambitions into clear, actionable objectives, helping every employee, from the leadership team to field staff, stay aligned with our overarching mission.



We ensure that every performance goal is

01

Specific
Clearly defined and unambiguous

02

Measurable
Quantifiable with clear indicators of success

03

Achievable
Realistic, considering available resources

04

Relevant
Aligned with organizational priorities and job roles

05

Time-bound
Set within defined timelines for accountability

Why it matters?

SMART goals provide employees with direction and purpose. They eliminate guesswork, create a shared understanding of priorities, and foster a results-driven culture, laying the foundation for meaningful, measurable progress across the Company.



Our SMART goal-driven framework establishes clear and aligned KPIs across all levels, from leadership to field teams. Regular check-ins cultivate a culture of real-time feedback and proactive coaching, while a comprehensive three-tier appraisal system delivers fair and development-focused evaluations. Performance Improvement Plans (PIPs) provide structured support with well-defined targets, ensuring continuous growth. Exceptional contributions are celebrated through performance-linked incentives, awards, and recognition, fostering a culture rooted in accountability, motivation, and appreciation.

Shaping the Leaders of Tomorrow

As part of our commitment to the growth and development of our employees, we offer a range of initiatives designed to nurture their potential. Our Role-Based Learning Journeys create tailored development paths for various functions, ensuring that employees acquire critical skills in areas such as compliance, customer service, and leadership. The High-Potential Development Program identifies future leaders, pairing them with mentoring, stretch assignments, and cross-functional exposure to prepare them for greater responsibilities. Additionally, our leadership development interventions focus on honing decision-making, people management, and communication skills.



Prioritizing Health, Safety, and Well-being

At SCNL, the health, safety, and overall well-being of our employees and their families are at the heart of our people-first philosophy. Our Satin Sahyog initiative offers a suite of welfare programs including monthly financial support for dependent family members of employees who pass away or retire on medical grounds, education assistance for children, medical expense coverage, and employment opportunities for dependents.

At SCNL, we are committed to creating a supportive, secure, and empowering work environment for our employees. Through the Satin Suraksha Policy, employees can access financial support for medical expenses, while options like sabbaticals and extended maternity leave are available to address personal or family exigencies. To ensure ethical conduct and transparency, we have implemented a robust Whistle Blower Policy/Vigil Mechanism that enables employees to confidentially report any instances of unethical behavior, suspected fraud, or violations of the Company's Code of Conduct.

Beyond policies, we undertook several employee well-being initiatives during the year. These included self-defense training programs for women employees, mental health awareness and support sessions for all staff, and the organization of blood donation drives, demonstrating our holistic approach to physical, emotional, and ethical well-being in the workplace.

Our commitment to workplace safety is reflected through strict POSH compliance, regular fire safety drills, and rigorous adherence to all established safety protocols. Together, these efforts ensure that every member of the Satin family feels safe, valued, and supported, both professionally and personally.

Awareness Campaigns and Workplace Wellness Surveys

We conduct workplace wellness surveys to gather feedback from employees and improve wellness initiatives. We also conduct employee satisfaction assessments to analyze employee satisfaction levels and identify areas for improvement. Our knowledge sharing sessions help upgrade the potential of others and are among the most excellent practices.



Proud to Be a Great Place to Work®

We are proud to be Great Place to Work® certified for six years in a row, a reflection of the inclusive, positive, and people-first culture we have built together. Our commitment to employee well-being earned us a Top 50 spot among India's Best Workplaces™ in Health and Wellness, while our focus on growth and support in the financial services space placed us among the Top 25 India's Best Workplaces in BFSI. These recognitions inspire us to keep raising the bar. Adding to this recognition, we are proud to be ranked 57th amongst India's Great Places to Work 2025 across industries.

Strengthening Diversity and Women Empowerment

At the heart of our organizational culture lies a strong commitment to diversity and the empowerment of women. We take immense pride in fostering a culture rooted in diversity, meritocracy, and the empowerment of women. We are an equal opportunity employer and believe that every individual, regardless of gender, background, or socio-economic status, should have equal access to opportunities. All our policies and processes are designed to be fair, impartial, and merit-based, ensuring that no one is favoured or excluded.



Inclusive Hiring Practices

We believe true inclusion begins with how we hire. To build a more diverse and representative workforce, we have launched targeted hiring drives that focus on engaging women, individuals from underrepresented communities, and candidates with diverse experiences. We have also introduced blind screening practices to remove identifiable details during resume reviews, helping us minimize unconscious bias and focus solely on merit.



Women-Centric Policies

Understanding the unique needs of our women workforce, we have implemented thoughtful, women-centric policies. Our extended maternity and parental leave options, flexible return-to-work support, and menstrual leave under our Satin Ease initiative reflect our commitment to employee well-being. We also prioritize the mental and physical health of our women employees through regular wellness workshops and expert-led discussions with medical practitioners.



Creation of Women-Only Workspaces

We take pride in empowering women through dedicated, women-only workspaces. We aim to strengthen our women workforce at branch/field level and have adopted various initiatives. At the field level, we support women through individual accommodations and, in many cases, offer higher compensation than their male counterparts, acknowledging their unique challenges and contributions.



Celebrating Diversity

We actively celebrate the diversity within our teams through initiatives such as diversity days, cultural campaigns, and generational inclusion efforts. We make it a point to recognize and share the achievements of our women colleagues, featuring their inspiring stories in internal awards, newsletters, and social media platforms. These stories not only showcase talent but also reinforce our belief in inclusive growth.



Building a Safe and Supportive Environment

Creating a safe, respectful, and inclusive work environment is central to our culture. We have made it mandatory for all employees to undergo training on workplace safety and gender sensitivity, with a specific focus on the safety of our women workforce. These initiatives help us build awareness, foster empathy, and ensure everyone contributes to a culture of mutual respect.

Natural Capital

SUSTAINABLE CHOICES. ENDURING IMPACT.

We acknowledge the critical importance of natural capital, especially at a time when environmental preservation has become a global imperative. In today's evolving business landscape, protecting nature is no longer a peripheral conversation. It stands as a central pillar of sustainability and responsible growth. As momentum builds around safeguarding our planet's natural resources, we remain fully committed to being an active, accountable contributor to this collective effort.

Capital Snapshot

72.76

Scope 1 Emissions (tCO₂e)

3,490.82

Scope 2 Emissions (tCO₂e)

4,476.59

Scope 3 Emissions Intensity (tCO₂e)

1

Kiloliter Water Recycled Per Day At Head Office Through The Sewage Treatment Plant

7.235 Metric Tonnes

E-waste Disposed In Ecofriendly Manner

273 Kwh

Average Daily Solar Power Generated at Corporate Office

SDGs Covered



Environmental Sustainability Strategy

Our environmental sustainability strategy is multi-pronged, focusing on energy efficiency, waste reduction, resource optimization, and product innovation. By integrating clean energy products into our offerings and embracing digital processes like paperless documentation and automated workflows, we have significantly lowered our resource consumption. As part of our environment-first approach, we have embedded sustainability into the very fabric of our

corporate operations. From installing solar panels on our rooftops to setting up an on-site sewage treatment plant, our infrastructure reflects our commitment to responsible resource use. We continue to invest in energy-efficient technologies, and renewable energy solutions to reduce our ecological footprint and drive long-term environmental stewardship.

Emissions Footprint

As part of our commitment to environmental stewardship and climate accountability, we have undertaken the development of our first comprehensive greenhouse gas (GHG) emissions inventory for 2024-25. This effort lays the foundation for establishing a robust emissions baseline that will inform future climate actions, risk assessments, and reduction opportunities. The inventory covers Scope 1, Scope 2, and select Scope 3 categories, in alignment with the GHG Protocol standards.

Our Scope 1 and 2 emissions reflect our direct and indirect energy use, while Scope 3 emissions capture a broader view of our value chain impacts, ranging from procurement and business travel to waste disposal and employee commuting. By identifying these emission sources, we aim to build internal awareness, improve operational data tracking, and support long-term decarbonization planning in the coming years.

The reporting boundary for the emission footprint covers 1 Head Office, 106 Regional Offices, and 1,454 Branch offices spread across India operations.

Particulars	2024-25		2023-24	
	(tCO ₂ e)	Emissions %	(tCO ₂ e)	Emissions %
Scope 1: Direct GHG Emissions	72.76	1%	225.12	3%
Scope 2: Electricity Indirect GHG Emissions	3,490.82	43%	3,036.86	39%
Scope 3: Other Indirect GHG Emissions	4,476.59	56%	4,591.03	58%
Total	8,040.17	100%	7,853.01	100%

Key Highlights

Scope 1 includes stationary, mobile, and fugitive combustions across Head Office (HO), Regional Offices (RO) and Branches.

Scope 2 includes emissions from electricity consumption across Head Office, Regional Offices, and Branches.

Scope 3 includes other indirect emissions across purchased goods and services, capital goods, fuel- and energy-related activities, waste disposal, business travel, and employee commute.

This year, for Scope 3 emissions, we have calculated across six categories (1, 2, 3, 4, 6, and 7) compared to five categories in 2024 (1, 2, 3, 4, and 7).

Overall, the numbers reflect a positive trend — with a substantial reduction in **Scope 1 emissions**, a reasonable increase in **Scope 2 emissions** due to expansion of operations, and **Scope 3 emissions** remaining on similar lines as last year.

Driving Sustainable Impact through Our Green Offerings

Financing solutions for solar-powered lighting systems are offered in regions with limited or inconsistent electricity connectivity. These products help households gain reliable access to electricity, improving safety, study hours, and overall quality of life.



35,740

Induction Cooktops Sold in 2024-25

29,586

Solar Torches Sold in 2024-25

Our adoption of mobile apps for customer onboarding, digital KYC collection, and cashless repayment methods via UPI 2.0, AEPS, and QR codes has significantly reduced our dependence on paper and plastic, making our processes more sustainable. We also took steps to reduce e-waste by implementing 42Gears' Unified Endpoint Management (UEM) solutions like SureMDM and SureLock, which help us manage device usage efficiently and extend device life cycles.



Clean Energy Programme Developments

Our journey to promote clean energy began in 2019 by committing to CDM under UNFCCC, in partnership with MEC. This initiative aims to empower underserved households with access to sustainable and affordable energy products.

2,12,567

tCO₂e, Emissions Reduced

8,73,260

Households Empowered

Energy Efficiency in Office Premises

We have implemented multiple energy efficiency initiatives across our offices, with a strong focus on our Head Office in Gurugram. Rooftop solar panels have been installed to harness renewable energy and lower our reliance on conventional power sources. The building features double-glazed façade windows, which help reduce external noise and significantly minimize the need for artificial lighting during the day. In addition, we are applying Solar Reflective Index (SRI) paint to the rooftop to reflect sunlight, reduce cooling loads, contribute to lower energy consumption and improved thermal comfort within the premises.



100 kW

Electricity Generated through Solar Panels

Promoting Green Consciousness at the Workplace

On World Environment Day 2024, we launched a Planter Distribution Drive, encouraging employees to adopt eco-friendly habits. We are applying SRI paint on our Head Office roof to reduce heat absorption and pursuing a Green Building Certification. Additionally, we have replaced plastic décor with sustainable alternatives across all events and celebrations.

We continue to encourage our vendors to adopt and uphold sustainable practices in line with our values. In 2024-25, we took a significant step forward by incorporating ESG-related clauses into our vendor contracts, wherever applicable, reinforcing our commitment to responsible sourcing and supply chain sustainability.



Green Building Focus

Our infrastructure planning is closely aligned with environmentally sustainable practices. We have set up an in-house sewage treatment plant (STP) at our Head Office, with a daily capacity of 1 Kiloliter. The treated water is reused for gardening and sanitation, supporting zero discharge and minimizing water wastage. A deep pit well has also been created for rainwater harvesting to improve groundwater recharge.

To further conserve water, sensor-based taps have been installed across all washrooms.

We are also fostering a green work environment by placing indoor plants throughout office bays and conducting regular plantation drives, reinforcing a culture of environmental responsibility among our employees.

1 Kiloliter

Total Installed Capacity Of Inhouse Sewage Treatment Plant

Technology-Driven Environmental Monitoring

We leverage digital innovation to monitor and enhance our environmental performance. Through the use of mobile app, geo-tagging features and other digital solutions, we have significantly reduced paper consumption, contributing to lower resource use and enabling route optimization for our field officers, minimizing redundant travel and fuel usage, thereby reducing emissions. Unified Endpoint Management systems help us streamline device usage and cut down on electronic waste through secure, centralized operations. Additionally, our migration to Amazon Web Services (AWS) for cloud computing has improved scalability and reduced our carbon footprint by optimizing resource allocation and decreasing dependency on physical infrastructure.



Social and Relationship Capital

HARNESSING RELATIONSHIPS. CREATING IMPACT.

We believe that strong relationships form the cornerstone of enduring impact—across customers, partners, and the communities we serve. Our work is anchored in purpose: to empower lives and drive inclusive progress through trust, collaboration, and authentic engagement. From delivering customer-centric financial solutions, strengthening strategic alliances, or advancing ground-level social development, every initiative we pursue is built to create shared value. By aligning our business priorities with stakeholder well-being, we continue to lay the foundation for a more inclusive, resilient, and empowered future.

Capital Snapshot

32.9 Lakhs
Women Borrowers

INR **283.7** Lakhs
Spent on CSR Activity

28,953
Lives Touched in 2024-25
through CSR and SPM
Initiatives



SDGs Covered



Strengthening Long-term Relationships with Business Partners

We recognize the importance of building strong, lasting relationships with our business partners. This commitment requires dedicated time, resources, and consistent engagement. By enhancing the capabilities of our people, we enable deeper collaboration and more meaningful interactions. At the heart of our business model lies a relationship-driven approach. This is what fuels our progress and ensures alignment with the goals and aspirations of the partners and communities we serve.

Putting Customer First, Always

At SCNL, customer satisfaction is central to our mission. We ensure seamless and responsive communication through multiple touchpoints, customer care channels (telephone, email, and website), regular center meetings, and our extensive network of dedicated field personnel, including CSOs and Branch Managers. These interactions are designed to provide tailored financial and business advice, strengthen engagement, and build long-term relationships.

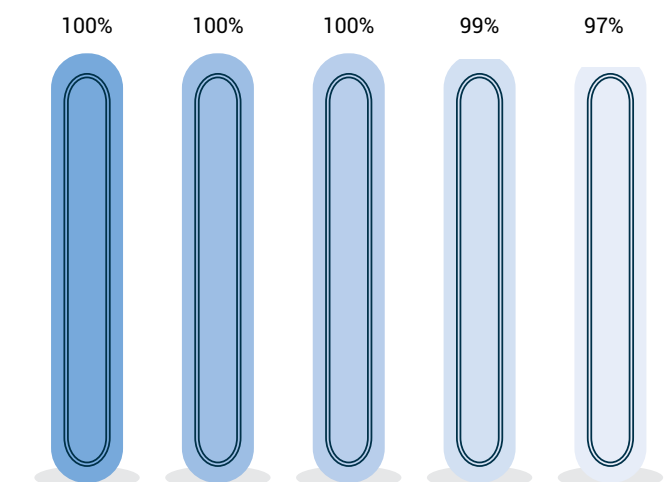
We carried out structured surveys using comprehensive questionnaires, generating valuable insights that have helped us refine and tailor our services to better align with client needs and expectations. We also have third-party surveys/assessments that provide independent validation and additional perspectives, further strengthening the credibility and depth of our findings. Our structured grievance redressal mechanism, Sparsh, further ensures timely resolution of client concerns through cross-functional coordination.

Strong Grievance Redressal Mechanism

99 %
of Customer Complaints Resolved within TAT

We regularly conduct internal client satisfaction surveys to ensure our services align with the evolving needs and expectations of our clients. These surveys provide valuable insights across critical areas such as product design, pricing transparency, staff conduct, and grievance resolution. The consistently high satisfaction scores are a testament to our commitment to client-centricity, ethical conduct, and ongoing service enhancement.

Client Perception: Jan to Mar 2025



- Product Design & Delivery
- Transparency and Responsible pricing
- Ethical Staff Behaviour
- Grievance Redressal Mechanism
- Overall satisfaction with Satin

We actively organise workshops on financial literacy, health, hygiene, and skill development to enhance the overall well-being of our clients. Our weekly centre meetings in rural areas serve as vital touchpoints, fostering consistent engagement and building meaningful connections with millions of customers across communities.

8,29,969 Customers Added
75 % Customers Retained

3 to 4 Days
Customers Grievances Resolution Time

Microfinance Index Survey by 60 Decibels

We engaged 60 Decibels, a globally renowned impact measurement firm, to conduct an independent client survey. The assessment evaluated our clients' experiences across six key dimensions of financial inclusion: Access, Business Impact, Household Impact, Client Protection, Resilience, and Agency. By benchmarking these dimensions against both Asian and Global Microfinance Indices, the survey provided us with valuable insights and a clear perspective on our performance relative to Asian and Global standards.

99%

say their never faced an unexpected charge or fee

83%

say they strongly agree that agents are fair and respectful

88%

report their loan repayments are 'not a problem'

95%

report never reducing food consumption in order to make repayments

Engaging and Relevant Social Media Connection

We focus on creating meaningful content that connects with our diverse stakeholders, ensuring it remains relevant, engaging, and impactful across every platform we use. Our social media presence features a mix of financial tips, Monday motivation, and creative, fun graphics that engage and inspire. We keep our audience informed with the latest developments and happenings within the Company, ensuring they stay connected to our progress. Our posts carry impactful messages centered around awareness, inclusion, and empowerment. With operations across 29 states, we make a conscious effort to celebrate regional diversity by showcasing local festivals and cultural moments through dedicated, region-specific graphics. This approach strengthens our connection with our community and fosters a sense of belonging.

11,000

Followers

Facebook

48,583

Followers

LinkedIn

A Responsible Corporate Citizen

At SCNL, CSR means creating real, lasting impact beyond business. We focus on sustainable practices, education, and community empowerment. Guided by ethics and inclusivity, we strive to build a more equitable and opportunity-rich future for all.



Financial Literacy

In collaboration with the RBI and industry bodies like MFIN and Sa-Dhan, SCNL conducted financial literacy workshops across various states. These sessions educated clients on responsible financial planning, saving, and investing, empowering them to make informed financial decisions.

48

Financial Literacy Workshops Conducted

Healthcare Support

In partnership with MFIN and M-Swasth, SCNL organized 36 health camps across West Bengal. These camps offered free health check-ups and medicines, particularly benefiting clients in flood-affected areas with limited access to medical services.

36

Health Camps Conducted



Education Initiatives

Reinforcing our commitment to education, SCNL continued supporting scholarships for underprivileged students at GNA University. Additionally, we invested in infrastructure development to support holistic student growth, marking the fourth year of this valued partnership.

351

Students Benefited



Disaster Relief

We extended support to communities affected by natural calamities in Assam, Gujarat, Bihar, West Bengal, and Maharashtra. By swiftly delivering essential relief supplies, we provided critical support and a sense of reassurance to communities rebuilding their lives in the wake of natural disasters.

21,000

Number of Beneficiaries



Supporting Water Access

We extended our support to the PHD Rural Development Foundation, a trust established in 1981 under the aegis of the PHD Chamber of Commerce & Industry, New Delhi. The Foundation is also empaneled with the Government of India through NITI Aayog's NGO Darpan platform. Through this partnership, we are contributing to an integrated initiative focused on enhancing access to safe and reliable water.



Awards and Accolades

MOMENTS THAT MATTER



Honoured with the 'Microfinance Organization of the Year 2024 Award' – Large Category at the Global Inclusive Finance Summit 2024



Ranked 12th globally and secured Platinum Award for 2023-24 Annual and Integrated Report in the 'Financial – Diversified Services' category at the prestigious Vision Awards by LACP (League of American Communications Professionals), USA



Ranked 57th amongst India's Great Places to Work 2025 across all the Industries



Certificate for 'Best MFI Support in WASH Technical Training – National' by Finish Mondial and Trust of People



d.light India recognized Satin for empowering more than 4 million lives during the course of our association



Awarded the 'Best Solution in Cash Management, India' at the Asset Triple A Awards



Recognized among the 'Top 25 Best Workplaces in BFSI 2025' by GPTW, India



Recognized as a 'Top 50 Companies with Great Managers' at the Great Manager Awards



Awarded Best Technology-Based NBFC at the 19th NBFC & Fintech Conclave 2025



Recognized with the Best Technology Innovation for Operational Efficiency (Microfinance) Award at the 5th Annual BFSI Excellence Awards



Awarded 'Dominant Microfinance of the Year Award' at the 17th NBFC & Fintech Awards 2024



Mr. Jugal Kataria honored with the prestigious 'FE Visionary Leader 2024' award at the FE BFSI Insight Forum

Report of the Board of Directors

Dear Members,

It is our immense pleasure to present the 35th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2025. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL SUMMARY/HIGHLIGHTS, STATE OF AFFAIRS

(INR in Lakhs)

Particulars	Standalone		Consolidated	
	March-25	March-24	March-25	March-24
Total Revenue	2,37,676.25	2,05,064.82	2,60,190.91	2,24,052.78
Total Expenses excluding depreciation and amortization	2,12,018.22	1,46,482.12	2,33,887.24	1,63,497.85
Profit before Depreciation and tax	25,658.03	58,582.70	26,303.67	60,554.93
Depreciation and amortization expenses	2,360.10	1,997.75	2,726.88	2,266.14
Profit / (Loss) before Tax	23,297.93	56,584.95	23,576.79	58,288.79
Tax Expense	1,641.70	14,300.54	4,964.19	14,694.99
Profit / (Loss) after Tax	21,656.23	42,284.41	18,612.60	43,593.80
Other comprehensive income	(4,107.36)	(6.45)	(4,435.89)	607.03
Total comprehensive income for the year	17,548.87	42,277.96	14,176.71	44,200.83

OPERATIONS, FUND RAISE, PROSPECTS AND FUTURE PLANS

Operational Highlights in brief (Standalone basis)

- The aggregate Assets under Management (AUM) of the Company stood at INR 11,31,629.77 Lakhs as on March 31, 2025. This represents a year on year (YoY) growth of 6.8% as compared to March 31, 2024.
- Loan amount of INR 9,83,660.54 Lakhs was disbursed in the financial year 2024-25, representing an increase of 1.5% as compared to the financial year 2023-24.
- The Company disbursed 18,32,105 loans during the financial year 2024-25, a decrease of 9.6% over the financial year 2023-24.
- Average loan amount disbursed per account during the financial year 2024-25 was INR 0.54 Lakhs as compared to INR 0.48 Lakhs during the financial year 2023-24.
- The Company has operations spread across 27 states & union territories and a total of 1,454 branches PAN India.
- Profit before tax declined by 59% to INR 23,297.93 Lakhs. The decline in profit for the year is on account of sector headwinds which led to increase in Opex and Credit cost.
- During the financial year 2024-25, the Company saw 49% decrease in its profitability with net profit of INR 21,656.23 Lakhs for the year ended March 31, 2025 as compared to a net profit of INR 42,284.41 Lakhs for the year ended March 31, 2024.

- Total Income increased from INR 2,05,064.82 Lakhs for the year ended March 31, 2024 to INR 2,37,676.25 Lakhs for the year ended March 31, 2025 which is mainly due to increase in AUM of the Company.
- The Return on Average Assets stood to 2.07% in the financial year 2024-25 as compared to 4.77% in the financial year 2023-24.
- Net Interest Margin has changed to 13.03% in the financial year 2024-25 as against 13.15% in the financial year 2023-24.
- The Company's strong liquidity position provides significant headroom for growth.
- The Company has CRAR of 25.85% as on March 31, 2025 as compared to 27.66% as on March 31, 2024.

Credit Rating

The Company believes that its credit rating and strong brand equity enables it to borrow funds at competitive rates. The credit rating details of the Company as on March 31, 2025 were as follows:

Credit Rating Agency	Instruments	Rating
ICRA	Long-Term Debt Ratings (Non-convertible Debentures)	ICRA A (Stable)
	Long-Term Debt Ratings (Non-convertible Debentures – Subordinate Debt)	
	Long-Term/Short-Term fund-based term bank facilities programme	



Ms. Aditi Singh, CSO, Awarded 'Women Leader of the Year Award 2024' at the 17th NBFC & Fintech Summit.



Ms. Aditi Singh, CSO, received recognition from White Page International as one of the 'Global 200 Women Power Leaders 2024'



Mr Bharat Singh, Business Head of Uttar Pradesh East region and Mr Nekib Ahmed, Circle Head of North East region, recognized amongst 'Top 100 Great Managers 2024'



Ms. Shweta Bansal, DGM- Investor Relations, recognized as the 'Emerging Leader of the Year' at the 16th NBFC 100 Tech Summit



Ms. Rishu Mehta, GM, Process & Policy, honored with the 'Young Leader of the Year Award' at the Landtechx 2024 Conference and Awards

Report of the Board of Directors (Contd.)

Credit Rating Agency	Instruments	Rating
CARE	Long-Term fund-based term loan facilities programme	ICRA A (CE)
	Short-Term Ratings	ICRA A1
	Long-Term Debt Ratings (Non-convertible Debentures)	CARE BBB+
	Long Term Debt Ratings (Non-convertible Debentures – Subordinate Debt)	(Stable)

Operational highlights

Particulars	March 31, 2025	March 31, 2024
Number of branches	1,454	1,236
Amount disbursed (INR in Lakhs)	9,83,660.54	9,69,125.38
Number of active clients	32,87,098	33,38,888
Total Assets under management (INR in Lakhs)	11,31,629.77	10,59,281.81

FUND RAISE

(a) Resource Mobilization:

During the financial year 2024-25, the Company has continued to diversify the sources of funds and raised a total sum of INR 7,74,240.10 Lakhs by way of short-term loans, long-term loans, issue of non-convertible debentures, external commercial borrowings, securitization and assignment. Out of overall amount of INR 7,74,240.10 Lakhs raised through borrowings, INR 83,227.13 Lakhs was raised by issuance of non-convertible debentures & USD denominated Bonds, INR 2,85,615.09 Lakhs was raised by way of term loan, INR 70,859.20 Lakhs by way of Securitisation, INR 2,83,846.48 lakhs by way of Direct Assignment and INR 5,499.00 Lakhs was raised by way of Commercial Paper. The Company also raised funds through external commercial borrowing (ECB) route of INR 45,193.20 Lakhs.

Subordinated Debts represented long term source of funds for the Company and the amount outstanding as on March 31, 2025 was INR 33,005.00 Lakhs.

(b) Bank Finance:

As on March 31, 2025, borrowings from banks were INR 6,23,913.84 Lakhs as against INR 6,93,148.62 Lakhs as on March 31, 2024.

Please refer the **Management Discussion and Analysis Report** for more information.

(c) Non-Convertible Debentures (NCDs):

- During the financial year 2024-25, the Company has successfully raised, by way of Private Placement basis, INR 57,700 Lakhs through issuance of 57,700 Listed, Secured NCDs having face value of INR 1,00,000 each. These NCDs are listed on Wholesale Debt Market (WDM) segment of BSE Limited (BSE).

ii. Details of NCDs which have not been claimed by the Investors:

There are no NCDs, which have not been claimed by the Investors or not paid by the Company after the date on which these NCDs became due for redemption.

COMPANY'S PROSPECTS, FUTURE PLANS AND BUSINESS OVERVIEW

Financial year 2024-25 was characterized by considerable headwinds across the microfinance sector. In the face of these challenges, the Company has emerged as a resilient and consistent performer, demonstrating operational stability, financial prudence, and strategic clarity.

While the industry experienced a de-growth of 13.5% during the year, the Company achieved an AUM growth of 6.8% on a year-on-year basis, reflecting its disciplined execution and customer-centric approach. The AUM as on March 31, 2025 stood at INR 11,31,629.77 Lakhs. During the year, it forayed into a new state, Nagaland, in line with its strategy to extend its inclusive charter to more individuals from low-income groups. With this expansion, its presence is spread across 27 states and union territories through a network of 1,454 branches serving ~33 Lakhs clients.

Encouragingly, its Portfolio at Risk (PAR) trajectory began to improve from November, 2024 onwards, driven by strong client engagement, early intervention strategies and a risk management framework that continues to deliver. PAR 1 improved significantly, declining by 192 basis points from 6.8% in September, 2024 to 4.9% by March, 2025. It also saw a positive shift in PAR 90 that stood at 3.7% as on March, 2025, highlighting its ability to arrest forward flows. The credit cost for the year remained well within the guided range, supported by its prudent underwriting practices and continuous portfolio monitoring.

Despite the broader industry contraction, the Company remained profitable across the year reporting a Profit after Tax (PAT) of INR 21,656.23 Lakhs, underlining the strength of its business model and reinforcing the strength and consistency of its financial performance. The Company maintained sufficient liquidity during the year, leveraging strong institutional ties and a diverse funding base to effectively manage liabilities and maintain financial flexibility.

Report of the Board of Directors (Contd.)

The Company continues to benefit from a stable and experienced leadership team, with the core management averaging over nine years of tenure. This consistency has provided strategic depth and operational continuity, especially during periods of external volatility.

Furthermore, it has intensified its focus on subsidiaries, which play an increasingly integral role in enhancing portfolio diversification and mitigating concentration risks. This is in alignment with its broader objective of building a well-balanced, future-ready one stop financial services institution for rural India.

Few key developments of the year are highlighted below:

- Ventured into technology offerings with new subsidiary i.e. Satin Technologies Limited;
- Enhanced governance framework, with appointment of three new independent directors;
- Successfully raised USD 100 million syndicated social term loan via External Commercial Borrowing;
- Received "SQS2 Sustainability Quality Score from Moody's Ratings for its Social Financing Framework;
- Honored with the prestigious 'Microfinance Organization of the Year Award' in the large category at the Global Inclusive Finance Summit 2024.

Moving forward, backed by its strong emphasis on asset quality, tech-driven and robust underwriting process and a long-term mindset, it believes that it can carry forward its growth momentum into financial year 2025-26. It remains well-positioned to capitalize on emerging opportunities, backed by a solid governance framework, resilient business fundamentals, and an unwavering commitment to financial inclusion.

Please refer to the **Management Discussion and Analysis Report** for more information on the Company's Business Overview.

SHARE CAPITAL

Authorized Share Capital

During the financial year 2024-25, there is no change in Authorized Share Capital of the Company. The Authorized Share capital of the Company as at March 31, 2025 stood at INR 2,00,00,00,000 (Indian Rupees Two Hundred Crore only) divided into 12,50,00,000 (Twelve Crore and Fifty Lakhs only) Equity Shares of INR 10 (Indian Rupees Ten) each and 7,50,00,000 (Seven Crore and Fifty Lakhs only) Preference Shares of INR 10 (Indian Rupees Ten only) each, ranking pari-passu in all respects with the existing Equity Shares and Preference Shares of the Company, respectively, as per the Memorandum and Articles of Association of the Company.

Paid-up Share Capital

a. Equity Share Capital

As on March 31, 2025, the paid-up Equity Share Capital of the Company stood at INR 1,10,47,09,650 comprising of 11,04,70,965 Equity Shares of face value of INR 10 each fully paid up.

b. Preference Share Capital

As on March 31, 2025, the Paid-up Preference Share Capital of the Company stood as Nil.

DIVIDEND

Considering the Company's growth, future strategy and plans, the Board of Directors consider it prudent to conserve resources and do not recommend any dividend on equity shares for the financial year 2024-25.

The Company has formulated a Dividend Distribution Policy in accordance with provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for bringing transparency in the matter of declaration of dividend and to protect the interest of investors.

The Dividend Distribution Policy is available on the website of the Company at <https://satincreditcare.com/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf>.

AMOUNT TRANSFERRED TO RESERVES

An amount of INR 4,331.24 Lakhs, being 20% of the profit after tax (PAT) was transferred to Statutory Reserve of the Company pursuant to Section 45-IC of the Reserve Bank of India Act, 1934. Further, the closing balance of the retained earnings of the Company for the financial year 2024-25, after all appropriation and adjustments was INR 96,348.39 Lakhs.

DEPOSITS

The Company continues to be categorized and operate as a Non-Deposit taking Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI) and has not accepted any deposits from the public within the meaning of provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and the provisions of the Act.

RBI GUIDELINES

Pursuant to RBI master direction on 'Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' dated October 19, 2021, as amended from time to time, the Company was categorized as NBFC-Middle Layer (NBFC-ML) and it continues to be under the same category

Report of the Board of Directors (Contd.)

till date. The Company continues to fulfil all the norms and standards laid down by RBI pertaining to non-performing assets, capital adequacy, and other ratios as applicable to the Company.

As prescribed by RBI norm for Capital Adequacy of 15%, the capital to risk-weighted assets ratio of the Company was 25.85% as on March 31, 2025. In line with the RBI guidelines for asset liability management (ALM) system for NBFCs, the Company has an Asset Liability Management Committee, which meets quarterly to review its ALM risks and opportunities. The Company continues to be in compliance with the RBI Scale Based Regulation.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the financial year 2024-25, in terms of provisions of Section 186(1) of the Companies Act, 2013 ("the Act"), the Company did not make any investment through more than two layers of investment companies.

The Company, being a NBFC registered with RBI and engaged in the business of giving loans in ordinary course of its business, is exempt from complying with provisions of Section 186 of the Act with respect to loans, guarantees and investments. Accordingly, the Company is exempted from complying with the requirements to disclose full particulars of the loans given, investment made or guarantee given or security provided in the financial statement.

Further, details of loans and investments outstanding during the financial year are furnished in notes to the Standalone Financial Statements of the Company.

RELATED PARTY TRANSACTIONS

The Company has in place a Policy on Related Party Transactions ("RPT Policy"), as amended from time to time. The RPT Policy provides for identification of RPT, necessary approvals from the Audit Committee/Board/ Members, reporting and disclosure requirements in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The said RPT Policy can be accessed on the website of the Company at <https://satincreditcare.com/wp-content/uploads/2025/04/RPT-Policy.pdf>

All contracts or arrangements executed by the Company during the year under review with related parties were on arm's length basis and in the ordinary course of business. During the year under review, the Company has not entered into any contract(s)/arrangement(s)/transaction(s) with related parties which could be considered material in accordance with Regulation 23 of the SEBI LODR Regulations, as amended and the RPT Policy of the

Company. Hence, the disclosure of RPTs as required under Section 134(3)(h) of the Act, 2013 in Form AOC-2 is not applicable to the Company.

All RPTs were placed before the Audit Committee and Board of Directors for their approval, wherever applicable. Further, a statement of all Related Party Transactions is also presented before the Audit Committee on a quarterly basis.

Further, details of related party transactions as required to be disclosed as per Indian Accounting Standard - 24 "Related Party Disclosures" specified under Section 133 of the Act are given in Note 54 forming part of Standalone Financial Statements of the Company.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

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

The Company has in place strong internal audit processes and systems and designs annual risk-based audit plan to ensure optimum portfolio quality and keep risks at bay. There is a risk-based audit methodology for field audits and corporate functions audits which are planned based on various risk-based parameters. There is a full-fledged in-house Internal Audit department. The branch and regional office audits take place generally thrice a year and corporate function audits takes place as per periodicity defined in the approved internal audit plan.

The Audit Committee of the Board of Directors, comprising of Non-Executive Directors, periodically reviews the internal audit reports, covering findings, adequacy of internal controls, and ensures compliances. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, adequacy and effectiveness of the internal controls and systems followed by the Company.

Report of the Board of Directors (Contd.)

Information System Security controls enable the Company to keep a check on technology-related risks and also improve business efficiency and distribution capabilities. The Company is committed to invest in IT systems, including back-up systems, to improve the operational efficiency, customer service and decision-making process.

The exemplary standards of the Company's internal control systems are clearly demonstrated by its achievement of the ISO 27001:2022 certification, following a rigorous two-stage audit process conducted by a third-party certification body including both Documentation Audit and Control Testing Audit. Additionally, the Company undergoes an annual Surveillance Audit by independent ISO auditors to maintain this certification. By adhering to ISO 27001 standards, the organization proactively identifies and mitigates potential security threats to financial data, thereby bolstering the integrity, confidentiality, and availability of financial information. This strategic approach significantly reduces the risk of fraud, unauthorized access, and data breaches. It also reinforces to stakeholders—such as investors and customers—that the organization is fully committed to protecting sensitive financial information, thus fostering greater trust and credibility.

IT security controls are essential measures implemented to protect digital assets from unauthorized access, alteration, or destruction. These controls encompass a range of technologies, processes, and policies designed to safeguard information systems, networks and data from cyber threats & vulnerabilities. There are robust cloud systems which have been implemented efficiently, ensuring scalability, security and reliability for seamless operations and data management.

The Company has implemented a robust "Centralized Shared Services Centre (CSS)" to enhance the vigilance and accuracy of customer onboarding. The Centralized Shared Services, an outsourced process unit, plays a crucial role in verifying loan applications and KYC documents, ensuring the authenticity of clients receiving disbursements. In addition, we leverage e-KYC and e-signature technology using IRIS for seamless agreement signing, while incorporating AI-based cameras during the sourcing process and capturing geo-location data and In-house developed FRS (Face Recognition System) is used to verify the identity of individuals performing disbursement transactions. This integrated approach has significantly strengthened our ability to filter out adverse customer profiles, ensuring more accurate customer selection and sanctioning.

MATERIAL EVENT RECORDED SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There is no material change and commitment adversely affecting financial position of the Company, which has occurred between end of the financial year of the Company i.e. March 31, 2025 and as on date of this Annual Report.

DETAILS OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES, AS REQUIRED UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

Subsidiary, Associate and Joint Venture Companies

The Company has following 3 (three) wholly owned subsidiaries as on March 31, 2025. There are no associate or joint venture company within the meaning of Section 2(6) of the Act.

During the financial year 2024-25, the Company has incorporated a new company namely "**Satin Technologies Limited**" as its wholly owned subsidiary. Further, there has been no material change in the nature of the business of the subsidiaries.

1. Satin Housing Finance Limited ("SHFL") – SHFL was incorporated on April 17, 2017, as a wholly-owned subsidiary of the Company. SHFL is registered with National Housing Bank (NHB) and holds Certificate of Registration (COR) as Housing Finance Company (not holding/accepting Public deposits) dated November 14, 2017 to carry on activities of housing finance business under Section 29A of the National Housing Bank Act, 1987. SHFL is engaged in providing long-term finance for purchase, construction, extension and repair of houses for the retail segment along with loans against residential property, commercial property and plots. During the financial year 2024-25, the Company has infused INR 2,231.14 Lakhs by way of equity share capital (excluding share premium) due to which the paid-up capital stood at INR 15,193.47 Lakhs as on March 31, 2025.

Networth of SHFL as on March 31, 2025 was INR 26,229.65 Lakhs which exceeds 10% of the consolidated net worth of the Company and consequently. SHFL qualifies as material Subsidiary of the Company w.e.f. March 31, 2025.

2. Satin Finserv Limited ("SFL") – SFL was incorporated on August 10, 2018 as a wholly-owned subsidiary of the Company. SFL is Non-Banking Finance Company registered with Reserve Bank of India (RBI) engaged in

Report of the Board of Directors (Contd.)

the business of providing Loans to entrepreneurs, small business owners (MSMEs) and individual businesses for their business requirements. SFL has adopted a unique credit underwriting and assessment model to understand the income source and derive eligibility of the potential customers. As on March 31, 2025, it's paid up capital stood at INR 15,755.79 Lakhs.

3. **Satin Technologies Limited ("STL")** – STL was incorporated on August 13, 2024, under the provisions of the Act, as a wholly-owned subsidiary of the Company and is currently in the beginning phase of its operations. With a focus on harnessing the power of technology to drive efficiency, scalability and customer satisfaction, STL is well-equipped to meet the evolving needs of businesses in the digital age and aims to become a leader in providing state-of-the-art digital solutions that can transform the way businesses operate. STL is engaged into Information Technology business. During the financial year 2024-25, the Company has infused INR 200 Lakhs by way of equity share capital.

Business Highlights of Satin Housing Finance Limited

SHFL's net worth stood at INR 26,229.65 Lakhs as at March 31, 2025. As on that date, regulatory Capital to Risk Assets Ratio (CRAR) was 52.27%. SHFL's total income during the year ended March 31, 2025 was INR 11,514.73 Lakhs as compared to previous year ended March 31, 2024 was INR 9,231.30 Lakhs and earned net profit after tax during the year ended March 31, 2025 of INR 404.26 Lakhs as compared to net profit after tax during previous year ended March 31, 2024 of INR 874.43 Lakhs. SHFL have been profitable in last five successive years.

Business Highlights of Satin Finserv Limited

SFL's net worth stood at INR 18,255.74 Lakhs as on March 31, 2025. SFL has reported total income of INR 12,661.71 Lakhs during the year ended March 31, 2025 and Profit before tax stood at INR 1,058.30 Lakhs. Capital to Risk Asset Ratio (CRAR) is 37.62% which is well above the regulatory requirement of 15.00%. SFL has shown decent growth in terms of sanctions & disbursements of loans with retail disbursements having grown by 51% in FY25 as compared to FY24 for SME business. During the financial year 2024-25, SFL has disbursed loans of INR 34,789.53 Lakhs in SME business and as a strategy SFL has stopped disbursement in business correspondent business and thereby, achieved AUM of INR 51,631.84 Lakhs (on book) and INR 3,135.71 Lakhs (off book).

Business Highlights of Satin Technologies Limited

STL's net worth stood at INR 205.88 Lakhs as on March 31, 2025. STL has reported total income of INR 84.62 Lakhs

during the year ended March 31, 2025 and post adjusting tax expenses, profit after tax stands at INR 5.88 Lakhs. STL continues to progress on its strategic roadmap, focusing on both organic and inorganic growth through internal product innovation, strategic partnerships and potential acquisitions. A secure and independent IT infrastructure has been established, ensuring operational autonomy from Satin Creditcare Network Limited and strengthening service delivery. STL also promotes key strategic initiatives and initiation of a strategic project to evaluate the acquisition of a cybersecurity firm to bolster technological and data security capabilities. A defined target operating model has been put in place to guide future hiring in line with business needs. STL remains committed to evolving its core platforms while actively pursuing strategic opportunities for long-term growth and sustainability.

Consolidated Financial Statements

In accordance with Section 129(3) of the Act and Regulation 34(2) of SEBI LODR Regulations, Consolidated Financial Statements of the Company including financial details of all the subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the provisions of Indian Accounting Standards issued by the Institute of Chartered Accountants of India & Schedule III of the Act.

Further, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 also form part of this Annual Report. Further, the Company neither has any Associate nor any Joint Venture as on March 31, 2025.

The financial statements of the subsidiary companies are also available on the Company's website <https://satincreditcare.com/our-subsidiaries/>

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the financial year 2024-25, the Company incorporated a new company namely "Satin Technologies Limited" as its wholly owned subsidiary. Further, no company has become or ceased to be joint venture or associate of the Company during the financial year 2024-25.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**A. Directors**

The composition of the Board of Directors is in accordance with provisions of Section 149 of the Act and Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Regulation 17 of SEBI

Report of the Board of Directors (Contd.)

LODR Regulations, with an optimum combination of Non-Executive Directors and Independent Directors (including one-woman director).

As on March 31, 2025, the Board of Directors of the Company comprises of 6 (Six) Directors, out of which 4 (Four) Directors are Non-Executive & Independent Directors, including 1 (One) Women Independent Director. Details are furnished herein below:

Sl. No.	Name of Directors	Category
1	Dr. Harvinder Pal Singh	Executive Promoter Director
2	Mr. Satvinder Singh	Non-Executive & Non-Independent, Promoter Director
3	Mr. Anil Kumar Kalra	Non-Executive & Independent Director
4	Mr. Anil Kaul*	Non-Executive & Independent Director
5	Mr. Joydeep Datta Gupta**	Non-Executive & Independent Director
6	Ms. Jyoti Davar Vij***	Non-Executive & Woman Independent Director

* Resigned w.e.f. June 27, 2025.

** Appointed w.e.f. June 24, 2024.

*** Appointed w.e.f. July 31, 2024.

During the financial year 2024-25, Mr. Sanjay Kumar Bhatia, Mr. Sundeep Kumar Mehta, Mr. Goh Colin and Ms. Sangeeta Khorana ceased to be Non-Executive & Independent Directors of the Company w.e.f. September 4, 2024 due to their retirement upon completion of 2 (two) consecutive terms of appointment. The Board of Directors placed on record its appreciation and gratitude for the invaluable contribution and guidance rendered by them during their tenure. The Company immensely benefitted from the enriched experience of the aforesaid outgoing Directors.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 27, 2025, approved appointment of Mr. Ashok Kumar Sharma and Mr. Anupam Kunal Gangahar as Additional Directors (Non-Executive & Independent) of the Company, subject to approval of Members of the Company at ensuing 35th Annual General Meeting ("AGM"). Post closure of financial year 2024-25, Mr. Anil Kaul (DIN: 00644761), Non-Executive & Independent Director of the Company, resigned w.e.f. close hours of June 27, 2025 due to his professional pre-occupation by accepting a new assignment which

needs his full-time attention and time commitment which would be challenging for him to spend adequate time on Company's Board and Committees because of the new assignment. Mr. Anil Kaul confirmed that there is no material reason for his resignation other than those provided in his resignation letter dated June 27, 2025.

During the financial year 2024-25, Non-Executive Directors of the Company had no material pecuniary relationship or transactions with the Company, apart from receiving director's remuneration by way of commission and sitting fees for attending meetings of the Board of Directors/Committee(s) as prescribed under Section 197 of the Act. The terms and conditions of appointment of Non-Executive & Independent Directors are available on the website of the Company.

In opinion of the Board of Directors, the Independent Directors appointed are the person of integrity, expertise and experience (including the proficiency) and fulfils requisite conditions as per applicable laws and are independent of the management of the Company.

B. Retirement by Rotation and Subsequent Re-Appointment

In accordance with provisions of Section 152 of the Act and Articles of Association of the Company, Mr. Satvinder Singh (DIN: 00332521), Non-Executive & Non-Independent Director, is liable to retire by rotation at ensuing AGM and, being eligible, offers himself for re-appointment as Director. The resolution seeking Members approval for his reappointment forms part of the Notice of ensuing AGM. The Board of Directors of the Company recommends his re-appointment.

A brief profile and other relevant details of Mr. Satvinder Singh, as stipulated under Regulation 36(3) and other applicable provisions of the SEBI LODR Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, are furnished in the Notice of ensuing AGM, forming part of this Annual Report.

C. Key Managerial Personnel

During the financial year 2024-25, based on recommendations of Audit Committee and Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 24, 2024 had approved appointment of Mr. Manoj Agrawal, as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. July 1, 2024 in place of Mr. Rakesh Sachdeva who retired from the position of Chief Financial officer (Key Managerial Personnel) upon attaining age of superannuation, w.e.f. close of business hours on June 30, 2024.

Report of the Board of Directors (Contd.)

As on March 31, 2025, Dr. Harvinder Pal Singh, Chairman cum Managing Director, Mr. Jugal Kataria, Group Controller, Mr. Manoj Agrawal, Chief Financial Officer & Mr. Vikas Gupta, Company Secretary and Chief Compliance Officer, are the Key Managerial Personnel(s) of the Company in accordance with the provisions of Sections 2(51) and 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The present term of Dr. Harvinder Pal Singh as Chairman cum Managing Director of the Company shall expire on September 30, 2025. Further, based on recommendation of Audit Committee & Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 27, 2025, approved the re-appointment of Dr. Harvinder Pal Singh as Chairman cum Managing Director and Whole Time Key Managerial Personnel of the Company for another term of 5 (five) consecutive years w.e.f. October 1, 2025 till September 30, 2030, subject to approval of Members at the ensuing AGM of the Company. The Board of Directors recommends the same for approval of Members at the ensuing 35th AGM.

D. Statement on Declaration "Certificate of Independence"

All Independent Directors have submitted their disclosure(s) to the Board of Directors confirming that they meet/fulfill the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations, as amended so as to continue as Independent Directors under the aforesaid rules and regulations.

Further, in terms of Regulation 25(8) of the SEBI LODR Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situation which exist or may be anticipated, that could impair or impact their ability to discharge their duties.

MEETINGS OF THE BOARD

During the financial year 2024-25, 9 (Nine) Board Meetings were held, the details of the same have been included in the Corporate Governance Report, which forms part of this Annual Report.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to provisions of Section 178 of the Act and Regulation 17(10) read with Part D of Schedule II of the SEBI LODR Regulations, Nomination and Remuneration Committee and Board of Directors have formulated a policy

for performance evaluation (same is covered under the Nomination and Remuneration Policy of the Company) of its own performance, of various mandatory Committees of the Board and of the individual Directors.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004) dated January 5, 2017 and in terms of Board approved 'Nomination & Remuneration Policy' of the Company, Independent Directors at its separate meeting held on March 12, 2025 under Regulation 25(4) of the SEBI LODR Regulations and Schedule IV of the Act had:

- reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- reviewed the performance of the Chairperson of the Company, considering the views of Executive and Non-Executive Directors; and
- assessed the quality, quantity and timelines of flow of information between the Company's management and the Board of Directors that was necessary for the Board of Directors to effectively and reasonably perform their duties.

Additionally, in terms of provisions of Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II of the SEBI LODR Regulations, the performance evaluation process of all Independent and Non-Independent Directors of the Company was carried out by Nomination and Remuneration Committee at its meeting held on March 12, 2025. Further, in terms of Regulation 17(10) of the SEBI LODR Regulations and Schedule IV of the Act, the Board of Directors also in their meeting held on March 12, 2025 carried out evaluation of its own performance and that of its Committees and of the individual Directors.

The entire performance evaluation process was completed to the satisfaction of the Board.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors of the Company, to the best of its knowledge and ability, hereby confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

Report of the Board of Directors (Contd.)

- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the profit of the Company for the year ended on that date;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts for financial year ended March 31, 2025 on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the financial year ended March 31, 2025; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended March 31, 2025.

INFORMATION ON MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the financial year 2024-25, no significant or material orders were passed by the regulators or courts or tribunals affecting the going concern status of the Company and its operations in future.

AUDITORS & THEIR REPORTS

Statutory Auditors & their Report

Pursuant to provisions of Sections 139 and 141 of the Act read with rules framed thereunder includes amendments thereto and in accordance with "Guidelines for Appointment of Statutory Central Auditors /Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)" dated April 27, 2021 ("RBI Guidelines on Appointment of Statutory Auditors"), issued by Reserve Bank of India, read with the Company's policy on Appointment of Statutory Auditors, based on recommendation of the Audit Committee and approval of the Board of Directors and Members of the Company at its 34th AGM held on August 9, 2024, had appointed M/s J C Bhalla & Co., Chartered Accountants, (Firm Registration No. 001111N), as Statutory Auditors of the Company, for a period of 3 (three) consecutive years i.e. from the conclusion of 34th AGM till conclusion of

37th AGM to be held in the year 2027 in place of M/s S S Kothari Mehta & Co. LLP (formerly known as M/s S S Kothari Mehta & Company), whose tenure as Statutory Auditors of the Company expired on conclusion of the 34th AGM of the Company held in 2024.

Further, the Auditors' Report for the financial year 2024-25, forming part of this Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. Further, there were no instances of any fraud reported by the Statutory Auditor's to the Board pursuant to Section 143(12) of the Act.

The Board has placed on record its sincere appreciation for the services rendered by M/s S S Kothari Mehta & Co. LLP. during their tenure as Statutory Auditors of the Company.

Secretarial Auditors & their Report

Pursuant to provisions of Section 204 of the Act and rules framed thereunder and based on the recommendation of Audit Committee, the Board of Directors, at its meeting dated June 24, 2024, had appointed M/s S. Behera & Co., Practicing Company Secretaries (ICSI PCS Registration No. 5980) as the Secretarial Auditors of the Company for the financial year 2024-25. The Company provided all the assistance and the facilities to the Secretarial Auditors for conducting the secretarial audit. However, M/s S. Behera & Co., placed its unwillingness to continue as Secretarial Auditors of the Company due to its professional pre-occupation. The Board had placed on record its sincere appreciation and gratitude for the services rendered by M/s S. Behera & Co., Practicing Company Secretaries, as Secretarial Auditors of the Company.

Further, pursuant to provisions of amended Regulation 24A of SEBI LODR Regulations, based on recommendation of Audit Committee, the Board of Directors, post evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., and subject to approval of Members of the Company at ensuing AGM, had approved appointment of M/s DPV & Associates LLP (Firm Registration No. L2021HR0009500), Peer Reviewed Practicing Company Secretaries Firm, as Secretarial Auditors of the Company for a term of 5 (five) consecutive years, commencing from April 1, 2025 till March 31, 2030.

The secretarial audit report in prescribed Form MR-3 as provided by M/s S. Behera & Co., Practicing Company Secretaries for the financial year 2024-25, does not contain any qualification, reservation, adverse remark or disclaimer and the same is annexed to this Annual Report as **Annexure - I**.

Report of the Board of Directors (Contd.)

Cost records and Cost audit

Maintenance of cost records and requirement of Cost Audit as specified by the Central Government under Section 148 (1) of the Act, is not applicable for the business activities carried out by the Company and hence, such accounts and records are not maintained.

Reporting of Frauds by Auditors

During the financial year 2024-25, neither the Statutory Auditors nor the Secretarial Auditors have reported any instances of material fraud in the Company by its officers or employees required to be disclosed under Section 143(12) of the Act.

However, there have been few instances of misappropriation and criminal breach of Trust including embezzlement of cash by the employees amounting to INR 28.41 Lakhs. In such cases, the action taken by the Company is, to terminate the services of such employees and also initiate legal action against such employees as deemed appropriate. In this course, the Company has recovered INR 2.60 Lakhs from some of those employees.

AUDIT COMMITTEE

The Company has an Audit Committee duly constituted in accordance with provision of Section 177 of the Act, Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 and Regulation 18 read with Schedule II of SEBI LODR Regulations, as amended.

All the members of Committee have expertise in finance and have knowledge of accounting and financial management. The scope of the Audit Committee, as set out in Regulation 18 read with Schedule II of SEBI LODR Regulations and other applicable laws, are approved by Board of Directors of the Company. The composition of Audit Committee & its terms of reference and the details of meeting(s) attended by Audit Committee members are provided in Corporate Governance Report which forms part of this Annual Report.

During the financial year 2024-25, all the recommendations of Audit Committee were accepted by the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY AND ESG COMMITTEE

The Company is committed to building equitable and inclusive pathways for women, youth, and marginalized groups on a meaningful scale through breakthrough innovation. The Company has a vision to drive 'holistic empowerment' of the community and carries CSR initiatives through partnering with trust/foundation, qualified to undertake CSR activities in accordance with Schedule VII

of the Act (includes amendments thereto). Sustainability and social responsibility are integral element of corporate strategy of the Company.

In compliance with Section 135 of the Act read with rules framed thereunder and in terms of SEBI LODR Regulations, as amended from time to time, the Company had established the Corporate Social Responsibility Committee.

However, during the financial year 2024-25, in order to identify risks and opportunities across various ESG dimensions and developing strategic plans & objectives to mitigate these risks and leverage opportunities, the nomenclature of Corporate Social Responsibility Committee was changed to "**Corporate Social Responsibility and ESG Committee**" which also includes the terms of reference/scope or functions as defined in ESG Policy of the Company. The composition, function and details of meetings attended by the Corporate Social Responsibility and ESG Committee Members during the financial year 2024-25, are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the financial year 2024-25, the Company has contributed INR 278.45 Lakhs to GNA University, a private university in Phagwara Punjab (an initiative of S. Amar Singh Educational Charitable Trust) for scholarship of the underprivileged students and Infrastructure Development (Academic Building with furniture and fixtures) in order to promote education & guidance to the poor and marginalized children of the region, which had very low literacy rates, especially among females.

Further, during the financial year 2024-25, the Company had also contributed INR 5.21 Lakhs to PHD Rural Development Foundation (PHDRDF), a Trust established in 1981 under the aegis of PHD Chamber of Commerce & Industry, New Delhi, to promote agriculture through efficient irrigation by means of drip irrigation to farmers and fruit plantation.

During the financial year 2023-24, the Company had spent an excess amount of INR 124.07 Lakhs, which was adjusted against funds earmarked for CSR expenditure for the financial year 2024-25 i.e. INR 407.73 Lakhs.

Key initiatives under each thematic area and Annual Report on CSR under Section 135 of the Act read with rules framed thereunder, is annexed as **Annexure-II** to this Report and the same is available on the website of the Company i.e. www.satincare.com.

As per amended CSR Rules and CSR Policy of the Company, the funds required to be disbursed have been utilized for the purposes and in the manner as approved by the Board of the Company and fund utilization certificates duly signed by Chief Financial Officer and CSR Nodal Officer of the Company along with auditor's certificates shared by

Report of the Board of Directors (Contd.)

Implementing Agencies have been duly noted by the Board in its meeting held on May 07, 2025.

The composition of Corporate Social Responsibility and ESG Committee and Board adopted CSR Policy as formulated are available at <https://satincare.com/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf>

EMPLOYEES STOCK OPTION PLAN

The 'SATIN Employee Stock Options Scheme 2017' ("**ESOS 2017/Scheme**") is in compliance with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended from time to time (the "**SBEB Regulation**").

During the financial year 2024-25, the ESOS 2017, has been further aligned with the Master Directions of Reserve Bank of India (Non-banking Financial Company- Scale Based Regulation) Directions, 2023.

Further, a certificate as required under Regulation 12 of SBEB Regulations, as amended, confirming that the ESOS 2017 has been implemented in accordance with SBEB Regulations, issued by M/s S. Behera & Co., Secretarial Auditors of the Company will be available for inspection by the Members of the Company at the ensuing AGM.

Disclosures pertaining to ESOS 2017 pursuant to SBEB Regulations are placed on the Company's website <https://satincare.com/wp-content/uploads/2025/06/ESOP.pdf>. Grant wise details of options vested, exercised and cancelled are provided in the notes to the standalone financial statement of the Company.

The Company has not provided any financial assistance to its employees for purchase or subscription of shares in the Company. The Company has not issued any Sweat Equity Shares or Equity Shares with differential rights during the year.

POLICIES

Vigil Mechanism/Whistle Blower Policy

Pursuant to provisions of Section 177(9) of the Act read with rules framed thereunder and Regulation 22 of the SEBI LODR Regulations, as amended, from time to time, the Company had adopted Vigil Mechanism/Whistle Blower Policy that aims to deal with instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct and the same is explained in the Corporate Governance Report.

The Policy provides adequate safeguard against victimization to whistle blower and enables the Directors & employees to raise their concerns, also provides an option of direct access to the Chairman of Audit Committee. During

the financial year 2024-25, none of the personnel have been denied access to the Chairman of the Audit Committee.

During the financial year 2024-25, no complaint was received under Vigil Mechanism/Whistle Blower Policy.

The Whistle Blower Policy of the Company is also available on the website of the Company at <https://satincare.com/wp-content/uploads/2024/09/Whistle-Blower-Policy.pdf>

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

Pursuant to provisions of Section 178 of the Act and Regulation 19 read with Schedule II of the SEBI LODR Regulations, as amended, the Company has in place Nomination and Remuneration Policy *inter-alia*, for determining qualifications, positive attributes, independence and remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel, Senior Management Personnel and other employees in line with the requirement of the Act, SEBI LODR Regulations and Guidelines on Compensation of the Key Managerial Personnel, Senior Management Personnel as issued by the RBI.

Further, in compliance with Master Directions - Reserve Bank of India (Non-banking Financial Company- Scale Based Regulation) Directions, 2023 w.r.t. "Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs", the Company had incorporated appropriate changes in the Policy relating to the framework on composition on compensation, effective alignment of fixed and variable compensation components, principles of variable compensation - proportion, deferral and Malus & Claw back etc. The Nomination and Remuneration Policy of the Company is also available on the Company's website at <https://satincare.com/wp-content/uploads/2025/05/NRC-Policy-v2.6.pdf>

Further, in accordance to Regulation 25(7) of SEBI LODR Regulations, the Company familiarizes its Independent Directors about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates and other relevant information relating to the Company. In this regard, the Company follows a structured familiarization programme for the Independent Directors. The detail of such familiarization programmes conducted are uploaded on the Company's website at <https://satincare.com/policies-practices/#1611050197222-fdc295ab-84a2>

Risk Management

The Company has a well-defined Risk management framework, established system and adequate controls

Report of the Board of Directors (Contd.)

for identification, assessment, measurement, reporting, mitigation and/or management of risks. The processes, policies and procedures are periodically reviewed by the Risk Management Committee and the Board of Directors. Risk Management Committee of the Board is duly supported by Asset Liability Management Committee (ALCO) and Executive Risk Management Committee (ERMC).

All major risk classes are managed through focused and specific risk management processes; these risks include credit risk, operational risk, market and liquidity risk. Risk Management function provides periodic reports to the Management and Risk Management Committee of the Board encompassing the risk profile of the Company across various risk areas, enabling the relevant stakeholders to take timely and informed decisions.

Company follows three lines of defence model, whereby front-office functions, risk management and compliance and Internal audit roles are played by functions independent of one another. Internal control systems, organizational structure, processes, policies, and code of conduct together form a robust mechanism that govern efficient functioning of the business, and the existing risk management measures are being regularly upgraded to ensure risk avoidance and risk mitigation.

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

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

The Company had also conducted several awareness training programs for the employees during the year to educate the employees on the scope of the Policy and the grievance redressal mechanism under the Act.

Further, the Company has set up an Internal Complaints Committee (ICC) as required under the said Act to redress the complaints received pertaining to sexual harassment. All employees (viz., permanent, contractual, temporary, trainees) are covered under this Policy. Any complaint received by the ICC shall be dealt appropriately in accordance with the policy and applicable laws and regulations as provided in the Act.

The Annual Report of ICC for the period commencing from January 1, 2024 till December 31, 2024 was submitted to the office of District Collector, Gurugram on January 9, 2025. One complaint was received and the same was disposed-off during the said period.

Fair Practice Code

The Company has in place a Fair Practices Code ("FPC") as approved by the Board, in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers enabling them to take informed decisions. The FPC is available on the website of the Company at <https://satincare.com/policies-practices/#1529498024292-2e31dd15-f1e7>

Customer Grievance

The Company has a dedicated Customer Grievance team for receiving and handling customer complaints/grievances and to ensure that the customers are always treated in a fair and unbiased way. All grievances raised by the customers are dealt with courtesy and redressed expeditiously.

Further, the Board of Directors of the Company is acting as the Consumer Protection Committee pursuant to the provisions of RBI Master Directions.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure-III**.

In accordance with provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the name and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules which forms part of this report, will be made available to any Member on request, as per provisions of Section 136 of the Act.

In terms of provisions of Section 136 of the Act, the Report and Accounts are being sent to Members of the Company excluding information on employees' particulars which is available for inspection by the Members of the Company at Registered Office of the Company, during business hours upto the date of ensuing AGM. If any Member is interested in obtaining such information, he/she may write to the Company Secretary at the Corporate Office of the Company.

LISTING ON STOCK EXCHANGES

The Equity Shares (bearing ISIN INE836B01017) of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2025-26 have been paid to both the exchanges.

The Non-Convertible Debentures issued on private placement basis are listed on Wholesale Debt Market segment of BSE.

Report of the Board of Directors (Contd.)

ANNUAL RETURN

Pursuant to provisions of Section 92(3) read with Section 134(3)(a) of the Act read with rules framed thereunder, the draft Annual Return as on March 31, 2025 is available on the website of the Company and can be accessed through the following link <https://satincare.com/disclosures-under-regulation-46-of-the-lodr-2/#1657799697026-d5373efd-9938>.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the financial year 2024-25, there was no change in the nature of business of the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to provisions of Regulation 34 of SEBI LODR Regulations, top 1,000 listed entities based on market capitalization are required to submit a Business Responsibility and Sustainability Report ("BRSR") on the environmental, social and governance disclosures.

A detailed BRSR in the format prescribed by SEBI describing various initiatives, actions and process of the Company towards ESG endeavor, forms part of this Annual Report and has also been hosted on Company's website and can be accessed at <https://satincare.com/investor-relations-satin-creditcare/annual-report/>.

PARTICULARS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under clause (m) of sub-section (3) of

Section 134 of the Act read with sub-rule (3) of Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-IV** and forms part of this Annual Report.

OTHER DISCLOSURE(S)

- There are no details required to be reported with regards to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions as the Company has not done any settlement with any Bank or Financial Institutions since its inception.
- The Company has neither filed any application nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the reporting year, hence no disclosure is required under this section.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh

Chairman cum Managing Director

DIN: 00333754

Place: Gurugram

Date: June 27, 2025

Annexure-I

SECRETARIAL AUDIT REPORT
For the Financial Year Ended March 31, 2025

(Form No. MR-3)

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members of
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Azadpur, New Delhi-110033

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

Based on our verification of Company's books, papers, minute books, forms and returns filed and made available and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, in our opinion we hereby report that, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions stated hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

- The Companies Act, 2013 ("the Act") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable:

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;
 - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable during the Financial Year under review;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not Applicable during the Financial Year under review; and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not Applicable during the Financial Year under Review;
- The Company has identified and confirmed the following laws as being specifically applicable to the Company:
 - Master Directions, Rules, Regulations and Guidelines, including amendments thereof issued by the Reserve Bank of India as are applicable to NBFC -NDSI MFI;
 - Employees' Provident Funds & Misc. Provisions Act, 1952;
 - Employees' State Insurance Act, 1948;
 - Maternity Benefit Act, 1961;
 - Minimum Wages Act, 1948;
 - Payment of Bonus Act, 1965;
 - Payment of Gratuity Act, 1972;

Annexure-I (Contd.)

- Delhi Shops and Establishments Act, 1954; and
- Local laws as applicable to all its branches and offices.

We have also examined compliance with the applicable Clauses/ Regulations of the following:

- Secretarial Standards with respect to Meetings of Board of Directors ("SS-1") and General Meetings ("SS-2") issued by The Institute of Company Secretaries of India;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered by the Company with NSE and BSE Limited.

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

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliances report of Company Secretary & Chief Compliance Officer/Chief Financial Officer/Whole Time Director and respective departmental heads taken on record by the Board of Directors of the Company in their meetings and based on the review of the compliance mechanism established by the Company we are of the opinion that, adequate system and process exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with all applicable laws, rules, regulations and guidelines including Labour Laws and Environmental Laws.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of directors was received for circulation of the agenda and notes on agenda at a shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committees thereof were carried out with requisite majority.

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

- The Working Committee, at its meetings held on April 16, 2024, April 18, 2024, September 25, 2024 and October 03, 2024 approved the allotment of bonds aggregating up to USD 8 million, USD 10 million, USD 5 million and USD 7.5 million, respectively, on private placement basis;
- The Nomination and Remuneration Committee, at its meeting held on June 24, 2024 approved grant of 85,000 stock options under Satin ESOP Scheme in accordance with the provisions of SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 as amended from time to time;
- The Board of Directors, at its meeting held on June 24, 2024, approved the appointment of Mr. Manoj Agrawal as Chief Financial Officer (CFO) (KMP) w.e.f. July 01, 2024 upon retirement of Mr. Rakesh Sachdeva as CFO due to attaining age of superannuation w.e.f. June 30, 2024.
- The Board of Directors, at its meeting held on July 31, 2024 accorded their consent for the formation of Wholly Owned Subsidiary ('WOS') namely "Satin Technologies Limited". The Registrar of Companies under the Ministry of Corporate Affairs issued the Certificate of Incorporation on August 13, 2024;
- The Board of Directors, at its meeting held on August 29, 2024, noted the retirement of Mr. Sundeep Kumar Mehta, Ms. Sangeeta Khorana, Mr. Goh Colin and Mr. Sanjay Kumar Bhatia on completion of their second consecutive term as Non-Executive Independent Directors w.e.f. September 04, 2024
- The Working Committee of the Board of Directors, at its meeting held on October 24, 2024, approved the investment of INR 7.50 Crores in SME IPO of Usha Financial Services Limited;
- The Board of Directors at its meeting held on January 16, 2025, approved the appointment of Mr. Vikas Wadhwa as Chief Risk Officer (CRO) of the Company upon resignation of Mr. Dhiraj Jha as CRO due to his transfer/appointment as Chief Executive Officer in Satin Finserv Limited (Wholly Owned Subsidiary of the Company);
- The Company raised its first syndicated social term loan of USD 100 million via External Commercial Borrowing under the automatic route of the Reserve Bank of India.

Annexure-I (Contd.)

We further report that, during the audit period the Shareholders of the Company, inter-alia, have considered and approved the following:

- Issue of non-convertible debentures (NCDs), in one or more series/ tranches on private placement basis;
- Appointment of M/s J C Bhalla & Co., Chartered Accountants, as Statutory Auditors of the Company for a continuous period of 3 (three) years.
- Payment of remuneration by way of commission to Non-Executive Directors (including Independent Directors) of the Company;

- Revision in the remuneration of Mr. Harvinder Pal Singh (DIN: 00333754), Chairman cum Managing Director of the Company;
- Appointment of Ms. Jyoti Davar (DIN: 09757889) (through resolution passed by postal ballot) and Mr. Joydeep Datta Gupta (DIN: 00176737) as Non-Executive and Independent Directors of the Company.
- Related Party Transaction with respect to appointment of Mr. Varun Shankardass (Related Paty) to hold office or place of profit in Satin Finserv Limited, wholly owned subsidiary of the Company (through resolution passed by postal ballot).

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

For S. Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
CP No. 5980

ICSI UDIN: F008428G000186056

Date: April 23, 2025
Place: New Delhi

Annexure-I (Contd.)

Annexure-'A'

To,
The Members of
Satin Creditcare Network Limited
5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Azadpur, New Delhi-110033

Our report of even date is to be read along with this letter:

MANAGEMENT'S RESPONSIBILITY

- It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

- Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
- We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
- Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S. Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Proprietor
CP No. 5980

ICSI UDIN: F008428G000186056

Date: April 23, 2025
Place: New Delhi

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company:

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

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

2. Composition of Corporate Social Responsibility and ESG Committee ("CSR & ESG Committee"):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & ESG Committee held during the year	Number of meetings of CSR & ESG Committee attended during the year
1	Dr. Harvinder Pal Singh	Promoter, Executive Director (Chairman cum Managing Director) (Chairman)	1	1
2	Mr. Goh Colin*	Non-Executive & Independent Director (Member)	1	1
3	Ms. Sangeeta Khorana*	Non-Executive & Independent Director (Member)	1	1
4	Mr. Satvinder Singh**	Promoter, Non-Executive & Non-Independent Director (Member)	-	-
5	Mr. Anil Kumar Kalra**	Non-Executive & Independent Director (Member)	-	-
6	Ms. Jyoti Davar Vij**	Non-Executive & Independent Director (Member)	-	-

*Ceased to be member w.e.f. August 29, 2024.

**Appointed as member w.e.f. August 29, 2024.

3. Provide the web-link where Composition of CSR & ESG committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: Composition of CSR & ESG Committee shared above and is available on the Company's website at <https://satincare.com/board-of-directors/>

CSR Policy at <https://satincare.com/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf>

CSR projects at <https://satincare.com/csr/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: N.A.

5. (a) Average net profit of the Company as per sub-section (5) of Section 135 – INR 20,386.27 Lakhs
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135 – INR 407.73 Lakhs
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – Nil
(d) Amount required to be set-off for the financial year, if any – INR 124.07 Lakhs
(e) Total CSR obligation for the financial year [(b)+(c)-(d)] – INR 283.66 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – INR 283.66 Lakhs
(b) Amount spent in Administrative Overheads – Nil
(c) Amount spent on Impact Assessment, if applicable – Nil
(d) Total amount spent for the financial year [(a)+(b)+(c)] – INR 283.66 Lakhs
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
283.66 Lakhs	Nil				

Annexure-II (Contd.)

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	INR 407.73 Lakhs
(ii)	Total amount spent for the financial year	INR 283.66 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer	
1	2023-24	Nil					
2	2022-23	Nil					
3	2021-22	181.21 Lakhs	Nil	181.21 Lakhs	Nil		

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

N.A.

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: N.A.

For **Satin Creditcare Network Limited**

Sd/-
Harvinder Pal Singh
(Chairman cum Managing Director &
Chairman - Corporate Social Responsibility & ESG Committee)

Annexure-III

Details pertaining to Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

Sr. No.	Name of Director(s)	Annual Remuneration (in INR) for FY 2024-25	Median Annual Remuneration of Employees for the FY 2024-25 (in INR)	Ratio of remuneration of each director of the median remuneration of the employees for FY
1	Dr. Harvinder Pal Singh	4,14,18,800*	2,34,000	177:1

*Excluding Variable Pay.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year.

Sr. No.	Name of Director(s) Chief Financial Officer, Company Secretary	Annual Remuneration during FY2023-24 (In INR)	Annual Remuneration during FY 2024-25 (In INR) [@]	Percentage increase in remuneration since last FY
1	Dr. Harvinder Pal Singh, Chairman cum Managing Director	1,55,08,421	4,14,18,800	167.07%
2	Mr. Rakesh Sachdeva, Chief Financial Officer*	80,39,115	27,38,603	-
3	Mr. Manoj Agrawal, Deputy Chief Financial Officer**	65,58,439	25,57,370	-
4	Mr. Manoj Agrawal, Deputy Chief Financial Officer***	-	75,52,600	-
5	Mr. Vikas Gupta, Company Secretary & Chief Compliance Officer	38,13,859	39,97,888	4.83%

[@]Excluding Variable Pay.

* Ceased to Chief Financial Officer w.e.f. June 30, 2024 due to his retirement upon attaining the age of superannuation on the said date.

** Served as Deputy Chief Financial Officer w.e.f. August 11, 2023 till June 30, 2024.

***Appointed as Chief Financial Officer w.e.f. July 1, 2024.

- (iii) The percentage increase in the median remuneration of employees in the FY:

Median Annual Remuneration (In INR) of employees for the FY2023-24	Median Annual Remuneration (In INR) of employees for the FY 2024-25	Percentage increase in Median Annual remuneration of employees
216,000	2,34,000	8.33%

- (iv) Number of permanent employees on the rolls of the Company as at March 31, 2025 – 15,189
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – **The average percentage increased in the remuneration of all employees (other than managerial personnel) stand at 9.6% whereas average percentile increase in the remuneration of managerial personnel stands at 167.07%. Dr. Harvinder Pal Singh's compensation had not changed despite the organization's strong performance over the past few fiscal years, surpassing pre-COVID levels. However, his remuneration was much lesser than the pre-COVID level, therefore, his remuneration had increased in order to align with market standards.**
- (vi) The Board hereby affirm and declare that the remuneration being paid to the employees(s), Director(s), key managerial personnel(s) is as per the Nomination & Remuneration policy for Directors, key managerial personnel (KMP) & senior management and other employees approved by the Board.

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Place: Gurugram
Date: June 27, 2025

Annexure-IV

INFORMATION AS PER CLAUSE (M) OF SUB-SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH SUB-RULE (3) OF RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025:

(A) Conservation of Energy: (i) the steps taken or impact on conservation of energy: (ii) the steps taken by the Company for utilizing alternate sources of energy: (iii) the capital investment on energy conservation equipment's:	As a loan provider, the Company operates with relatively low energy consumption, primarily limited to its day-to-day functions. Despite this, it demonstrates a strong commitment to sustainability and technological innovation, continuously enhancing its products, platforms, and processes. In alignment with its environmental goals, the Company invests in energy-efficient equipment across all office locations. Beyond internal efforts, the Company has actively contributed to reducing carbon emissions and promoting green energy by facilitating cleaner household solutions, selling 35,740 induction cooktops to replace traditional mud-chulhas and distributing 29,586 solar torches in the financial year 2024-25. The Company's initiatives on energy conservation and technology adoption, are detailed out in the Business Responsibility and Sustainability Report and the Management Discussion and Analysis section of the Annual Report, underscoring the Company's dedication to sustainable and responsible business practices.
(B) Technology Absorption: (i) the efforts made towards technology absorption: (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): (iv) the expenditure incurred on Research and Development:	
(C) Foreign Exchange Earnings and Outgo:	
(i) Foreign Exchange Earnings:	INR 70,770.89 Lakhs on account of reimbursement of expenditure, External Commercial Borrowing and Miscellaneous Income (previous year INR 33,609.31 Lakhs)
(ii) Foreign Exchange Outgo:	INR 12,256.44 Lakhs on account of Debenture Issue Expenses, Documentation Charges, Interest Payment-ECB, Prepaid Expenses, Processing Fees, Professional Fees, Sitting Fees and Travelling Expenses (previous year INR 6,330.36 Lakhs).

For and on behalf of the Board of Directors

Sd/-

Harvinder Pal Singh
Chairman cum Managing Director
DIN: 00333754

Place: Gurugram
Date: June 27, 2025

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economic Overview

The global economy entered 2025 navigating a complex and rapidly evolving landscape. As per the International Monetary Fund's (IMF)'s World Economic Outlook released in April 2025, while 2024 marked a period of moderate growth, with global GDP expanding by 3.3%, the underlying momentum remained relatively subdued, falling short of the historical average of 3.7% recorded between 2000 and 2019. This deceleration was shaped by a combination of structural and cyclical factors, including sustained policy tightening across major economies, geopolitical uncertainties, and sector-specific challenges that weighed on both advanced and emerging markets.

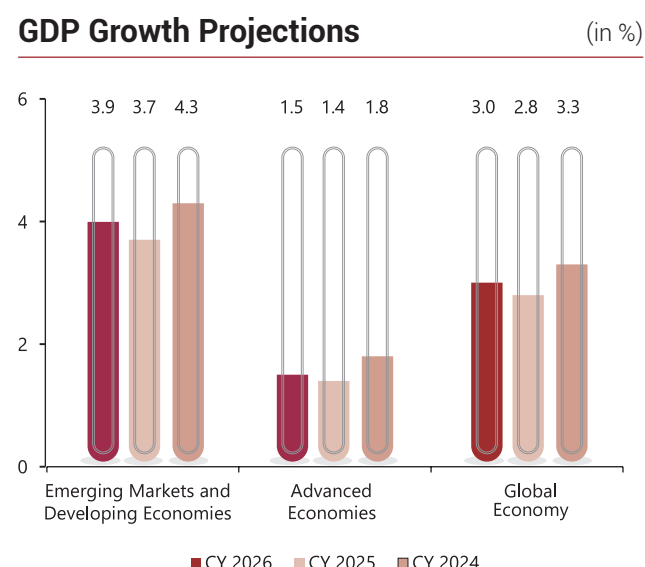
Throughout the year 2024, the performance of advanced and emerging economies diverged significantly. Advanced economies grappled with weak manufacturing activity, muted consumer sentiment, and persistent inflationary pressures. Rising energy costs, lingering effects of monetary tightening, and ongoing disruptions in global trade further dampened demand and restrained growth.

Emerging markets and developing economies, meanwhile, faced their own headwinds. Subdued external demand, capital outflows triggered by higher interest rates in advanced economies, and domestic policy uncertainties posed considerable challenges. Geopolitical tensions and trade disruptions also exerted pressure, particularly on export-reliant nations. Despite these constraints, certain emerging markets demonstrated resilience, buoyed by robust domestic consumption and targeted policy stimulus in select regions.

As the new year unfolds, the global economic trajectory continues to be reshaped by a convergence of structural shifts, policy realignments, and escalating geopolitical tensions. A major disruption to the global economic order emerged with the United States' enactment of broad-based tariff measures, prompting swift retaliatory actions from several major trading partners. These developments culminated in the near-universal imposition of tariffs effective April 2, 2025, driving global tariff rates to historic highs not seen in over a century. The escalation was a significant setback to cross-border trade flows and has imparted a material drag on global growth.

The fallout from these developments was compounded by the rapid and unpredictable nature of these policy shifts, significantly intensifying economic uncertainty and diminishing the predictive value of traditional forecasting models. In this fluid environment, anchoring near-term projections to past patterns or assumptions has become increasingly untenable.

Against this backdrop, global headline inflation enters a phase of recalibration and is now expected to decline at a slower pace than previously anticipated. Projected to ease to 4.3% in 2025 and further to 3.6% in 2026, the tempered trajectory largely reflects an upward adjustment in inflation forecasts for advanced economies, partially offset by modest downward revisions for emerging markets and developing economies.



(Source: IMF's World Economic Outlook, April 2025)

Rising financial system fragility continues to be a growing concern, especially among Non-Bank Financial Intermediaries (NBFIs). Equity markets remain volatile, asset valuations stretched, and corporate debt levels elevated, contributing to an increasingly uncertain financial landscape. Central banks are faced with the difficult task of containing inflation without inadvertently triggering broader financial instability, a delicate balancing act that will define the near-term outlook.

Performance of Major Economies

United States: The U.S. economy is projected to grow at a subdued pace of 1.8% in 2025, a scaled-down estimate from the IMF's earlier projection released in January 2025 – driven by the confluence of restrictive monetary policy and escalating trade disruptions. Inflation is expected to persist at around 3%, with recent tariff measures alone contributing an estimated one percentage point to the overall inflationary dynamics. Simultaneously domestic consumption continues to lose momentum, while the manufacturing sector faces mounting challenges from escalating input costs amidst persistent disruptions in the global supply chain.

China: China's growth outlook for 2025 is revised downward to 4% from 4.6% in the January 2025 WEO update, reflecting the possible cumulative impact of softer external demand,

Management Discussion and Analysis (Contd.)

ongoing internal deleveraging, and structural transitions towards a consumption-led economy. Additionally, recently implemented tariffs by the United States are expected to further dampen export performance and investor sentiment. Inflation is expected to remain low, with a potential drift into deflation, highlighting concerns around persistent demand-side weakness. This trend may reintroduce credit stress, particularly within the property sector.

Euro Area: The Eurozone economy continues to face headwinds, with GDP growth for 2025 now revised down to 0.8%, 0.2% points lower than earlier projections. Weak consumption and sluggish exports continue to weigh down economic activities. The situation is further aggravated by political instability in select regions and persistent energy insecurity, undermining investor confidence, especially in key economies, such as Germany and France.

India: India has firmly established itself as the world's fourth-largest economy, surpassing Japan, with an impressive GDP growth of around 6.5% in 2024–25, positioning it as the fastest-growing major economy amid global turbulence. The start of a rate-cut cycle, marked by a cumulative 100 basis points reduction in 2025, including a sharp 50 bps cut in June 2025, reflects the RBI's confidence as inflation hovers near a six-year low of ~3%, comfortably within its 4% target. Combined with stable crude prices easing cost pressures, ample foreign exchange reserves that support rupee stability, and sustained domestic demand, the macroeconomic backdrop is strong. However, corporate earnings are yet to reflect these positive shifts, with many companies reporting weak margins and tepid investment.

Emerging Markets: Emerging market economies are particularly exposed under the current global conditions. Rising sovereign debt servicing costs, capital outflows fueled by widening interest rate differentials, and depreciating currencies are intensifying inflationary pressures and increasing macroeconomic risks. Together, these dynamics heighten the threat of abrupt investment halts and potential debt distress. Without swift multilateral support and activation of structured debt resolution frameworks, financial stress across these economies could escalate further.

Outlook

The global economy is poised for a gradual recovery, despite persistent challenges, driven by easing inflationary pressures and resilient consumption demand in key markets. However, the pace and distribution of growth are expected to remain uneven across regions. Advanced economies may face slower momentum due to tighter financial conditions, while emerging markets may benefit from firmer domestic demand and improving external balances.

Navigating the near-term uncertainty and complex global environment will require collaborative international action. Progress in areas such as trade facilitation, resolution of debt distress, and targeted structural reforms are likely to shape the recovery trajectory. Policymakers are likely to recalibrate monetary policy to strike a balance between supporting growth and anchoring inflation expectations, while fiscal strategies may increasingly prioritize targeted spending and strategic consolidation.

Looking ahead, international cooperation will be vital in addressing cross-border challenges, including climate finance, digital integration, and supply chain resilience. As countries align on shared goals and implement credible reforms, the global economy could witness a moderate but stable rebound, setting the stage for long-term sustainability and inclusive growth.

(Source: IMF's World Economic Outlook, April 2025)

INDIAN ECONOMIC OVERVIEW

India's economic trajectory in 2024–25 emerged as a standout amidst a challenging global backdrop marked by escalating global trade tensions and persistent geopolitical uncertainties. With Gross Domestic Product (GDP) growing at 6.5%, India continued its streak as the world's fastest-growing major economy, outperforming even the largest global economies and reaffirming its fundamental resilience. This momentum was driven by a strong pipeline of government-led infrastructure investments and sustained expansion in key sectors, including finance, real estate, and construction. Additionally, targeted financial inclusion measures and a robust agricultural performance have supported rural demand, further contributing to overall economic growth. Notably, in Q4 (January 01, 2025 – March 31, 2025) of 2024-25, India's real GDP surged by 7.4% year-on-year, the highest quarterly growth of the fiscal year, driven by a sharp rebound in industrial activity, particularly manufacturing, mining, and construction, alongside a significant uptick in net indirect tax collections. In its June 06, 2025 policy review, the RBI executed a 50 bps repo rate cut, bringing the rate down to 5.50%, and simultaneously trimmed the Cash Reserve Ratio (CRR) by 100 bps, injecting nearly INR 2.5 Trillion of liquidity into the banking system. This front-loaded easing, building on earlier cuts of 25 bps in February and April, signals a decisive pivot to rejuvenate growth. The policy stance has shifted from 'accommodative' to 'neutral,' reflecting a strategic pause, even as the central bank signals readiness to act further if conditions warrant. With inflation firmly under control and ample liquidity, these measures aim to stimulate lending (especially to MSMEs and retail borrowers), support credit

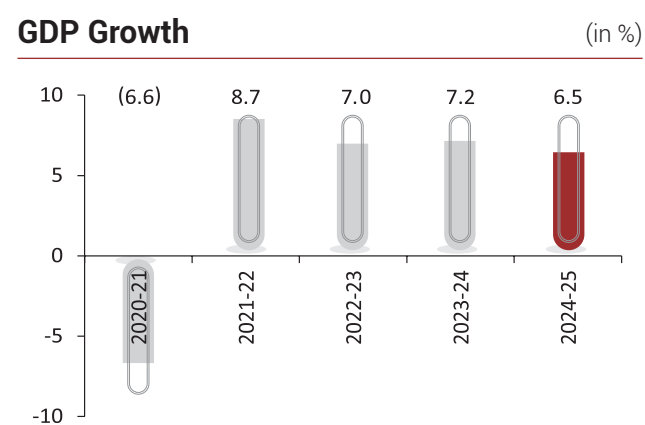
Management Discussion and Analysis (Contd.)

transmission, and fortify the broader economic recovery amid external uncertainties. This monetary easing coincided with global volatilities stemming from the United States' announcement of sweeping tariffs, including a proposed 10% baseline tariff on nearly all merchandise imports and a 26% levy on Indian goods. While initial apprehensions emerged around the potential impact of these measures on key Indian export sectors, such as electronics and marine products, a subsequent 90-day pause was placed on most reciprocal tariffs providing temporary relief to Indian exporters. Although the 10% baseline tariff remains in effect, its long-term impact on Indian exports, initially a cause for concern is now anticipated to be minimal in the long-term.

Meanwhile, inflation remains under control, though core inflation continues to be sticky, requiring careful monetary management. In a significant development, India's inflation slowed to its lowest level in nearly six years, with retail inflation eased to 3.16% in April 2025, remaining below the RBI's 4% target for the third consecutive month, as food prices rose at a slower pace. The easing inflation also signals improving supply-side dynamics, particularly across food and core components, further reinforcing the outlook for sustained economic momentum.

(Source: Reuters)

India's domestic fundamentals remained firmly intact in the face of external disruptions. Continued government emphasis on infrastructure development, prudent fiscal management, and well-calibrated welfare schemes provided a vital buffer to the economy against global shocks. Labor markets conditions continued to show signs of recovery, supporting household incomes and enhancing consumption across both urban and rural regions. Simultaneously, the Banking, Financial Services, and Insurance Sector (BFSI) maintained robust momentum, reinforcing macroeconomic stability. Collectively, these dynamics enabled the Indian economy to weather global volatility, while sustaining its long-term growth trajectory.



SECTOR-WISE PERFORMANCE IN 2024-25

Agriculture and Allied Sectors: The agricultural sector rebounded with a growth rate of 4.6% in 2024-25, supported by food grain production rising 4.8% to 330.9 Million tonnes according to the second advanced estimates. This increase is driven by a 6.8% rise in Kharif and a 2.8% gain in Rabi crops, aided by a favorable monsoon that boosted rural incomes and demand. Government initiatives like higher MSPs, expanded crop insurance, better irrigation, and greater agri-tech adoption further strengthened the sector's resilience and growth prospects.

Industrial Sector: The industrial sector grew by 6.1% in 2024-25, reflecting the broad-based momentum across manufacturing, construction, mining, and utilities. This robust trajectory was driven by buoyant construction activities, higher manufacturing output across industries, like automobiles, electronics and pharmaceuticals, and sound performance in mining and quarrying. Key utilities such as electricity, gas, and water supply witnessed steady expansion, supported by increased infrastructure investments. The manufacturing sub-sector, in particular, demonstrated resilience, with enhanced production levels bolstering overall industrial performance.

Services Sector: India's services sector remains the bedrock of its economic growth, with financial, real estate, and professional services expanding by ~7.2% in 2024-25, and trade, transport, and communication services growing by 6.18%, fueled by buoyant consumer demand and strong hiring. Yet emerging headwinds are reshaping this dynamic: tighter visa restrictions, especially in the U.S. have slowed talent mobility, prompting a shift toward offshore models and robust local hiring strategies, thereby insulating the sector but potentially compressing margins due to higher wage costs. At the same time, the adoption of AI technologies is beginning to transform service delivery: sectors like call-centres, IT consulting, and software development are seeing productivity boosts of 45%-60% through GenAI, accent-neutralization tools, automated workflows, and AI-driven logistics solutions. While AI drives efficiency gains and cost reductions, it also accelerates automation in routine roles—placing pressure on lower- and middle-tier jobs. Looking ahead, the sustainability of this growth will hinge on strategic reskilling, offshore delivery models, and increased investment in AI to secure long-term value creation.

(Source: Press Information Bureau)

Management Discussion and Analysis (Contd.)

The Union Budget 2025-26 reinforced the government's commitment to sustainable growth while maintaining fiscal discipline. Capital expenditure was raised to an unprecedented INR 11.21 Lakh Crores (~3.1% of GDP), underscoring a strategic focus on infrastructure, rural upliftment, and catalyzing private sector investment. The fiscal deficit target was further trimmed to 4.9%, demonstrating prudent budget management. A major boost came from the RBI's record dividend transfer of INR 2.69 Lakh Crores, substantially above the budgeted INR 2.56 Lakh Crores, which creates roughly INR 70,000 Crores of extra fiscal room. This contribution alone could lower the deficit by 20-30 bps, potentially bringing it near 4.2% of GDP, or alternatively, enabling enhanced capital spending on key priorities, all while preserving fiscal prudence.

Consumption revival remained a key policy focus, with higher allocations to rural flagship schemes, enhanced Direct Benefit Transfers (DBTs), and tax relief under the new income tax regime effected to achieve intended outcome. These steps are expected to strengthen disposable income and boost consumption recovery, particularly among rural and middle-income households.

Outlook

India's prospects for 2025-26 remain resilient, with GDP projected to grow by 6.3% as per World Bank's Global Economic Prospects Report released on June 2025. This positive curve is supported by a combination of strong domestic fundamentals and strategic policy initiatives. The gradual revival in private capital expenditure and steady improvement in consumption are anticipated to be the key drivers of economic momentum. Concerted measures under the Make in India program, sustained investments in digital public infrastructure, and the Production-Linked Incentive (PLI) schemes are set to strengthen the manufacturing ecosystem. A robust rural recovery, backed by targeted financial inclusion measures, is expected to drive strong demand across segments. With inflation showing signs of moderation and RBI maintaining a supportive monetary policy stance, the overall macroeconomic environment is expected to remain stable. Additionally, large-scale infrastructure development, favorable demographic dynamics, and rising investor confidence are likely to further support India's long-term growth trajectory, notwithstanding an increasingly complex and volatile global landscape.

(Source: Reuters, Press Information Bureau, Deloitte)

INDUSTRY OVERVIEW

Indian BFSI Sector Review

India's BFSI sector continues to play a pivotal role in enabling economic dynamism, fostering inclusive growth, and supporting the nation's digital transformation. In 2024-25, the sector operated against a backdrop of regulatory tightening, global volatility, and evolving macroeconomic conditions. Liquidity scenario fluctuated through the year, as the Reserve Bank of India (RBI) maintained a calibrated, cautious approach, aimed at controlling inflationary pressures. While India's overall growth outlook stayed positive, the tightening of credit norms, particularly in the unsecured lending space, tempered the pace of expansion across key financial segments.

Within this environment, the Indian banking sector remained resilient, supported by strong capital buffers and improving asset quality. The RBI's liquidity support measures, along with regulatory moves such as proposed caps on banks' exposure to Alternative Investment Funds (AIFs), aimed to strengthen governance and systemic stability. Banks continued to invest in digital infrastructure, enhance risk frameworks, and manage rising compliance demands, positioning themselves as stable enablers of credit growth and economic momentum.

The RBI adopted proactive measures, aimed at safeguarding financial stability. These initiatives spurred institutions to fortify their risk management frameworks, bolster capital buffers, and revisit lending strategies. At the same time, financial entities faced rising compliance costs, driven by enhanced KYC requirements, stringent data protection regulations, and new cybersecurity mandates. This shift highlighted the need for institutions to build resilient, technology-driven models that could seamlessly balance risk, compliance, and customer experience in an increasingly digital financial ecosystem.

Indian financial sector's evolving priorities are met with a marked acceleration in technology adoption over the past few years. Cybersecurity spending in the BFSI segment registered a robust CAGR of 35%, rising from USD 518 Million in 2019 to USD 1,738 Million in 2023. This surge was driven by increasingly stringent regulatory mandates and detailed policy frameworks. Simultaneously, the IT/ITeS sector recorded a CAGR of 36% during the same period, as organizations sought to securely integrate advanced technologies, such as AI/ML, edge computing, and Generative AI.

(Source: DSCI)

Management Discussion and Analysis (Contd.)

This broader wave of digital transformation successfully percolated down to institutions at the grassroots level, particularly Non-Banking Financial Companies–Microfinance Institutions (NBFC-MFIs). As critical enablers of financial inclusion, NBFC-MFIs have embraced paperless, digital-first processes, leveraging technology to enhance outreach, streamline operations, and strengthen their impact. By extending last-mile credit access to women entrepreneurs, rural households, and micro enterprises, these institutions are transforming credit delivery, making it faster, more inclusive, and more responsive. However, as digital adoption deepens, preserving the human connection remains vital. Centre meetings continue to serve as a crucial touchpoint for building trust and community engagement. In an era of rising digital payments and individual lending, this client connection must not be diluted. A sustained focus on a 'tech and touch' approach will ensure that NBFC-MFIs not only scale efficiently but also retain the relational ethos that underpins their success, catalyzing socio-economic mobility, promoting financial literacy, and empowering India's heartlands.

As of March 31, 2025, NBFC-MFIs remained at the helm of India's microcredit landscape, managing an Outstanding Loan Portfolio of INR 1,47,566 Crores. Their continued emphasis on affinity-based lending models and women-centric outreach nurtured a culture of responsible credit, while advancing the broader agenda of inclusive growth. Even amidst tighter regulations across the BFSI sector, NBFC-MFIs demonstrated remarkable adaptability, strengthening governance frameworks and amplifying their digital capabilities.

(Source: Micrometer Report - March 2025, Financial Times)

Indian Microfinance Sector Review

India's microfinance sector, serving around 8 Crores active borrowers, stands as a major enabler of financial inclusion at grassroots level, empowering low-income households and marginalized communities, while facilitating a trickle-down impact of economic growth. Over the years, the sector significantly expanded access to formal credit for micro-entrepreneurs and self-employed individuals, particularly in the nation's rural and underserved regions. Through its interventions, the microfinance sector enabled the targeted community build sustainable livelihood, while forging an

active ecosystem that supports poverty alleviation and promotes comprehensive financial and social inclusion.

During 2024–25, the sector faced significant headwinds largely driven by multiple external factors and operational challenges, particularly in terms of asset quality. Rising borrower indebtedness strained repayment capacities, with loans overdue by 31 to 180 days increasing from 2.1% in March 31, 2024 to 6.3% as on March 31, 2025. The proportion of borrowers accessing credit from four or more lenders climbed from 3.6% in September 2021 to 5.8% in September 2024, raising concerns about overleveraging and potential systemic credit risk.

Amidst this volatile landscape, the microfinance sector disbursed INR 2,78,713 Crores across 5.4 Crore loan accounts in 2024–25, marking a year-on-year degrowth of 16.9% and 25.4%, respectively. While the overall expansion remained subdued, the sector continued to play a vital role in supporting the bottom of the pyramid through sustained credit outreach. Banks and NBFC-MFIs together continued to drive the majority of these disbursements, maintaining their leadership in extending credit penetration.

In response, the RBI has significantly strengthened the microfinance regulatory framework, blending risk management rigor with enhanced transparency and borrower protection. Key measures include restoring bank-to-NBFC risk weight norms to pre-2023 levels, creating greater capital efficiency and room for growth. The launch of mandatory Key Facts Statements (KFS) in local languages, issued before loan execution and requiring borrower acknowledgement, ensures clear disclosure of Annual Percentage Rate (APR), fees, recovery terms, and grievance procedures helping curb unethical practices. Simultaneously, the RBI lowered the Qualifying Asset (QA) threshold for NBFC-MFIs to 60% of total assets (netted off by intangible assets), enabling lenders to diversify into allied segments like MSME or micro-housing lending while maintaining security on core assets. On unsecured lending, credit exposure caps have been mandated and internal risk committees must closely monitor borrower limits, while credit bureau linkages have been expanded. Finally, digital lending norms now require automated, digitally-signed loan document kits (including KFS), issued via email/SMS, reinforcing auditability and consumer protection.

Management Discussion and Analysis (Contd.)

In 2024–25, the microfinance sector faced multiple shocks, prolonged election-related disruptions, severe heatwaves, and regional floods that hampered center meetings and squeezed collections. Repayment stress was particularly acute in Karnataka and Tamil Nadu, driven largely by borrower over-indebtedness and over-leveraging in these regions. In response, NBFC-MFIs sharply refocused on strengthening credit underwriting, deploying digital tools to streamline operations, and enhancing customer engagement through responsible lending protocols. They're also pursuing geographic diversification to reduce exposure to socio-political and climate-induced risks.

These strategic shifts, combined with fortified regulatory guardrails like revised risk weights, enhanced transparency, key facts statements, and borrower protection norms, help build a resilient, inclusive sector capable of weathering localized stress and supporting sustainable growth. Microfinance players are also deepening their commitment to borrower-centric practices

by investing in financial literacy initiatives and building robust grievance redressal mechanisms. These measures aim to empower borrowers with better financial awareness and offer transparent, responsive channels for support.

Collectively, these proactive steps, ranging from regulatory compliance and technology adoption to diversification and borrower empowerment, reflect the evolution of a maturing industry. It is one that is continuously adapting to balance risk, ensure regulatory alignment, and enhance its social impact on underserved communities.

Government initiatives, such as Pradhan Mantri Jan Dhan Yojana (PMJDY), MUDRA, and Stand-Up India continue to complement industry efforts by broadening the reach of formal financial services in rural India. With continued policy backing, evolving regulatory frameworks, and accelerated digital adoption, India's microfinance sector is positioned to sustain its growth momentum and enhance its contribution to inclusive economic development.

(Source: Times of India, Economic Times)

Portfolio Outstanding of the Microfinance Sector

As on March 31, 2025, the microfinance industry had total loan portfolio of INR 3,75,030 Crores. The total number of active loans accounts were 13.3 Crores with 7.8 Crores unique borrowers as on March 31, 2025. On an YoY basis (March 31, 2024 to March 31, 2025), the GLP has degrown by 13.5%.

Guardrails 1.0 by MFIN

Effective August 2024, capped microfinance borrowers to a maximum of four lenders and a total indebtedness of INR 2 Lakhs, instilling initial discipline in lending practices.

Guardrails 2.0 by MFIN

To reinforce credit discipline and promote sustainable growth in the microfinance sector, the Microfinance Institutions Network (MFIN) introduced Guardrails 2.0 in November 2024. These enhanced guidelines, effective January 1, 2025 (with select provisions deferred to April 1, 2025), aim to mitigate borrower over-indebtedness and enhance sectoral resilience.

Key Highlights

- **Lender Cap:** The number of microfinance lenders per borrower is now capped at three, down from four. This applies strictly to microfinance loans and excludes retail credit. Implementation of this cap was

extended to April 1, 2025, to ensure smooth operational transition.

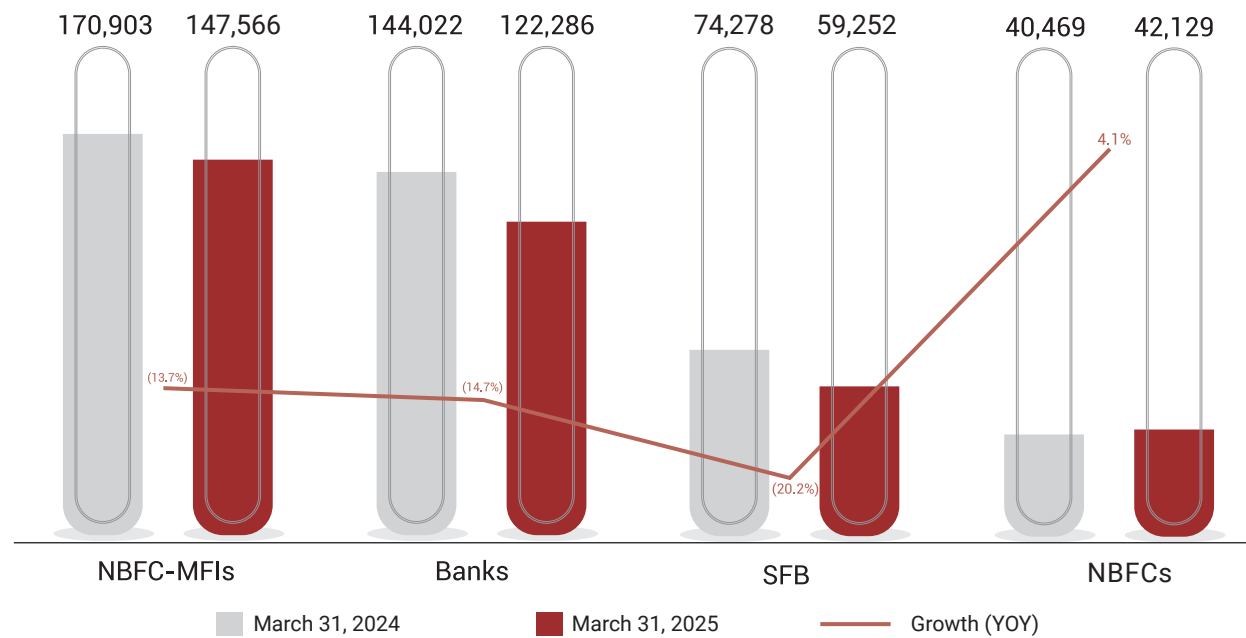
- **Indebtedness Limit:** A borrower's total outstanding debt is capped at INR 2 Lakh, inclusive of all microfinance and unsecured retail loans. Secured loans, such as those backed by gold or property, are excluded from this ceiling.
- **Delinquency Restriction:** Institutions are prohibited from lending to borrowers with overdue payments exceeding INR 3,000 for more than 60 days, tightening the previous 90-day threshold.
- **Interest Rate and Fee Transparency:** Boards of member institutions must review and rationalize interest rates, ensuring benefits of operational efficiency are passed on to borrowers. Additionally, apart from processing fees and credit life insurance, no other charges may be deducted from the disbursed loan amount.

(Source: Micrometer)

Management Discussion and Analysis (Contd.)

Portfolio Outstanding of Microfinance Industry

(INR Crore)



INDIAN NON-BANKING FINANCIAL COMPANY-MICROFINANCE INDUSTRY (NBFC-MFI) REVIEW

Among the various lending institutions within the Indian microfinance space, NBFC-MFIs remain the largest contributors, holding a portfolio share of 39% as of March 31, 2025. Banks and Small Finance Banks (SFBs) follow with portfolio shares of 33% and 16%, respectively. The overall microfinance loan portfolio stood at INR 3.75 Lakh Crores by the end of March 2025. Although portfolio expansion remained subdued during the year, the sector continued to display underlying strength amidst a challenging operating environment. The industry, through its 'observe, learn and adapt' approach, has proved to be a catalyst under the changing contours. Industry participants, particularly NBFC-MFIs, have been actively implementing measures to strengthen portfolio quality, ranging from tighter credit assessment norms to enhanced monitoring and recovery mechanisms. These efforts reflect a broader industry shift towards more responsible and sustainable lending practices. The Portfolio at Risk (PAR) for loans overdue by 31-180 days within the NBFC-MFI's segment witnessed a rise from 2.0% in March 2024 to 6.6% in March 2025. This uptick indicates rising stress in borrower segments, particularly those impacted by inflationary pressures and external disruptions, such as climate-related swings. During 2024-25, the average ticket size of microfinance loans disbursed by NBFC-MFIs continued to rise steadily, reaching INR 51,488 in 2024-25, up from INR 46,761 in 2023-24. This marks a year-on-year

growth of 10.1%, extending the upward trajectory observed over the past few years. The sustained increase reflects a combination of factors, including inflation-adjusted credit needs, rising borrower confidence, and lenders' willingness to extend slightly higher loan amounts to existing and reliable customers. This trend also suggests a gradual shift towards slightly higher-value borrowing, even as institutions continue to manage credit risk prudently.

During the year, NBFC-MFIs disbursed loans worth INR 1,06,150 Crores, recording a degrowth in disbursement as compared to INR 1,30,617 in 2023-2024.

Policy support and regulatory measures are expected to provide a strong anchor for the progress of the microfinance ecosystem. The RBI's revised Regulatory Framework for NBFC-MFIs and the continued classification of microfinance under priority sector lending ensured steady funding and operational clarity for lenders. Complementing these efforts, government initiatives focusing on women entrepreneurs and Self-Help Groups continue to enhance financial access for millions. Even as asset quality challenges persist, the NBFC-MFI segment remains central to India's inclusive growth strategy. Their ability to combine grassroots presence with disciplined lending practices position them favorably to deepen financial penetration in rural and semi-urban regions. With their expanding outreach and evolving credit offerings, NBFC-MFIs remain a dependable credit source for financially underserved communities.

(Source: Micrometer Report, March 2025)

Management Discussion and Analysis (Contd.)

KEY FACTS - INDIAN MICROFINANCE INDUSTRY

(as on March 31, 2025)

7.8 Crores	INR 2,78,713 Crores
Number of Unique Borrowers	Disbursement
INR 3,75,030 Crores	39%
Portfolio Outstanding	Share of NBFC-MFI in Portfolio Outstanding
718 Districts	Bihar
Portfolio Spread	Largest State in Terms of Portfolio Outstanding

Functioning Mechanism of the Indian Microfinance Industry

The Joint Liability Group (JLG) model continues to maintain its position as one of the most widely adopted approaches in the Indian microfinance sector, tailored for borrowers without access to traditional banking. Under this model, small groups of borrowers, often engaged in similar livelihood activities, come together to jointly secure loans. This peer accountability reduces credit risk and fosters strong repayment discipline.

The JLG-based lending process begins with the formation of small, self-selected Joint Liability Groups followed by comprehensive documentation, structured training sessions, and digital KYC, credit-bureau checks, indebtedness assessments, and house verifications via handheld devices, ensuring a streamlined, paperless onboarding. Once approved, loans are disbursed directly into borrower accounts, and regular group (Kendra) meetings are held weekly or fortnightly to monitor progress and enforce accountability. Digital tools also enable real-time loan utilization checks and automated repayment tracking. By pooling social collateral instead of traditional assets, JLGs empower small-scale farmers and entrepreneurs, especially in rural and semi-urban areas to access credit, manage financial risk cooperatively, and build sustainable livelihoods, thus advancing both inclusion and empowerment.

INDUSTRY-WIDE CHALLENGES

Macroeconomic and Operational Challenges

Debt-waiver campaigns, election-related disruptions, extreme heatwaves, and high field-staff attrition collectively impacted collections and disbursements. Given this backdrop, Bihar, Uttar Pradesh, Tamil Nadu, and Odisha accounted for 62% of incremental delinquencies. Worsening borrower cash flows further eroded repayment capabilities, amplifying stress across key geographies.

Overleveraging and Overlapping Borrower Exposures

Overleveraged borrowers are placing immense stress on repayment abilities. Approximately 37% of individuals with both microfinance and retail loans are now delinquent, mirroring broader systemic strain, especially in high-risk states like Uttar Pradesh, Bihar, and Odisha, which together account for over 60% of fresh delinquencies. Despite efforts to reduce the number of lenders per borrower, overall credit exposure remains elevated, resulting in high vulnerability to income shocks and external stressors.

Rising Delinquencies and Portfolio at Risk (PAR)

The Portfolio at Risk (PAR 31-180 days) increased to 6.6% as on March 31, 2025, from 2.0% a year earlier, reflecting short-term repayment stress. However, this trend underscores the importance of ongoing portfolio monitoring and borrower support initiatives, which are being actively strengthened across the sector to ensure long-term stability and recovery.

Tackling High Attrition Levels

The microfinance sector continues to face elevated attrition rates among field-level employees. However, with targeted learning and development programs, coupled with clearly defined career progression pathways, sector can mitigate attrition levels and enhance employee engagement over time.

(Sources: Indian Express, Business Standard, Economic Times)

Growth Catalysts

Expanding the Frontiers of Financial Inclusion

The microfinance sector continues to bridge the financial divide and advance credit access for underserved and economically marginalized communities, particularly in rural and semi-urban geographies. This progress is reflected in the Reserve Bank of India's Financial Inclusion Index (FI-Index), which rose to 64.2% in March 2024 from 60.1% in March 2023, indicating growth across all sub-indices. The improvement was mainly driven by the 'Usage' dimension, reflecting a deepening of financial inclusion. This upward trend underscores the sector's role in reinforcing its core mission of inclusive economic empowerment.

(Source: PHD Chamber)

Sustained Demand for Income-Enhancing Credit Solutions

A persistent and growing appetite for microcredit among self-employed individuals, women entrepreneurs, and small businesses – driven by their pursuit of sustainable livelihood opportunities – remains a core driver of sectoral momentum.

Management Discussion and Analysis (Contd.)

Policy-Driven Ecosystem

Strategic government interventions through flagship initiatives, such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), MUDRA Yojana, and support for Self-Help Groups (SHGs) continue to boost the credit landscape, fostering inclusive growth and empowering grassroots entrepreneurship.

Progressive Regulatory Reforms

The RBI's Harmonized, Risk-Sensitive Regulatory Framework consistently promotes responsible lending, operational discipline, and borrower protection across the microfinance sector. Key reforms include the removal of interest rate caps for NBFC-MFIs, household income-based repayment limits (capped at 50% of household income), enhanced transparency through standardized loan disclosures, and robust grievance redressal mechanisms. These measures culminate into a transparent and borrower-centric ecosystem, ensuring equitable access to credit, while curbing the risk of over-indebtedness.

Leveraging Priority Sector Lending (PSL)

The microfinance sector continues to benefit from its classification under priority sector lending norms, which secures a steady and affordable flow of capital from mainstream financial institutions. This access to funding enhances liquidity management and supports portfolio expansion, empowering institutions to offer credit to underserved segments more effectively.

Strategic Geographic Diversification and Market Penetration

The sector's deliberate expansion into underpenetrated and emerging markets mitigates regional concentration risks, unlocks new growth opportunities, and reduces overexposure to traditionally saturated microfinance geographies.

Leveraging Flexibility in Lending with Relaxed QA Norms:

The RBI's relaxation of the Qualifying Asset (QA) norm to 60% down from 75% of total assets (netted off by intangible assets) unlocks substantial growth opportunities for NBFC-MFIs. This update enables them to expand beyond traditional microloans into adjacent segments like MSME, micro-housing, and retail finance, thereby tapping into the 'missing middle.' By diversifying their portfolios, MFIs can better optimize cash and liquid asset buffers, improve risk-adjusted returns, and pursue cross-cycle stability. Enhanced

flexibility also makes regulatory compliance easier and bolsters investor confidence—supporting stronger balance sheet resilience and sustained growth

Leveraging ESG Integration for Diversified Funding and Sustainable Growth

The growing emphasis on environmental, social, and governance (ESG) practices presents a significant growth avenue for the microfinance sector. By embedding ESG principles into their core operations and organizational culture, MFIs can unlock access to diverse funding sources such as social loans, gender-focused loans, and green finance from global developmental financial institutions (DFIs). This strategic alignment not only enhances the sector's credibility and sustainability but also attracts new classes of impact-oriented lenders, expanding the investor base and accelerating inclusive growth.

(Source: Mint, Economic Times)

Policy Support in 2024–25

In 2024–25, both the Government of India and RBI implemented a series of strategic policy initiatives aimed at strengthening the microfinance ecosystem and propelling the national agenda of financial inclusion.

Launch of Unified Lending Interface (ULI)

The Government introduced ULI, a digital platform designed to streamline and democratize credit access for rural and small borrowers. By enabling consent-based digital data sharing and reducing appraisal timelines, ULI is poised to redefine micro-lending, mirroring the transformative impact that UPI had on digital payments.

Higher Collateral-Free Agriculture Loan Limit

The RBI increased the ceiling for collateral-free agricultural loans from INR 1.6 Lakhs to INR 2 Lakhs. The move is aimed at supporting small and marginal farmers by addressing the rising costs of agricultural inputs and improving credit accessibility for low-income rural households.

(Source: Press Information Bureau)

Regulatory Relief for Microloans

The RBI eased capital requirements for microfinance loans in February 2025, reducing the risk weight on consumer microloans from 125% to 100%. This decline in capital requirement encourages greater credit flow into the microfinance sector.

Management Discussion and Analysis (Contd.)

Priority Sector Lending (PSL) Guidelines Update

The RBI revised its PSL guidelines in March 2025 to enhance credit access to critical sectors of the economy and promote financial inclusion. The updated framework introduced several impactful changes, including an increase in the cap on housing loans eligible for PSL classification and an expanded coverage of the renewable energy sector's activities. It also raised the PSL target for urban cooperative banks to 60% of adjusted net bank credit (ANBC) or credit equivalent of off-balance sheet exposures (CEOBSE), whichever is higher. The revisions also widened the definition of 'weaker sections' category to broaden the beneficiary base and removed the cap on loans to individual women recipients by urban cooperative banks.

Outlook

India's microfinance sector is projected to grow by 12%–15% in 2025–26 under a conservative scenario, signalling a return to performance levels last seen in 2023–24. Sustained policy measures from the Government of India and regulatory interventions by the RBI continue to facilitate credit accessibility, promote financial inclusion, and bolster the institutional framework. The launch of the ULI platform is expected to streamline credit delivery and enhance operational efficiencies. Simultaneously, measures such as the upward revision of collateral-free agricultural loan limits and record disbursements under schemes such as Pradhan Mantri MUDRA Yojana (PMMY) reflect the continued prioritization of small borrowers and micro-enterprises.

However, asset quality remains a key monitorable. Rising delinquencies and elevated credit costs in specific geographies are exerting pressure on MFIs, particularly those operating under the JLG model. While regulatory relief by the RBI – such as the reduction in risk weights on micro-loans – is aimed at easing capital constraints and encouraging credit flow, operational risks and localized disruptions persist.

At the same time, the sector is undergoing a digital transformation, with enhanced adoption of digital tools and data-driven credit assessment methods. These innovations are expected to fortify underwriting practices and improve borrower monitoring.

Looking ahead, the Indian microfinance sector is set to expand its reach and deepen financial inclusion, while maintaining a prudent focus on sustainable growth, portfolio quality, risk management, and institutional resilience.

COMPANY OVERVIEW

Satin Creditcare Network Limited ('SCNL' or 'the Company'), incorporated in 1990, stands as one of India's foremost microfinance institutions, with a firm commitment to advance financial inclusion and empowering economically active women in rural and semi-urban areas. SCNL commenced operations by extending individual loans to small business owners and transitioned into a Non-Banking Financial Company (NBFC) in 1998. In 2013, the Company was granted NBFC-MFI status, reflecting its special focus on the microfinance sector. Since 2008, SCNL has primarily operated under the Joint Liability Group, (JLG model) offering collateral-free microcredit to low income women entrepreneurs. Over time, the Company has diversified its portfolio to include loans for productivity-enhancing assets such as solar products, bicycles, home appliances, and sanitation facilities—thereby contributing to broader socio-economic development and enhancing the quality of life in the communities it serves.

Looking at the wider microfinance ecosystem, the sector faced intensified headwinds during the year, driven by macroeconomic volatility, erratic monsoons, borrower indebtedness and inflationary pressures that impacted borrower cash flows. These external challenges led to a deterioration in asset quality across the sector, as reflected in uptick in delinquencies, including elevated PAR 1 and PAR 90 levels, higher NNPA ratios, and tighter liquidity conditions, affecting many players. While SCNL was not completely isolated from these sectoral headwinds and experienced an increase in its NNPA, PAR 1, and PAR 90 metrics compared to 2023–24, its overall asset quality remained significantly stronger than the industry average. The Company remained resilient, outperforming the broader industry and sustaining profitability. Remarkably, it is the only major player in the Indian microfinance sector to deliver 15 consecutive profitable quarters. For the full financial year, the Company posted a standalone Profit After Tax (PAT) of INR 217 Crores, including INR 41 Crores in Q4 2024–25. This strong performance is attributed to its prudent underwriting standards, robust collection mechanisms, including significant recoveries from the write-off pool, technology investments, strong underwriting and deep customer connect.

Further demonstrating its operational resilience, SCNL maintained a positive Asset-Liability Management (ALM) position and a strong liquidity buffer throughout the year. The CRAR of the Company stood at 25.9%. This sound positioning enabled the Company to meet all its funding

Management Discussion and Analysis (Contd.)

obligations comfortably, even amidst a stressed operating environment. During the year, the Company welcomed 14 new lenders, underscoring the strong trust and confidence earned from its stakeholders. Besides, the Company had successfully raised a USD 100 Million syndicated social term loan via External Commercial Borrowing (ECB), further broadening and diversifying its lender base. Furthermore, the Company during the year, successfully completed its first securitization transaction worth INR 120 Crores with HSBC India.

In line with its strategic vision for diversified, sustainable growth and future-readiness, SCNL incorporated a wholly owned subsidiary, Satin Technologies Limited (STL). STL offers an advanced Human Resource Management System (HRMS) and a comprehensive Loan Management Platform, designed to enhance operational efficiency, scalability, and customer satisfaction through innovative technology solutions. Within just two months of incorporation, STL successfully onboarded two clients marking a strong start in addressing the evolving digital needs of businesses. Complementing this initiative, key leadership appointments were also made to strengthen organizational capabilities and build a future-ready management team.

Driven by its strong and calibrated performance on asset quality parameters, sound financial stewardship, proactive liquidity management, and a forward-looking approach to technology and talent, SCNL fortified its ground through resilience and strategic agility. The Company remains well-positioned to capitalize on emerging opportunities and embrace the next phase of growth in India's microfinance sector.

Our Footprint*

29	More than [^] 1,00,000	529
States and UTs	Villages	Districts
1,568	33.6 Lakhs	3.0 Lakhs
Branches	Customers	Number of Centers

*On consolidated basis

[^]As on Date Figure

Satin Housing Finance Limited (SHFL)

Satin Housing Finance Limited (SHFL), a wholly owned subsidiary of SCNL – incorporated in April 2017, is a professionally managed housing finance company focused on providing affordable home loans to low income families in rural and semi-urban India. Operating with a strong commitment to inclusivity and empowerment, SHFL offers affordable home loans for construction, purchase, extension, and renovation, in addition to loans against property to

support entrepreneurial and income-generating needs. As of March 31, 2025, the company operates through a network of 44 branches serving over 9,021 customers across 19 states. SHFL provides accessible loan products with ticket sizes up to INR 40 Lakhs and flexible repayment tenures of up to 20 years, designed to accommodate the aspirations of low and middle-income households.

SHFL continued to maintain a healthy growth trajectory, backed by the strong parentage of SCNL. As on March 31, 2025, the company reported Assets Under Management (AUM) of INR 920.0 Crores as compared to INR 755.8 Crores as on March 31 2024, registering a growth of 21.7%. SHFL's robust risk management framework enabled it to keep its Gross Non-Performing Assets (GNPA) at 2.80% and Capital to Risk-Weighted Assets Ratio (CRAR) at 52.2% as on March 31, 2025. Backed by 32 lending partners, SHFL continued to enhance the diversity and stability of its funding base in 2024–25. With an emphasis on integrity, accountability, and customer centricity, the company continues to widen its footprint and amplify its impact in India's affordable housing finance space, empowering families to achieve their dream of owning a home.

Satin Finserv Limited (SFL)

As of March 31, 2025, SFL's on-book AUM stood at INR 516.3 Crores, up from INR 326.4 Crores, reflecting strong momentum in its core lending operations. During the year, disbursements reached INR 347.9 Crores, compared to INR 219.4 Crores in the previous year, underscoring SFL's commitment to expanding credit access for small businesses.

The company's prudent portfolio management is evident in its asset quality, with a GNPA of 4.8% and NNPA of 2.9%, alongside a robust Capital to Risk-Weighted Assets Ratio (CRAR) of 37.6%. This compares to a GNPA of 4.3%, NNPA of 2.6%, and CRAR of 48.0% in the previous year, highlighting SFL's strong capital position and sound risk management practices.

The rise in GNPA is attributable to a broader economic slowdown and various external factors that have affected customer repayment behavior. In response, the Company has implemented corrective measures such as establishing a dedicated collections team, strengthening monitoring and recovery mechanisms, and introducing an attractive one-time settlement scheme for NPA customers.

With 21 lenders on board as of March 31, 2025, SFL continues to fortify its lender relationships, ensuring diversified and stable funding sources to support accelerated growth. Backed by SCNL's legacy in financial inclusion and enhanced by a seamless digital lending platform, SFL remains focused on meeting the evolving credit needs of MSMEs.

Management Discussion and Analysis (Contd.)

Through strategic calibration and a customer-first approach, the company is committed to driving inclusive growth and contributing meaningfully to the financial empowerment of underserved communities.

Satin Technologies Limited (STL)

Satin Technologies Limited (STL) – a wholly owned subsidiary of Satin Creditcare Network Ltd. (SCNL) – was established in August 2024. The Company has a strategic mandate to drive business transformation through innovative technology solutions. While it is a newly formed entity, STL draws strength from the deep-rooted expertise of its parent company, SCNL, in the financial services sector, STL delivers adaptable digital platforms that improve operational efficiency, enable scalable growth, and elevate customer experiences across diverse industries.

STL's initial product suite include a comprehensive Human Resource Management System (HRMS), a robust Loan Management System (LMS), and a scalable Core Banking Solution designed for small banks and cooperative societies. These solutions showcase STL's ability to deliver high-impact, enterprise-grade technology tailored to dynamic business environments.

STL has onboarded a Credit Co-operative Society as it's first client for its core banking solution and has built a pipeline of prospective customers across sectors. This early traction validates the market relevance and practical value of its solutions.

The launch of STL marks a pivotal step in SCNL's digital transformation journey, reinforcing its commitment to leveraging technology as a core enabler of operational excellence and long-term growth—for itself and its clients.

SCNL Offerings

	Loan Size (in INR)	Loan Tenure (in Months)
Income Generation Loans (IGL)	10,000-1,00,000	12-48
Water and Sanitation (WASH)	10,000-35,000	12-24
[^] MSME Loan	1,00,000-15,00,000	Max 120
[^] Lending to Corporate Institutions	1,00,00,000-10,00,00,000	Max 36
Social Impact Financing		
Solar	2,200-4, 000	6-9
Cycle	5,600-7,000	6-12
Home Appliances	2,100-32,000	6-24
Mobile	11,499-21,499	12-24

[^]Earlier, the Company provided MSME loans and lent to corporate institutions, but the Company is currently running down these two areas to focus on microfinance lending.

PRODUCT SUITE OF OUR SUBSIDIARIES

Satin Housing Finance Limited (SHFL)

SHFL offers loans for home purchase, construction, renovation, and expansion of existing homes.

Features	Urban Home Loan	Micro Home Loan
Loan Range	INR 5,00,000 – 40,00,000 *	INR 1,00,000 – 7,00,000 *
Repayment Time Period	Maximum Loan Tenure of 20 Years *	Maximum Loan Tenure of 7 Years *
Rate of Interest	Competitive ROI**	Competitive ROI**

Note: *May vary on case basis, ** The company offers a range of products with interest rates varying between 9% to 25%, depending on the specific offering.

The company provides loans against property, designed as an ideal solution for urban business financing and micro home loan needs.

Features	Urban Business Loan	Micro Business Loan
Loan Range	INR 5,00,000 – 25,00,000 *	INR 1,00,000 – 7,00,000 *
Repayment Time Period	Maximum Loan Tenure of 15 Years *	Maximum Loan Tenure of 7 Years *
Rate of Interest	Competitive ROI**	Competitive ROI**

Note: *May vary on case basis, ** The rate of interest ranges from 9% to 25% across SHFL's various products.

Management Discussion and Analysis (Contd.)

Satin Finserv Limited (SFL)

Small Ticket Business Loan

Objective	Ticket size (in INR)	Tenor	Collateral	Eligibility Criteria
Income Generating Activities Working Capital – Long-Term Loans (3 – 5 Years) – Short-Term Loans (1 to <3 Years)	1.5 Lakhs to 3.5 Lakhs	60 Months	Property	Minimum age: 21 years Business stability of minimum 3 years

Large Ticket Business Loan

Objective	Ticket size	Tenor	Collateral	Eligibility Criteria
Term Loans	Up to INR 5 Crores	60 Months	Secured/ Unsecured	Business stability of minimum 3 years with the company required to be profitable as per its latest audited financial statements

Satin Technologies Limited (STL)

Offerings

Satin Loan Management Solution

Satin Core Banking Solution

Satin Human Resource Management System (HRMS)

SCNL'S CORE STRENGTHS

A Track Record of Preparedness

For over thirty years, the Company has operated on the principle that true resilience lies not only in preparedness, but in the capacity to confront challenges with resolve. Rather than retreating in the face of adversity, the Company has consistently demonstrated strategic foresight and operational strength. For the Indian microfinance sector, it was a year marked by uncertainty, shifting dynamics, and heightened client vulnerability. The environment compelled institutions to pause and recalibrate. At SCNL, we didn't wait for the disruption to unfold, we were already prepared. Whether it was demonetization, the COVID-19 pandemic, or the Assam crisis, our proactive mindset and disciplined execution have consistently guided us. In 2024-2025, while others were responding to the moment, we were carrying out a long-term strategy already in motion, grounded in foresight and a commitment to building a future-ready institution.

Comprehensive and Impactful Product Offerings of SCNL Group

SCNL Group offers a diverse range of products designed to meet the evolving needs of underserved communities with a primary focus on rural India. These include Income-Generation Loans (IGL), Water, Sanitation, and Hygiene (WASH) loans, and product-specific financing such as loans

for bicycles, solar lamps, and other essential consumer durables. The Company provides Affordable Housing Finance through its wholly owned subsidiary, Satin Housing Finance Limited (SHFL), aimed at improving living standards. Additionally, MSME loans are extended through another subsidiary to support small businesses and entrepreneurs. Through its subsidiaries, SCNL is able to address critical financial gaps and create deeper, more meaningful impact within the communities it serves. Designed to empower disadvantaged segments and drive financial inclusion, SCNL's portfolio continues to fuel sustainable and inclusive growth.

Complementing these efforts, SCNL's subsidiary, Satin Technologies Limited (STL), has been established to operate as an independent entity, empowered with the agility to innovate and deliver cutting-edge digital solutions across multiple industries. With a strong focus on leveraging technology to drive efficiency, scalability, and enhanced customer experience, STL is well-positioned to address the evolving needs of businesses in the digital age and aspires to become a leading provider of transformative, state-of-the-art technological solutions.

Expansive Geographic Reach

SCNL leverages a strong presence across 29 states and union territories, with outreach extending to more than 1,00,000^ villages, making it one of the most extensive networks in the Indian microfinance industry. Its diversified geographic footprint accelerates financial inclusion and empowers underserved communities, distinctly positioning SCNL ahead of its peers.

^As on Date Figure.

Management Discussion and Analysis (Contd.)

Advanced Technology Capabilities

SCNL is progressively advancing its digital capabilities by embedding AI and Machine Learning (ML) into credit underwriting, customer behavior analysis, and collections, driving faster and more accurate decision-making. The rollout of e-KYC streamlined customer onboarding, significantly reducing turnaround times and expanding reach in underserved markets.

Prudent Underwriting and Risk Assessment

SCNL's underwriting framework is designed to promote responsible lending and safeguard portfolio quality. The Company has followed a 'one client, one loan' policy to mitigate the risk of borrower over-leverage and enhance credit discipline. In addition, SCNL applies stringent eligibility norms, including the rejection of loan applications from individuals with four or more active borrowings from other lenders. Supported by robust risk assessments and credit bureau checks, these measures fortify the Company's ability to manage risks effectively and foster financial resilience.

Experienced Leadership and Governance

SCNL is steered by a highly skilled Board of Directors and a seasoned management team. Their collective expertise and strategic vision propel innovation, ensure sound governance, and drive sustainable value creation for stakeholders across the business ecosystem.

Key Developments in 2024–25

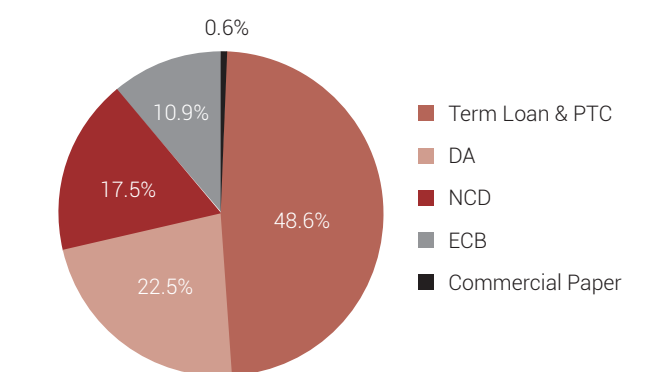
- The Company recorded 6.8% growth in AUM reaching INR 11,316 Crores in 2024–25, compared to INR 10,593 Crores in 2023–24. The disbursement registered a 1.5% year-on-year growth, reaching INR 9,837 Crores.
- Total client base stood at 33 Lakhs as of March 2025.
- Asset quality showed marked improvement continuing the positive trend since November 2024.
 - PAR 1 declined by 192 bps to 4.9% as of March 2025 from 6.8% in September 2024.
 - PAR 90 stood at 3.7% as of March 2025.
- Collections against write-off pool during the year was INR 38 Crores, underlining SCNL's commitment to recovering written-off loans.
- Garnered funding from diversified sources, raising INR 7,742 Crores during the year.
 - Successfully raised USD 100 million syndicated social term loan via External Commercial Borrowing, further diversifying our lender base.
 - The average tenure of funds raised has increased during 2024-25 to 28 months viz a viz 25.5 months in 2023-24

- Clocked a sound Capital to Risk-Weighted Assets Ratio (CRAR) of 25.9%, showcasing a solid capital base to support business continuity.
- Received "SQS2" Sustainability Quality Score from Moody's Ratings for our Social Financing Framework that is among the highest ratings awarded within the BFSI sector.

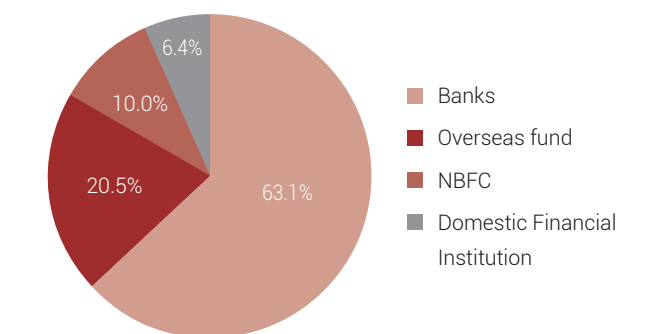
Funding Profile

SCNL continues to strengthen its funding framework through well-calibrated diversification across instruments and lender categories, enhancing stability and downsizing concentration risk. On the product side, Term Loans & PTCs remained the backbone of the funding mix at 48.6%, while Direct Assignments at 22.5% and NCDs at 17.5% gained prominence, along with channels, like ECB at 10.9%. On the lender side, bank funding dominated at 63.1%, but participation from overseas funds at 20.5%, NBFCs at 10.0%, and domestic institutions at 6.4% signaled growing market confidence and access to a broader lender base.

Product-wise (in %)



Lender-wise (in %)



FINANCIAL OVERVIEW

SCNL recorded a revenue of INR 2,377 Crores in 2024–25, reflecting a 16% year-on-year growth. Profit After Tax (PAT) for the year stood at INR 217 Crores including INR 41 Crores

Management Discussion and Analysis (Contd.)

in Q4, registering 15th consecutive profitable quarter despite sector headwinds. The Company maintained a steady net interest margin of 13.0% during the year. These margins reflect a stable performance in the year marked by sector-wide pressure, where MFIs have faced narrowing spreads due to asset quality challenges and declining yields. Credit costs stood at 4.6%, resulting to a Return on Assets (RoA) of 2.1% and Return on Equity (RoE) of 7.9% in 2024–25.

Key Financial Ratios

	(In %)	
Particulars	March 31, 2025	March 31, 2024
Gross Yield	21.70	22.14
Financial Cost Ratio	8.67	8.99
Net Interest Margin	13.03	13.15
Operating Expenses Ratio	6.31	5.60
Loan Loss Ratio	4.59	1.44
RoA	2.07	4.77
RoE	7.86	18.46
Leverage (Total Debt/ Total Net Worth)	2.77 times	2.73 times
Cost to Income Ratio	48.41	42.59

- **Gross Yield:** Represents the ratio of Total Income generated during the relevant period to the Average AUM.
- **Financial Cost Ratio:** Denotes the ratio of Finance Cost incurred during the relevant period to the Average AUM.
- **Net Interest Margin (NIM):** Signifies the difference between the Gross Yield and the Financial Cost Ratio.
- **Operating Expenses Ratio:** Depicts the ratio of Operating Expenses (including depreciation but excluding Credit Cost and Finance Cost) to the Average AUM.
- **Loan Loss Ratio:** Expresses the ratio of Credit Cost (including FLDG on BC) to the Average AUM.
- **Return on Assets (RoA):** Symbolizes the ratio of Profit After Tax (PAT) to the Average Total Assets.
- **Return on Equity (RoE):** Demonstrates the ratio of Profit After Tax (PAT) to the Average Equity.

Human Resource Management

At SCNL, people are central to every milestone achieved. During the course of purposeful progress in 2024–25, the Company's Human Resources efforts remained rooted in building an inclusive, future-ready workforce that fuels both organizational growth and social impact. Guided by the conviction that empowered individuals drive enduring change, SCNL stayed focused on promoting diversity and

inclusion during the year through multiple interventions. These included targeted hiring drives, setting up of all-women branches, and progressive initiatives such as extended parental leave and menstrual leave under the 'Satin Ease' banner. Complemented by holistic wellness and safety programs, these endeavors reflect SCNL's commitment to foster a workplace – defined by dignity, empathy, and empowerment.

SCNL reinforced its focus on capability building through a centralized Learning & Development framework designed to upskill employees at every level. This included a blend of e-learning modules, role-based training, mentoring programs, and managerial development initiatives. The onboarding process was also revamped with the launch of an in-house digital module, facilitating a smoother and more engaging transition for new employees. Further strengthening its people-first culture were the initiatives like 'Satin Shagun', which honored the families of new joiners, exemplifying SCNL's commitment to respect, warmth, and family values.

Employee health, safety, and welfare were the priorities throughout the year. Regular health check-ups, comprehensive insurance coverage, and mental wellness programs further demonstrated SCNL's commitment to holistic employee well-being. The 'Satin Sahyog' initiative continued to provide compassionate support to the families of deceased employees due to unforeseen loss. As part of this initiative, the Company offers monthly financial assistance, financial aid for medical needs, educational support for children, and facilitates employment opportunities for eligible family members.

During the year, in line with the policy framework, support was extended to the families of field employees who lost their lives due to unforeseen circumstances. A monthly support of INR 10,000 was provided to the nominee to ensure financial stability. Additionally, where the deceased had dependent children, an educational allowance of INR 2,500 per child (up to two children) was granted to support continued schooling.

By synergizing inclusive hiring practices, continuous development initiatives, a performance-driven culture, and a firm focus on employee welfare, SCNL continues to be an employer of choice. Nurturing talent and driving positive change across the communities it serves, the Company remains dedicated to building a purpose-driven, people-centric organization. This commitment extends not only to the external communities we impact but also to our internal teams. We actively invest in identifying and nurturing internal talent, providing meaningful growth opportunities, structured career development, and a supportive environment that empowers employees to realize their full potential and grow along with the organization.

Management Discussion and Analysis (Contd.)

15,189

Total Permanent Employees

28.2 Years

Average Age

54.02%

Retention Rate

We take great pride in being recognized as a leading financial services organization and an exceptional workplace. For five consecutive years, we have been certified as a 'Great Place to Work®,' reflecting our strong organizational culture and employee-centric values.

In 2025, we were honored with several prestigious accolades by Great Place to Work® Institute:

- **India's Top 100 Best Companies to Work For 2025 – Rank 57th**
- **India's Best Workplaces™ in Microfinance 2025**
- **India's Best Workplaces™ in BFSI 2025 – Top 25**
- **India's Best Workplaces™ in Health & Wellness 2024 – Top 50**

These recognitions affirm our commitment to building a positive, inclusive, and growth-oriented work environment.

TECHNOLOGICAL UPGRADATIONS

SCNL embarked on a significant digital transformation journey in 2016–17, moving away from the legacy BIJLI application and developing its proprietary Enterprise Resource Planning (ERP) system. This shift aimed to overcome architectural limitations, improve scalability, and enable real-time operations.

Centralized Architecture and Infrastructure Modernization

- **Legacy Limitation:** BIJLI's decentralized model led to processing delays of up to 15–20 days.
- **ERP Advancement:** Migration to a centralized architecture enabled:
 - o Real-time data capture across branches.
 - o Dashboards with auto-refresh every 2 minutes, supporting agile decision-making.
 - o Tablet-based field transactions, fully synchronized with backend systems.
- **Database & Hardware:** Upgraded to Oracle DB, enhancing performance and data integrity. Hardware infrastructure was refreshed with SSD-based high-speed storage and enterprise-grade servers.

- **Offline Capability:** Android application designed for both online and offline functionality; capable of storing and syncing up to **15 days of data** without internet access—crucial for rural operations.

Real-time Data Analytics & Dashboards

- Implementation of a **real-time analytics engine** to:
 - o Deliver up-to-date operational insights.
 - o Monitor and track KPIs across field, branch, regional, and corporate levels.
 - o Enable proactive business decisions using granular data and visual dashboards.

Geo-fencing and Location Intelligence

- Integration of **GPS-based geo-fencing** to:
 - o Map customer addresses with high precision.
 - o Track field personnel activities in relation to customer locations.
 - o Derive **business density analytics** across geographic clusters for resource optimization.

AI and ML Integration in Field Operations

- Embedding AI/ML models within the mobile app to:
 - o Validate and enhance the quality of KYC documentation.
 - o Auto-check for legibility, completeness, and regulatory compliance.
 - o Streamline back-office verification and reduce rejection rates.

Digital and Cashless Collections

- Multi-mode digital payment integration to promote financial inclusion:
 - o NEFT, IMPS, Debit Cards
 - o QR Code-based payments
 - o Aadhaar Enabled Payment System (AEPS)
 - o Bharat Bill Payment System (BBPS)
 - o UPI 2.0
- Improved customer convenience, reduced cash handling risk, and enhanced collection efficiency.

AWS Cloud Adoption

- Transitioned to Amazon Web Services (AWS), bringing:
 - o On-demand scalability and cost-efficiency.
 - o Enhanced security posture, reliability, and uptime.
 - o Integration with AWS data lakes, analytics, and ML services to drive:
- Predictive analytics.
- Customer segmentation.

Management Discussion and Analysis (Contd.)

- Risk modelling and fraud detection.
 - o Supported SCNL's journey towards a fully digital and customer-centric enterprise.

Cybersecurity Framework Enhancement

- Deployment of a multi-layered cybersecurity ecosystem:
 - o Firewall & Intrusion Detection/Prevention Systems (IDPS)
 - o Endpoint Protection (EDR/AV solutions)
 - o Patch and Vulnerability Management Processes.
 - o Regular Security Audits and Adherence to Data Protection Best Practices.
 - o SOC and SIEM Solution
 - o DLP, Proper Endpoints and Encryption mechanism.

The Company received AUA/KUA licenses from UIDAI in 2024-25, enabling seamless e-KYC transactions through a fully digital and automated verification process.

Internal Control and Adequacy

SCNL instituted a robust framework of internal financial controls, tailored to the scale, complexity, and evolving nature of its operations. This framework is designed to ensure the orderly and efficient conduct of business, while safeguarding the Company's assets from unauthorized use, fraud, and misappropriation. By enforcing strict adherence to internal policies and procedures, SCNL's control mechanisms help in preventing errors and uphold the accuracy and completeness of accounting records. This disciplined approach, embedded across all operational layers, enables the timely preparation of reliable financial disclosures, fostering transparency, accountability, and financial integrity. Supervision of the internal control environment is provided by the Audit Committee of the Board of Directors, comprising Non-Executive Directors. The Committee plays a key role in evaluating the adequacy and effectiveness of these internal controls. It periodically reviews internal audit reports, addresses critical findings, and ensures compliance with regulatory requirements. Regular engagements with the statutory auditors enhance confidence in the Company's financial systems and reporting practices.

SCNL implemented a comprehensive risk-based internal audit process, supported by a dedicated in-house Internal Audit department. Guided by an annual risk-based audit plan that prioritizes high-risk areas, the Company ensures

rigorous coverage of its operations. Field audits of branches and regional offices are typically conducted three times a year, while corporate function audits are carried out at predefined intervals. These structured audits offer critical insights that help identify, manage, and mitigate risks, while maintaining high portfolio quality. On the technology front, SCNL continues to modernize its infrastructure. It undertook sustained investment to ensure complete computerization across its operations, including accounting and MIS functions. The Company deployed advanced information security controls, such as firewalls, intrusion prevention systems, and endpoint security software to safeguard its digital assets from cyber threats and unauthorized access. The successful implementation of cloud-based systems further enhanced system scalability, reliability, and secure data management. In recognition of its stringent information security standards, SCNL received the ISO 27001:2022 certification following a rigorous two-stage audit process, covering documentation review and control testing by third-party auditors. An annual surveillance audit is also conducted to retain this certification, underscoring SCNL's commitment to protecting the confidentiality, integrity, and availability of its data. The ISO certification reinforces the Company's proactive approach to mitigating potential security threats and strengthens stakeholder confidence in its operational resilience.

SCNL's risk management framework is further fortified through the operations of its Centralized Shared Services Center (CSS) – playing a critical role in the verification and authentication of loan applications and KYC documents. By ensuring stringent customer onboarding processes, the CSS unit reduces the likelihood of adverse customer selection and amplifies the overall quality of loan disbursement. By thoroughly validating the authenticity of client information, SCNL enhances its operational vigilance and ensures compliance with regulatory guidelines. Continued investment in IT systems, including robust backup mechanisms and cybersecurity controls, empowers the Company to significantly improve its decision-making processes, operational efficiency, and customer service standards. With firm focus on maintaining high standards of governance, internal controls, and risk management, SCNL remains on course to achieve its sustainable growth objectives.

RISK MANAGEMENT

SCNL upholds the critical importance of risk management within its strategic and operational framework. Given the Company's focus on lending to financially underserved and economically vulnerable segments, prudent risk oversight

Management Discussion and Analysis (Contd.)

is central to ensure long-term sustainability, protect stakeholder interests, and maintain portfolio quality. To this end, SCNL implemented a robust, enterprise-wide risk management system that identifies, assesses, monitors, and mitigates various risks associated with its operations. This structured process enables SCNL to proactively address potential risks across credit, operational, reputational, compliance, and market domains. An integrated set of tools, policies, and risk control measures, supported by advanced analytics and technology platforms, enables the Company to manage risk exposure effectively. SCNL's risk governance structure is anchored by the Board-level Risk Management Committee, which provides oversight and strategic direction. This ensures a disciplined approach to risk management practices, aligned with regulatory guidelines and industry best practices.

SCNL's risk evaluation framework adopts a contextual, multi-dimensional approach to assess the risk exposure of its lending portfolio. Key factors include reputation risk, the inherent nature of the product or loan, credit risk, and historical performance of similar customer profiles. Additionally, the tenure of the borrower's relationship with SCNL, their repayment track record, future income potential, and prevailing competitor interest rates are analyzed to determine appropriate risk premium. These risk assessments allow the Company to strike a balance between growth and asset quality. To further bolster its risk posture, SCNL conducts regular risk audits, stress testing, and early warning analytics. These mechanisms provide real time insights, enabling prompt corrective actions. Through its full-spectrum risk management strategy, SCNL aims to safeguard asset quality, ensure financial resilience, and deliver enduring value to all stakeholders.

Comprehensive details regarding the Company's risk mitigation strategies can be found on page no. 58 of this Integrated Report.

CORPORATE GOVERNANCE

At SCNL, robust governance is a strategic enabler that supports the Company's operations, decisions, and long-term vision. The Company implemented a comprehensive governance framework that emphasizes transparency, accountability, and ethical business conduct. Led by a seasoned and diverse Board of Directors, SCNL ensures strict adherence to regulatory guidelines and internal policies, encompassing a host of critical areas. These include income recognition, asset classification, provisioning norms, and dividend distribution. These governance practices are deeply embedded within the organizational culture, ensuring responsible decision-making and fostering long-term stakeholder trust.

This strong governance ethos of SCNL was exemplified in the successful closure of a USD 100 Million syndicated social loan in 2024-25, arranged by Standard Chartered Bank in collaboration with 6 Sri Lankan lenders. This significant achievement highlighted the Company's financial resilience and reinforced investor confidence in its transparent governance and risk management systems. By upholding the highest standards of oversight through its well-defined Audit and Risk Committees, while continuously evolving its frameworks in line with global best practice, SCNL remains committed to responsible governance.

Reserve Bank of India (RBI): Compliance

SCNL, classified as a Systemically Important Non-Deposit Taking Non-Banking Financial Company (NBFC), maintains strict adherence to the regulatory framework prescribed by the RBI. With the introduction of the Scale-Based Regulatory (SBR) Framework by the RBI in October 2023, SCNL operates under the Middle Layer category as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. This consolidated framework replaced various earlier guidelines and streamlined the regulatory provisions applicable to different categories of NBFCs, ensuring a uniform and risk-based approach across the sector.

SCNL rigorously follows all RBI directives relevant to its classification. These include adherence to qualifying asset criteria, asset classification and provisioning norms, credit pricing, capital adequacy requirements, and regulations related to multiple lending and over-borrowing. As part of its commitment to regulatory compliance, the Company also implemented measures to ensure fair practices and responsible lending, as outlined by the RBI. Demonstrating its prudent approach to liquidity management, SCNL sustained a Liquidity Coverage Ratio (LCR) of 130.40% as of March 31, 2025 – significantly exceeding the RBI's minimum threshold of 100%. This stands as a clear demonstration of SCNL's proactive alignment with the evolving regulatory landscape, financial discipline, and operational resilience.

Corporate Social Responsibility (CSR) and Social Performance Management (SPM)

At SCNL, CSR is embedded as a core component of the Company's broader mission to uplift lives, advance gender equality, empower underserved communities, and promote inclusive and sustainable growth. Guided by a robust CSR policy and aligned with Schedule VII of the Companies Act, 2013, the Company prioritizes community welfare, environmental protection, and social development.

In line with its vision of holistic community empowerment, SCNL actively engages in strategic partnerships with qualified trusts and foundations to implement its CSR

Management Discussion and Analysis (Contd.)

programs. Since 2021–22, SCNL is associated with GNA University to promote education among underprivileged children. During the year under review, the Company further strengthened its partnership through its continuous support by supporting underprivileged students through scholarships and infrastructure development initiatives.

Furthermore, the Company provided funding to the PHD Rural Development Foundation, a trust established in 1981 under the aegis of the PHD Chamber of Commerce & Industry, New Delhi. The Foundation is also empaneled with the Government of India through NITI Aayog's NGO Darpan platform. The initiative supports an integrated model aimed at improving access to water. Beyond these CSR activities, SCNL further deepened community engagement during the year through targeted efforts across key areas. In collaboration with the Reserve Bank of India (RBI) and industry Self-Regulatory Organizations (SROs), the Company conducted 48 financial literacy workshops across

multiple states. These workshops focused on educating clients about responsible financial planning, the importance of saving, and the basics of investing.

In parallel, SCNL organized 36 health camps in flood-affected regions, offering essential healthcare services to underserved populations. The Company also extended critical disaster relief, reaching over 21,000 individuals across five states.

These initiatives are aligned with the core principles of the United Nations Sustainable Development Goals (SDGs), with a focus on financial empowerment, health, inclusive growth, and community resilience. Through sustained engagement, SCNL continues to create meaningful and lasting impact in the communities it serves.

Our community engagement initiatives are centered around the fundamental principles of the Sustainable Development Goals (SDGs).



INR 283.66 Lakhs

CSR Spend

28,953

Lives Touched through CSR and SPM Activities

Comprehensive details of the Company's Corporate Social Responsibility initiatives can be found in the Social and Relationship Capital section on page no. 88 of this Annual Report.

^As on Date Figure



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2024-25



SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1. Corporate Identity Number (CIN) of the listed entity	L65991DL1990PLC041796
2. Name of the listed entity	Satin Creditcare Network Limited
3. Year of incorporation	16/10/1990
4. Registered office address	5 th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033
5. Corporate address	Plot No. 492, Udyog Vihar, Phase – III, Gurugram, Haryana – 122016, India
6. E-mail	info@satincreditcare.com
7. Telephone	+91 124 471 5400
8. Website	www.satincreditcare.com
9. Financial year for which reporting is being done	2024-25
10. Name of the Stock Exchange(s) where shares are listed	- National Stock Exchange of India Limited (NSE) – NSE Ticker: SATIN - Bombay Stock Exchange (BSE) – BSE Ticker: 539404
11. Paid-up capital	INR 110.47 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. Aditi Singh - Designation: Chief Strategy Officer - Telephone number: +91 124 471 5400 - E-mail Id: Aditi.Singh@satincreditcare.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under the report are made on a standalone basis
14. Name of assurance provider	Not Applicable
15. Type of assurance obtained	Not Applicable

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover)

Description of main activity	Description of business activity	% of turnover of the entity
Microfinance Services	Our business operates on the Joint Liability Group model to offer collateral free micro-credit to economically active women in rural and semi-urban areas, thereby expanding access to financial services.	98.62%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover)

Product/Service	Microfinance Services
NIC Code	64990
% of total turnover contributed	98.62%



III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	1,454		
International	The company does not have any international office		

19. Markets served by the entity:

a. Number of locations

27

National (No. of states)

Nil

International (No. of countries)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable, as the nature of our business does not involve any export-related activities.

c. A brief on types of customers

Our clients are predominantly economically active women (99%) from rural and semi-urban areas, belonging to low-income households and engaged in income-generating activities. They represent a segment often underserved by traditional banks and other financial channels. We serve over 3 Million clients across 27 states, reflecting our strong commitment to inclusive financial access and the empowerment of marginalized communities

IV. EMPLOYEES

20. Details as at the end of financial year

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	15,189	14,577	96.0%	612	4.0%
2.	Other than permanent (E)	313	303	96.8%	10	3.2%
3.	Total employees (D + E)	15,502	14,880	96.0%	622	4.0%
WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total workers (F + G)					

b. Differently abled Employees and workers

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100%	Nil	Nil
2.	Other than permanent (E)	0	0	N/A		
3.	Total differently abled workers (D + E)	2	2	100%		
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

21. Participation/Inclusion/Representation of women

	No. and percentage of females		
	Total (A)	No. (B)	% (B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	4	0	0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	2024-25			2023-24			2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	65%	56%	64%	65%	60%	61%	54%	58%	51%
Permanent workers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The nature of the industry is such that attrition rates are higher. As per Micrometer report, the industry is currently experiencing a turnover rate of approximately 60%-65% which places us well within the standard parameters.

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Satin Housing Finance Limited	Subsidiary Company	100%	Yes
Satin Finserv Limited	Subsidiary Company	100%	Yes
Satin Technologies Limited	Subsidiary Company	100%	Yes



CSR DETAILS

24.

i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, the Company's Corporate Social Responsibility (CSR) is widely defined, taking into consideration the following factors:

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

ii. Turnover (in ₹): INR 2,376.76 Crores

iii. Net worth (in ₹): INR 2,821.98 Crores

VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint was received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide a weblink to the grievance redress policy)	2024-25			2023-24		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	Yes	-	-	Refer the below note	-	-	Refer the below note
Investors (other than shareholders)	Yes	-	-		2	Nil	
Shareholders	Yes	1	Nil		-	-	
Employees and workers	Yes	336	Nil		389	Nil	
Customers	Yes	3,669	5^		6,100	35^	
Value Chain Partners	Yes	-	-		-	-	
Other (please specify)	Yes	-	-		-	-	

^All outstanding complaints logged in the last week of the financial year were subsequently resolved by the first week of April 2025, resulting in zero pending cases to date. The weblink for the grievance redressal mechanism https://satincreditcare.com/wp-content/uploads/2024/04/Client-Grievance-Redressal-Mechanism-V_5.2-Signed-Copy.pdf

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Sustainable Finance	Opportunity	Financing has an important role to play in enabling businesses and economies to transition to a sustainable economy. The NBFC-MFI sector in India is one of the key drivers of the economy and significantly contributes to the country's GDP as well as employment. As a financial services company, we recognize that directing capital towards such small businesses presents a substantial opportunity for us to make a meaningful impact. We firmly believe that achieving financial success should be intricately linked with our contribution to the greater good of society.	Being an NBFC-MFI, focusing on providing loans to income generating businesses in the rural and semi-urban areas that are underserved, we are addressing a major financing gap, thus, enabling such businesses and entrepreneurs to obtain loans to scale up their operations, improve efficiency and for other business expansion related purposes. Our efforts involve placing a heightened focus on providing loans to women entrepreneurs with a focus on sustainability and inclusive growth.	Attracting impact investors, improving reputation and promoting sustainability in lending helps in identifying risk and opportunities.
2.	Untapped Market	Opportunity	Under penetration and untapped market presents a huge opportunity for growth for NBFC-MFIs. Millions of individuals, especially in rural and semi-urban areas, remain excluded from the formal credit system. This credit gap results from a lack of access to traditional banking services, limited credit history, and various other socio-economic factors, etc. With increasing focus of the government towards financial inclusion, rising financial awareness, and increasing smartphone and internet penetration, there is a significant potential for expanding the reach of NBFC-MFIs.	We have presence in 27 states and union territories. To adapt to and mitigate risks while tapping into underpenetrated markets, we implement comprehensive risk management strategies. These strategies include developing robust credit scoring models using alternative data sources, leveraging advanced technologies for predictive analytics and fraud detection, and diversifying our portfolio across regions and sectors. Establishing strong governance and compliance practices, along with regular audits, ensures operational stability and adherence to regulations. We invest in staff training and educate our clients on responsible borrowing to further reduce default risks.	More Market expansion. Demonstrating a commitment to financial inclusion aligns with evolving consumer preferences and enhances our reputation as a socially responsible financial institution

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
3.	Liquidity	Threat & Opportunity	A skewed asset-liability profile could lead to a liquidity crunch, resulting in significantly higher funding costs. The Company has a diversified funding profile in terms of products, institutions, and countries, with a base of 76 lenders comprising a healthy mix of banks, non-banks, and global impact lenders.	The Company employs prudent asset-liquidity management and maintains a well-diversified liability profile to minimize market turbulence impacts. We continuously monitor market liquidity conditions.	Negative: Financial loss Positive: Strong financial position. Strengthened impact parameters. Enabling last mile reach.
4.	Client Experience	Threat & Opportunity	Customer experience is a significant opportunity to enhance our competitiveness and build lasting relationships with our clients. By delivering exceptional services and products, we can increase customer satisfaction, retention, and loyalty. Given that the Company provides financial products and services to millions of customers, any undesirable customer experience could result in loss of customers or even reputational loss.	To maximize the opportunity of customer experience, we have adopted the following approach: Digital Innovation: Embracing new age, cutting edge technologies and leveraging innovative technologies through our "PhyGital" model which uses technology and authentic in person service to create loans which support the ambitions of our customers. We engage directly with our clients and work through loan applications together, in person, at the customer's pace. Grievance Redressal Mechanisms: We have a dedicated grievance redressal mechanism "Sparsh" to promptly address customer related complaints and grievances through multiple channels. Each complaint is thoroughly reviewed, monitored, and resolved to achieve complete customer satisfaction. We monitor customer queries and grievances on various social media channels and provide quick resolution.	Negative: Loss of reputation can result in loss of customers thereby adversely impacting business. Positive: By providing superior customer experience, we can differentiate ourselves from competitors and attract new customers seeking exceptional financial services.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
5.	Data Privacy and Cyber Security	Threat	Dependence on technology platforms and associated vendors heightens the system's vulnerability. In the event of a security breach, sensitive customer information could be exposed, leading to regulatory fines, legal liabilities, loss of customer trust, and damage to the company's brand image. Ensuring robust data protection measures is essential to safeguard the interests of both-the institution and its client	We have enhanced our IT infrastructure and information security team to effectively monitor and address these challenges on an ongoing basis. We have a welldefined framework and policy on cyber security and data privacy. This policy assures users that all personal information provided through the website is treated with utmost confidentiality and is not shared with third parties in most circumstances, unless explicitly solicited and permitted by the user.	Negative: Business and reputation loss





SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Weblink of the policies, if available	https://satincreditcare.com/policies-practices/								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

4 Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

The Company is fully complaint with applicable rules and regulations. Moreover, SCNL is compliant with the ISO 27001: 2022 Information Security Management System.

5 Specific commitments, goals and targets set by the entity with defined timelines, if any.

The Company is dedicated to being a socially responsible organization, working to make a meaningful and lasting difference in the lives of customers, employees, communities, and all those it serves. The Company is dedicated to its mission of serving marginalized communities by offering a diverse array of products and services. We place a strong emphasis on promoting gender empowerment and harness the power of technology and innovation to establish enduring strategic alliances. Through these efforts, the Company aims to create a lasting impact and foster inclusive growth for underserved and unserved segments of society.

6 Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.

The Company diligently monitors progress against its action plan. Approximately 99% of our clients are women entrepreneurs, underscoring our commitment to gender empowerment. Additionally, about 76% of our portfolio exposure comes from rural areas, and around 68% of our portfolio supports minority, OBC and SC & ST communities.



Governance, leadership and oversight

7 Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Refer to page 16 of this Integrated Annual Report

8 Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies).

Dr. Harvinder Pal Singh, Chairman cum Managing Director

9 Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.

Dr. Harvinder Pal Singh, Chairman cum Managing Director, Chairman of the CSR and ESG Committee

10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								

11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P	P	P	P	P	P	P	P	P
1	2	3	4	5	6	7	8	9
		Y - GPTW						
Y - ESG Risk Assessments & Insights Ltd.								

12 If the answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)	All nine principles are integral to the Company's operations; therefore, these questions are not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									



SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity mandated to file this report, the leadership indicators may be voluntarily disclosed by entities that aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total no of training and awareness programmes held	Topics/principles covered under the training and impact	% of persons in respective category covered by the awareness programme
Board of Directors	2	Familiarization Programme for the Newly Appointed Director*	33.33%
Key Managerial Personnel	Nil	Nil	Nil
Employees other than BOD & KMPs	^Total training sessions: 2,950 - Training sessions delivered digitally through video conferencing: 1,423 - Training sessions conducted in Regional Offices: 885 - Training sessions at Branches: 642	- Stakeholders received training covering organizational fundamentals, microfinance insights, policies, products, and processes, alongside skill development sessions, including awareness of policies like POSH, ESG, anti-money laundering policy, anti-corruption & bribery policy. - Refresher and software training sessions ensure all employees are up-to-date with processes and policies, boosting operational efficiency. - Branch Managers receive promotional training encompassing leadership, behavioral, and soft skills, alongside functional training, followed by assessments and on-the-job support.	96%
Workers	Not Applicable		

The Independent Directors undergo a structured familiarization program to acquaint themselves with their roles, rights, and responsibilities within the Company, as well as the nature of the industry, the Company's business model, legal updates, and other essential aspects. The details of the familiarization program for the Independent Directors are available on the Company's website at the below link: <https://satincarecredit.com/policies-practices/#1611050197222-fdc295ab-84a2>

On an ongoing basis, the Company's Board conducts meetings and updates regarding Code of Conduct for Prevention of Inside Trading, Code of Conduct for Directors and Senior Management, Corporate Governance, Risk Management, IT & Cybersecurity, changes in the regulatory environment as applicable were made at the Board/Committee meeting.

*During the reporting year, Mr. Joydeep Datta Gupta and Ms. Jyoti Davar, Independent Directors, underwent the familiarization program upon their appointment to the Board of Directors.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/Fine	Nil				
Settlement					
Compounding Fee					
Non-Monetary					
NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the case	Has an appeal been preferred (Yes/No)	
Imprisonment	Nil				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.



4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes.

The objective of the Anti-Bribery & Anti-Corruption Policy is to uphold and promote lawful business practices across the organization while preventing and prohibiting corruption, bribery, and related misconduct. The Audit Committee oversees policy compliance, while the HR Department is responsible for reporting any issues or concerns. Any queries or concerns raised by individuals or sources regarding suspected violations of this policy are thoroughly investigated with the approval of authorities two levels higher than the positions involved.

Web Link: <https://satincarecredit.com/wp-content/uploads/2025/06/2.-Anti-Bribery-and-Anti-Corruption-Policy-Mar25.pdf>



5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	2024-25	2023-24
Directors	Nil	
KMPs	Nil	
Employees	Nil	
Workers	Not Applicable	

6. Details of complaints with regard to conflict of interest:

	2024-25	2023-24
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs		

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

No corrective actions pertaining to above mentioned parameter was necessitated by the Company during the year under review.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

	2024-25	2023-24
Number of days of accounts payables	Nil	Nil



9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2024-25	2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Data Not Applicable	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	Data Not Applicable	
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Shares of RPT in	a. Purchases (Purchases with related parties/Total Purchases)	Data Not Applicable	
	b. Sales (Sales to related parties/Total Sales)	0.06%	-
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances*)	Nil	0.28%
	d. Investments (Investments in related parties/Total Investments made*)	0.44%	0.66%

*The figures considered are for transactions during the reporting year (FY25) and not as on March 31, 2025

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total no of awareness campaign held	Topics/Principals covered under the training	% age of value chain programme partners covered (by value of business done with such partners) under the awareness programmes
		Nil

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes.

The Company has implemented various codes and policies to effectively handle conflicts of interest involving members of the Board. SCNL requires all the Board members to submit a mandatory declaration, ensuring their compliance with the Code of Conduct. This requirement applies to all directors, senior management and employees across the group. By adhering to these standards, we aim to uphold and enforce proper business conduct. The Code serves as a deterrent against misconduct and promotes ethical behaviour within the organization.

In case, if there is any interest of any Directors then he/she is not allowed to participate in that particular proposal. Further, the Company also has a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions to take care of Related Party Transactions which can present a potential or actual conflict of interest which may be against the best interest of the Company and its shareholders. The said Policy is available on the website of the Company at <https://satincarecredit.com/wp-content/uploads/2025/04/RPT-Policy.pdf>.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	2024-25 (INR Crores)	2023-24 (INR Crores)	Details of improvements in environmental and social impacts
R&D	9,05,97,777	8,22,34,444	Refer to the below note
Capex	9,86,63,400	6,56,49,100	

The Company operates in the financial services sector. A significant part of its revenue and capital expenditure that contributes to environmental sustainability and social impact is directed towards investments in information technology. By leveraging digital platforms to manage the entire business cycle and customer interactions, the company minimizes reliance on physical paperwork and in-person processes, thereby reducing environmental impact and operational costs.

2. **a. Does the entity have procedures in place for sustainable sourcing (Yes/No)**

As the nature of the business of the Company is providing loans, the consumption of resources is limited to running the operations. SCNL nurtures a culture of conservation of resources and encourages innovations that aid in reducing the dependence on natural resources.

The Company endeavors to engage with suppliers who integrate environmental and social considerations into their products and services. The Company conducts majority of its branch procurement from local businesses/suppliers.

Additionally, the Company has incorporated ESG related clauses in the vendor contracts as applicable.

2. **b. If yes, what percentage of inputs were sourced sustainably?**

As mentioned above, resource consumption at SCNL is limited to operational needs. When sourcing materials, SCNL engages with suppliers who incorporate environmental and social considerations into their products and services. The organization fosters a culture of resource conservation and actively promotes innovations that help minimize reliance on natural resources.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company provides financial solutions to serve the needs of people. Consequently, it neither has a sizeable consumption of any raw materials nor produces any tangible goods. Given the company's operations, E-waste is considered to be the material type of waste.

E-waste - The Company engages with certified E-waste handlers (vendors) for disposal of the e-waste.

The Company has received an e-waste disposal certificate from its vendor certifying disposal in an environmentally friendly manner. During the year, E-waste of 7.235 Metric Tonnes has been disposed of in a scientific and ecofriendly manner.

Hazardous Waste - The Company does not generate any hazardous waste.

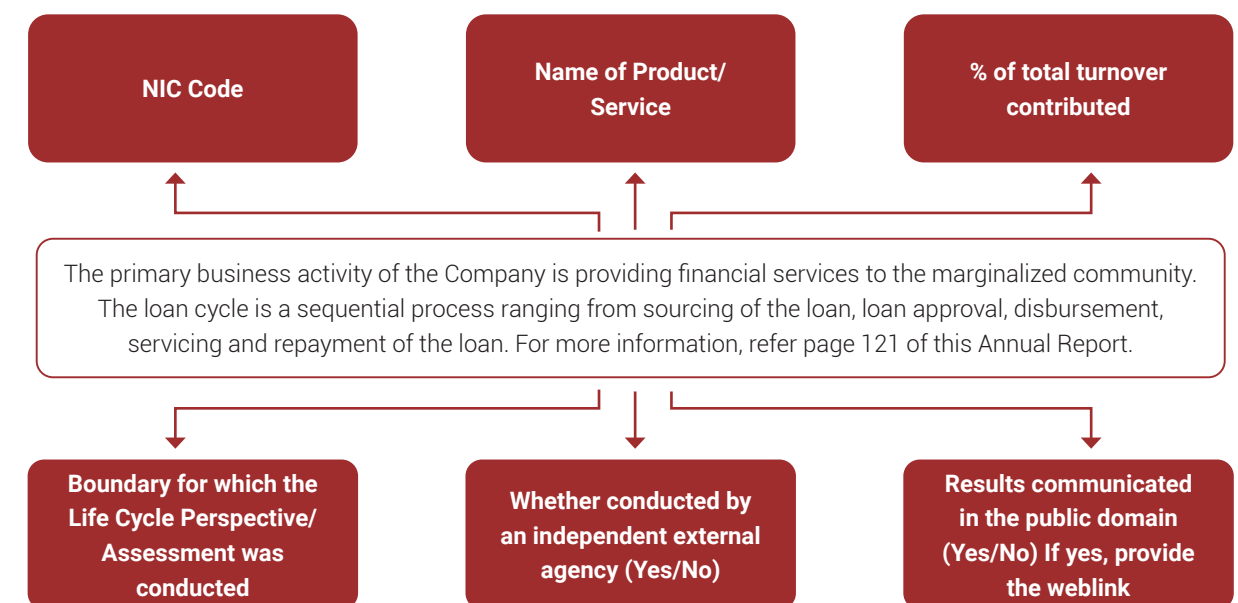
Other waste - The Company has a sewage treatment plant situated in its corporate office wherein waste water is treated and reused for sanitation purpose.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

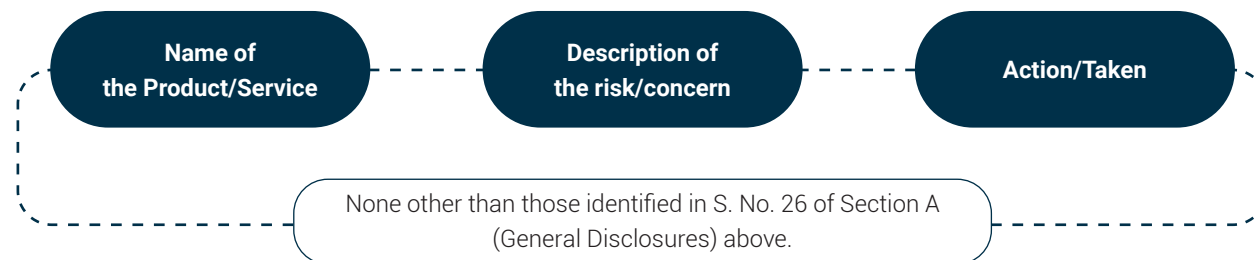
Given the nature of our business, the above is not applicable to us.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.



3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or reused input material to total material	
	2024-25	2023-24
SCNL provides financial solutions to its customers and does not manufacture any products, hence, this is not applicable to us.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	2024-25			2023-24		
	Reused	Recycle	Safely Disposed	Reused	Recycle	Safely Disposed
E-waste	-	-	7.235 Tonnes	-	-	3.95 Tonnes
Plastics (including packaging)	Given the business operations of the Company, the same is not significant and hence is not tracked.					
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
Given the business operations of our Company, the same is not applicable	

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1.

a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	14,577	3,231	22%	14,577	100%	0	0%	14,577	100%	0	0%
Female	612	130	21%	612	100%	612	100%	0	0%	0	0%
Total	15,189	3,361	22%	15,189	100%	612	4%	14,577	96%	0	0%
Other than permanent employees											
Male	303	303	100%	303	100%	0	0%	303	100%	0	0%
Female	10	10	100%	10	100%	10	100%	0	0%	0	0%
Total	313	313	100%	313	100%	10	3%	303	97%	0	0%

The majority of the Company's staff is related to field operations and as per statutory compliance, they are covered by ESIC social security. The rest of the employees are covered under Medclaim.

The company has partnered with a daycare facility near the Corporate Office to provide the service to its female employees working there.

b. Details of measures for the well-being of workers

Given the nature of SCNL's operations, the Company does not employ workers.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	2024-25	2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.35%	0.18%

2. Details of retirement benefits, for current FY and previous financial year

Benefits	2024-25			2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)
PF	99%	N/A	Y	99%	N/A	Y
Gratuity	100%		N/A	100%		N/A
ESI	78%		Y	77%		Y
Others – please specify	-		N/A	N/A		-

The majority of the Company's staff is related to field operations and as per statutory compliance, they are covered by ESIC social security. The rest of the employees are covered under Mediclaim.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company prioritizes safety and accessibility for differently abled individuals. Our corporate office is equipped with ramps and elevators to facilitate easy movement, while the majority of our branches are situated on the ground floor for enhanced accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Our Company's Diversity & Inclusion Policy enshrines that SCNL hires through a neutral lens, without any discrimination on the basis of sex, disability, race, religion, age, or any other characteristic protected by applicable laws and regulations.

Web Link - <https://satincreditcare.com/wp-content/uploads/2024/06/Diversity-Equity-and-Inclusion-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	96.0%	88.9%	Not Applicable	
Female	85.7%	83.3%		
Total	94.4%	88.1%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent Employees

Yes/No
(If Yes, then give details of the mechanism in brief)

Yes, the Company has an employee grievance mechanism in place called "Atoot Bandhan," which allows employees to raise issues anonymously, and appropriate action is taken accordingly. Additionally, the Company has an Alumni Portal where former employees can check the status of their full and final settlements and related issues.

The Company also follows an open-door policy, providing all employees, regardless of hierarchy, access to senior management.

Other than Permanent Employees

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	2024-25			2023-24		
	Total employees/workers in the respective category (A)	No. of employees/workers in the respective category who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in the respective category (C)	No. of employees/workers in the respective category who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	The Company does not have any employee trade union and not engaged or involved in any collective bargaining agreement, although it allows all employees to exercise the lawful right to 'freedom of association'.					
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	2024-25					2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	14,880	12,291	83%	12,658	85%	11,236	10,323	92%	6,838	61%
Female	622	508	82%	511	82%	400	314	79%	217	54%
Total	15,502	12,799	83%	13,169	85%	11,636	10,637	91%	7,055	61%
Workers										
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and workers:

Category	2024-25			2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	14,577	10,087	69%	11,236	7,157	64%
Female	612	401	66%	400	219	55%
Total	15,189	10,488	69%	11,636	7,376	63%

The Company's career development and appraisal process is designed to align individual growth with organizational goals through a structured and integrated approach. Initially, employees set annual performance objectives that reflect both their job responsibilities and career aspirations. Throughout the year, managers provide regular feedback and mentoring to help employees achieve these goals. At the end of the performance period, a formal appraisal is conducted to review achievements and identify future development needs.

To support these efforts, the Company offers a range of career advancement opportunities, including job rotations, cross-functional projects, and tailored training initiatives aimed at enhancing skills and preparing employees for elevated roles. The appraisal process considers performance metrics, potential assessments, and alignment with organizational values. Based on this assessment, employees may be eligible for promotions, salary enhancements, or other forms of recognition, along with a personalized development plan for the upcoming year.

This comprehensive and interconnected process not only motivates employees but also serves as a robust mechanism for talent retention and development within the Company.

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

The Company is committed to the health and safety of its employees and has undertaken various awareness programs on safety protocols. Periodic training sessions on fire safety and evacuation drills are conducted, and internal communications and alerts are regularly sent to employees.

To manage occupational safety risks for field personnel who frequently travel long distances to engage with customers, the Company provides advisory support through regular training sessions and email updates on road safety. These training initiatives aim to raise awareness about occupational health and safety.

The Company places strong emphasis on both the physical and mental well-being of its employees. It has organized workshops and discussions with well-being experts and medical practitioners. At the workplace, training programs on the safety of women employees are mandatory for all staff members.

Additionally the Company has equipped almost all its branches, except the very newly opened ones, with fire extinguishers to enhance fire safety and ensure the protection of employees in the event of an emergency.

Further, the employees are covered under the following policies:

- Group Medclaim Policy
- Group Term Life Policy
- Personal Accident Policy
- Employee State & Insurance policy

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company provides financial solutions and does not engage in manufacturing activities and hence the above is not applicable for us. However, the Company has proper health and safety management system in place as specified above in 10 (a).

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

The Company does not employ any worker and hence not applicable

d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. The Company has the following non-occupational medical and healthcare services for its employees:

- Group Medclaim Policy
- Group Term Life Policy
- Personal Accident Policy

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2024-25	2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	54	27
No. of fatalities	Employees	14	4
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil

The fatalities reported involved field employees of the Company. In line with the Company's welfare policy, Satin Sahyog, comprehensive support was extended to the families of the deceased. This included a monthly support of INR 10,000 provided to the nominee to ensure a steady source of income. Additionally, for deceased employees with dependent children, an educational support allowance of INR 2,500 per child (up to two children) was provided to assist with their schooling and ensure continuity in their education.

The policy also includes provisions for employment opportunities for the deceased employee's children (if above 18 years of age) or their siblings. However, as no eligible family members met the criteria, this benefit was not availed during the reporting year.

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

Refer to 10 (a) above

13 Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil					
Health & Safety						

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Company strives to keep the workplace environment safe, hygienic and humane, upholding the dignity of the employee. The corporate office of the Company is internally assessed periodically through audits for various aspects of health & safety.
Working conditions	NA

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Yes, the Company addresses safety-related incidents and significant risks by implementing corrective actions. During the training program, employees are provided with detailed guidelines on safety practices, including mandatory road safety measures such as wearing helmets and possessing a valid driving license. Continuous assessments of health and safety practices help identify risks and concerns, which are then promptly addressed through appropriate corrective measures.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees -

(B) Workers -

Yes, the Company extends life insurance and EDLI benefits in the event of death of its employees. The Company offers three distinct types of coverage to its employees: Group Term Life (GTL), Employee Deposit Linked Insurance (EDLI), and Group Personal Accident Policy (GPAP).

a. Group Term Life (GTL): GTL coverage varies according to the employee's grade within the organization, ranging from INR 10 Lakhs to INR 1 Crore. This tailored approach ensures that employees and their families receive adequate financial support in the unfortunate event of the employee's demise.

b. Employee Deposit Linked Insurance (EDLI): EDLI provides a fixed coverage of INR 7 Lakhs, serving as an additional layer of financial security for the employee's family, irrespective of any other life insurance coverage the employee may hold.

c. Group Personal Accident Policy (GPAP): GPAP offers a flat coverage of INR 10 Lakhs, extending financial assistance in the event of an accident leading to death or disability. Additionally, the Company provides the Satin Sahyog policy, aimed at providing support to the families of employees who have lost their lives while on duty. Eligible dependents, including spouses, children under 21 years, and parents without other means of support, benefit from this policy. The scheme entails a monthly payout of INR 10,000 to the nominee or guardian for minor nominees, offer term life insurance, including pension, education assistance and a job for family member and Mediclaim cover for the entire family, as applicable. Furthermore, the Compassionate Education Assistance Scheme under Satin Sahyog facilitates the education of dependent children under 18 years, with a maximum of two children per deceased employee. Each eligible child receives INR 2,500 per month in their guardian's account until they reach the age of 18 years, or complete their 12th grade, whichever comes earlier.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company makes sure that statutory dues applicable in accordance with the regulations to the transactions of the Company are deducted and deposited on a timely manner. This is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold the values of transparency and accountability.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2024-25	2023-24	2024-25	2023-24
Employees	None of the employees suffered high-consequence work-related injuries or ill-health during the year. However, there were cases of fatalities, and the families of the deceased were provided with financial support benefits under the Satin Sahyog policy.			
Workers				

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, the Company invests in learning of employees. For instance, courses have been sponsored by the organization for the skill enhancement of employees. Furthermore the company invests significant time and resources in the training and development of its employees, help them stay ahead of latest trends and technology.

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed

Health and safety practices

None of the employees suffered high-consequence work-related injuries or ill-health during the year. However, there were cases of fatalities, and the families of the deceased were provided with pension benefits under the Satin Sahyog policy.

Working conditions

Not Applicable

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective action plan has been necessitated on the above mentioned parameters.



PRINCIPLE 4

Businesses should respect the interests of and be responsive to all their stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company defines core stakeholders as individuals, groups, or institutions that contribute value to its business chain. Additionally, individuals, groups, agencies, or institutions that are interested in or impacted by the Company's activities – now or in the future – are also identified as key stakeholders.

The key stakeholder groups include:

- Customers
- Employees
- Investors
- Government & Regulatory Bodies
- Communities
- Lenders
- Media
- Rating Agencies
- Analysts
- Other Business Partners

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Customers	Yes	• Customer care channels – Telephone, Email, Website • Centre meeting • Customer relationship managers • Financial literacy program • Engagement through business correspondent network • Customer satisfaction surveys	Ongoing and need based engagement	• To provide affordable financial services • Quality and convenience of access to our products and services • To promote digital literacy • World-class customer service • To address the issues of the customers • Transparency in process and the operations

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Stakeholders & Investors	No	• Investor meets and calls • Investor grievance channels • Dissemination of information through - financial results, investor presentations and press releases • Annual general meeting • Website • Various media channels	Annual, Quarterly, Need based and Ongoing	• Updating on business performance and developments in the Company and its subsidiaries • To ensure ethical business practices • Transparent and timely reporting
Government and Regulatory Bodies	No	• Engagement at industry platforms and meetings • Presentations • Regulatory reporting practices • E-mail and postal Communications	Periodic and need based engagement	• Compliance with all legal and regulatory requirements • Effective governance • Responsible tax payment • Discussion in regard to various regulations and amendments • Inspections
Employees	No	• Leadership connect • Performance reviews • Town halls • Training and development programs • E-learning modules • Employee grievance redressal platform • Employee engagement Initiative • Management VC's • Emails/Calls	Need based and ongoing engagement	• Career advancement opportunities • Job security • Adequate training to match new business requirements • Transparent feedback • Fair remuneration and incentives • Recognition Alignment of Company's objectives
Communities	Yes	• Financial empowerment and literacy programs. • Disaster relief initiatives. • Education initiatives • Medical health camps. • Employee volunteering through our CSR/SPM activities viz (Financial empowerment Programs, disaster relief & education initiatives and medical insurance & health camps.	Need based and ongoing engagement	• Advancing lives • Community investment development • Environment preservation
Lenders, Media, Rating Agencies, Analysts and Other Business Partners	No	• Meetings • Calls • Website • Newspaper • Email	Need based and ongoing engagement	• Updating on business performance and outlook • Financial results • Industry developments • Addressing key issues & concern

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

SCNL ensures transparent communication and access to relevant information for stakeholders, in line with regulatory requirements and to the extent necessary, while maintaining the confidentiality of competitive plans and sensitive data.

The Company's business activities include a constant process of engagement with stakeholders. This engagement is generally managed by the relevant business functions, with top management and senior executives also participating in discussions as required.

Any material feedback received from stakeholders is communicated to the Board of Directors on an ongoing basis. The Board is kept informed of developments arising from such engagement and offers its guidance and input on these matters. Through various committees, the Board also receives regular updates on stakeholder feedback.

2. Whether stakeholder consultation is used to support identifying and managing environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Constant interaction with stakeholders enhances the Company's ability to serve them better. Accordingly, the Company remains open to acting upon and incorporating relevant suggestions. Over the past few years, it has strengthened its business responsibility reporting and initiated several programs in response to stakeholder feedback.

For instance, based on key stakeholder input, the Company has implemented a Diversity & Inclusion Policy, a Workers' Accommodation Policy, and installed fire extinguishers in most of its branches. Additionally, at stakeholder suggestion, the Company has calculated its GHG emissions and is currently in the process of conducting a human rights assessment.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Understanding the needs of our clients : The Company specializes in providing essential financial services to low-income rural communities in India. All of the Company's products are designed in a way that covers and specializes needs of our customers. Primarily, IGL loans are provided for purposes like agriculture, transportation, trading, and production related business activities, that cater to uplifting the weaker sections of society economically. We also give clean energy loans, water loans, sanitation loans, pressure cooker loans, and facilitates health to improve the quality of life of our borrowers and their families.

Dedicated to Development and Empowerment:

The Company conducts financial and leadership empowerment workshops for its borrowers, along with free health check-up camps for the community, conducts plantation drive, flood relief assistance, and enterprise skill development training.

Focused on Well Being of Community:

The Company undertakes variety of initiatives through its CSR and SPM activities for the benefit of many segments of society, with a particular emphasis on the underprivileged, needy and disadvantaged.

PRINCIPLE 5

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format

Category	2024-25			2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	15,189	15,189	100%	11,363	11,363	100%
Other than permanent	313	313	100%	273	273	100%
Total employees	15,502	15,502	100%	11,636	11,636	100%
Workers						
Permanent	Not Applicable					
Other than permanent						
Total workers						

2. Details of minimum wages paid to employees and workers in the following format:

Category	2024-25					2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	15,189	1,854	12%	13,335	88%	11,363	534	5%	10,829	95%
Male	14,577	1,733	12%	12,844	88%	10,991	509	5%	10,482	95%
Female	612	121	20%	491	80%	372	25	7%	347	93%
Other than permanent	313	0	0%	313	100%	273	0	0%	273	100%
Male	303	0	0%	303	100%	245	0	0%	245	100%
Female	10	0	0%	10	100%	28	0	0%	28	100%
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than permanent										
Male										
Female										

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of the respective category	Number	Median remuneration/salary/wages of the respective category
Board of Director (BoD)	1	414.19 Lakhs	Nil	Nil
Key Managerial Personnel (Other than BOD)	4	70.54 Lakhs	Nil	Nil
Employees other than BoD and KMP	14,573	2,80,000	612	3,10,000
Workers	Not Applicable			

Note – During the financial year 2024-25, based on recommendations of Audit Committee and Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 24, 2024 had approved appointment of Mr Manoj Agrawal, as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. July 1, 2024 in place of Mr Rakesh Sachdeva who retired from the position of Chief Financial officer (Key Managerial Personnel) upon attaining age of superannuation, w.e.f. close of business hours on June 30, 2024.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2024-25	2023-24
Gross wages paid to females as % of total wages	4.03%	3.64%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. In all of its actions and dealings with all of its stakeholders, the Company is committed to being fair and objective. The Company's fabric is infused with justice and fairness to ensure procedural fairness, impartiality, and consistency in its operations. Customers should be treated fairly and transparently, according to the Company. The Company's Code of Conduct applies to all of the Company's employees' interactions with one another, as well as with customers, regulators, investors, and other government agencies.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The employee grievance redressal mechanism, Atoot Bandhan is designed for swift resolution and effective communication. Employees can voice their grievances by calling a toll-free number or emailing, ensuring accessibility and ease of reporting. These grievances are promptly addressed in real-time or formally registered and escalated to the relevant department for further action. Feedback and suggestions gathered during the redressal process are systematically shared with department heads, fostering a culture of continuous improvement.

The grievance redressal committee operates with the primary objective of resolving disputes within an average of 8 to 10 days of timeframe. If an employee remains dissatisfied with the decision, provisions allow for appeals to be made to the employer within one month.

Regularly prepared reports, presented to the senior management and the board, serve to enhance grievance redressal practices and bolster employee satisfaction. This proactive approach underscores the Company's commitment to fostering a harmonious work environment where grievances are swiftly and fairly addressed.

6. Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	0	Refer to Note	1	0	Refer to Note
Discrimination at Workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other Human Rights-Related Issues	0	0		0	0	

Note - In both years, the cases reported by the Company were appropriately addressed.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2024-25	2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees/workers	0.2%	0.3%
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to providing equal opportunities to all individuals and does not tolerate discrimination or harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identity, or language, as protected by applicable laws.

The Diversity & Inclusion Policy, Workplace Health & Safety Policy, Leave Policy, Benefits & Entitlements Policy, and Recruitment Policy each contain specific clauses addressing various forms of discrimination, reinforcing the Company's commitment to maintaining a safe, inclusive, and respectful working environment.

The Company has a written policy in place to protect its employees against sexual harassment at work. It is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, and, on August 14, 2017, adopted a revised policy on Sexual Harassment (which is part of the Company's HR Policy) to prohibit, prevent, and deter any acts of sexual harassment at work.

In line with our commitment to maintaining an effective and POSH compliant redressal mechanism, the members of the Internal Committee were changed in March 2024, ensuring continuity and representation as per statutory requirements.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The Company acknowledges and upholds the importance of human rights. It is committed to embedding these fundamental principles across all levels of its operations through the formulation and implementation of comprehensive internal policies. In alignment with this commitment, the Company has proactively incorporated ESG-specific clauses into its vendor agreements, thereby ensuring that general human rights standards and expectations are systematically integrated into its broader value chain.

10. Assessments for the year:**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

NIL

Leadership Indicators**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

There have been no significant human rights grievances/complaints warranting modification/introduction of business processes.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Not Applicable

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company does not discriminate against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act, 2016. The corporate office of the Company has ramps and elevators for easy movement for specially abled people.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the organization in all their dealings. No specific assessment in respect of value chain partners has been carried out.
Discrimination at Workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – Please Specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No corrective action pertaining to Question 4 was necessitated.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators**1. Details of total energy consumption (in joules or multiples) and energy intensity in the following format:**

Parameter	2024-25 (In kWh)	2023-24 (In kWh)
From renewable sources		
Total electricity consumption (A)	94,647	99,615
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	94,647	99,615
From non-renewable sources (In kWh)		
Total electricity consumption (D)	5,35,187	5,14,832
Total fuel consumption (E)	8,204	8,454
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	5,43,391	5,23,286
Total energy consumed (A+B+C+D+E+F)	6,38,038	6,22,901
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	-	-
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

The above data pertains to corporate office

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.: No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

This is not applicable given the nature of the company's business.

3. Provide details of the following disclosures related to water in the following format:

Parameter	2024-25	2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third-party water	5,247	4,685
(iv) Seawater/Desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	5,247	4,685
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)		
Water intensity in terms of physical output		
Water intensity (optional) – the entity may select the relevant metric		

The Company's usage of water is restricted to human use only. Efforts have been made to ensure that water is consumed judiciously in the office premises. In our corporate office, sensor taps are installed in office washrooms to economise on water consumption.

Sewage treatment plant, recycles 1 kiloliter water per day, which is reused for gardening and sanitation purposes. The data above pertains to the corporate office.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

4. Provide the following details related to water discharged:

Parameter	2024-25	2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Data Not Applicable	Data Not Applicable
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No such assesement has been carried out

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format

Parameter	Please specify unit	2024-25	2023-24
NOx	Data Not Applicable		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity in the following format:

Parameter	Unit	2024-25	2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	72.76	225.12
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,490.82	3,036.86
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of Co ₂ equivalent/Rs.	0.00000015	0.00000016
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)			
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No such project has been undertaken by the company

9. Provide details related to waste management by the entity, in the following format:

Parameter	2024-25	2023-24
Total waste generated (in Kilograms)		
Plastic waste (A)	1,659	1,560
E-waste (B)	7,235	3,950
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	12,918	6,911
Total (A+B + C + D + E + F + G + H)	21,812	12,421
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: No

E-waste recycling is carried out by various e-waste vendors across all offices of the Company. For maintaining records of e-waste handled/generated, green certificates and disposal and recycling reports have been received by the Company. This data pertains exclusively to the Corporate office, with the exception of E-waste.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company does not generate any hazardous waste.



11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Kaziranga, Assam	Micro-lending to underserved women entrepreneurs	Given the nature of its business, the company is not engaged in activities that fall under the purview of environmental clearance requirements as prescribed under applicable environmental laws. The Company's branch operations are conducted in leased premises and are governed by standard local registrations such as police intimation, GST registration, and other municipal norms.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant Weblink
Data Not Applicable					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Specify the law/regulation/guidelines which were not complied with	Based on the nature of business, the Company is in compliance with applicable environmental norms.
Provide details of the non-compliance	
Any fines/penalties/action taken by regulatory agencies such as Pollution Control Boards or by courts	
Corrective action taken, if any	

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Given the nature of business, the same is not relevant

2. Please provide details of total Scope 3 emissions & their intensity in the following format:

Parameter	Unit	2024-25	2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,476.59	4,591.03
Total Scope 3 emissions per rupee of turnover	Metric tonnes of Co ₂ equivalent/Rs.	0.00000019	0.00000022
Total Scope 3 emission intensity (optional) – the entity may select the relevant metric			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency: No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Data Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative (Weblink, if any, may be provided alongwith summary)	Outcome of the initiative
Going Paperless. Growing Sustainable.	We promote and encourage extensive use of technology in our everyday lives. As a responsible organization, we have adopted electronic document management and other digital tools to go paperless. We have continuously increased our usage of tablets for our fieldwork to onboard new clients and manage the end-to-end loan processing.	The Company's operations in almost 100% branches has gone completely paperless.
Clean Energy Solution	Partnered with leading solar providers to facilitate access to solar power driven home lighting systems and enable customers to engage in productive activities. Installed solar panels on the rooftop of our corporate office building to harness solar power and reduce electricity consumption	Reduction of 2,12,567 tonnes of Co2 emission & 8,73,260 households provided with green energy till date as on January 2025.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/weblink.

Yes, the Company has a Board-approved Business Continuity Plan (BCP) in place. This plan is essential for ensuring the Company's resilience against disruptions. It outlines procedures to maintain operations during unforeseen events such as natural disasters, cyber-attacks, or pandemics. The BCP includes risk assessments, recovery strategies, and communication protocols, with a focus on key components such as data backup, alternate work sites, and emergency contacts. Regular testing and updates ensure the plan remains effective and relevant.

The Company maintains two availability zones (AZs) to house its data, ensuring seamless operations during disruptions. Key elements of the plan include data redundancy, automated failover, and regular backups across both AZs. The BCP incorporates real-time data replication to maintain consistency and minimize data loss. Regular testing of disaster recovery protocols ensures operational readiness. Clear communication channels and defined roles for staff during incidents further support resilience. By leveraging the geographic separation of AZs, the Company mitigates risks from localized events and ensures the continuity of critical services for clients with minimal downtime.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the business, there has been no adverse impact to the environment.

7. Percentage of Value Chain Partners (by value of business done with such partners) that were assessed for environmental impacts.

Data Not Recorded

8. How many Green Credits have been generated or procured.

a By the listed entity: Nil

b By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil



PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

8

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
Sa-Dhan	National
Microfinance Institutions Network (MFIN)	National
Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
Finance Industry Development Council (FIDC)	National
Association of Microfinance Institution – West Bengal (AMFI-WB)	State
Uttar Pradesh Microfinance Association (UPMA)	State
Association of Karnataka Microfinance	State
Odisha State Association of Financial Inclusion Institutions (OSAFII)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities



Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/Half yearly/Quarterly/ Others – please specify)	Weblink, if available
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The Company maintains regular engagement with Government agencies and regulators and stands committed to providing timely and accurate information, suggestions and recommendations, feedback on draft policies, etc., as and when required. The authorized officials of the Company engage with the RBI and SEBI and other regulators on a periodic basis or as and when required. The Company is a member of various trade and industry associations and proactively contributes to the discussions and resolutions within the scope of these forums.

The CMD of the Company, Dr. HP Singh, is associated with FICCI as a member of the NBFC committee, where he continues to actively advocate for the interests of the industry and promote the Company's initiatives. He also served as the Chair of Sa-Dhan for two years, during which he played a key role in championing these efforts. Moreover, Dr Singh serves as the Trade Commissioner at ASEAN, furthering our engagement with international stakeholders.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant Weblink
60_decibels					
In the year under reporting, the Company got an impact assessment of the business operations and its outcomes in the lives of the clients we serve by an external agency, 60_decibels. The impact assessment survey provided detailed results on our performance across the six dimensions of financial inclusion: Access, Business Impact, Household Impact, Client Protection, Resilience and Agency. Additionally, insights on client satisfaction, loan usage and challenges were provided that the Company finds actionable to improve its products and services.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. No.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Data Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has several channels for addressing the complaints of different stakeholders. Details of such mechanisms and policy is detailed elsewhere in this report.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2024-25	2023-24
Directly sourced from MSMEs/Small producers	The Company conducts all its branch procurement from local business/suppliers	
Directly from within India		

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	8,279	6,184
Semi-urban	621	1,953
Urban	155	292
Metropolitan	3,312	3

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
None	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

S. No.	State	Aspirational district	Amount spent (In ₹)
During the year, the Company has not undertaken any CSR project in aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

Data not applicable

- (b) From which marginalised/vulnerable groups do you procure?

Data not applicable

- (c) What percentage of total procurement (by value) does it constitute?

Data not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
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During the reporting year, the Company did not develop any new intellectual property. However, it possesses complete inhouse technology. SCNL embarked on a transformative journey in the fiscal year 2016-17 by developing its own EnterpriseResource Planning (ERP) system. This decision was driven by the limitations of the legacy application (BIJLI) the Company previously utilized, which lacked scalability due to constraints in its architecture. The in-house ERP development has yielded significant advancements like transition to centralized architecture from decenterized, real time data processing, geo fencing based solutions and AI and MI Integration.

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein traditional knowledge is used.

Name of authority	Brief of the Case	Corrective action taken
No corrective action pertaining to above mentioned parameters was necessitated by the Company during the year under review.		

6. Details of beneficiaries of CSR Projects.

CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
Refer to Page 89 of the Integrated Annual Report.		

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has established a structured grievance redressal mechanism to address customer complaints promptly and effectively, based on their priority. Multiple channels are available to ensure accessibility and convenience for customers when lodging their concerns:

Toll-Free Number: Customers can register their complaints by calling the toll-free number, without incurring any charges.

Center Meeting Register: Each service center maintains a dedicated section within the meeting register for customers to formally document their complaints.

Complaint Registers and Boxes: Strategically placed at branches and regional offices, these provide an offline method for customers to submit complaints.

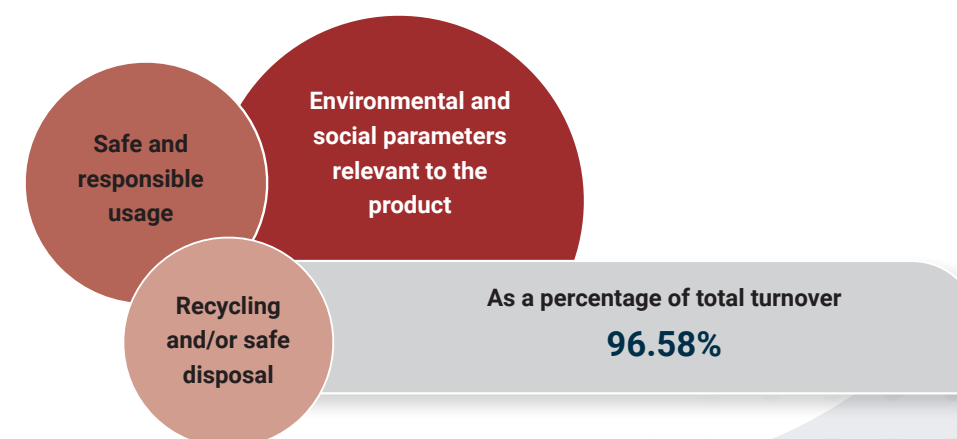
Direct Escalation to Head Office: Customers can escalate unresolved issues directly to the Corporate Office by:

- Sending a formal letter addressed to the Grievance Redressal Officer
- Calling the dedicated landline number
- Emailing: clientgrievance@satincreditcare.com

These channels reflect the Company's commitment to responsive service and building customer trust. All complaints are systematically logged and communicated to both regional and corporate office operations teams. Additionally, internal audits are conducted regularly to assess customer satisfaction and ensure service quality.

Refer: https://satincreditcare.com/wp-content/uploads/2024/10/SPARSH-POSTER_English.pdf

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:



3. Number of consumer complaints in respect of the following

	2024-25		Remarks	2023-24		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data privacy	Nil	Nil		Nil	Nil	
Advertising						
Cybersecurity						
Delivery of essential services						
Restrictive trade practices						
Unfair Trade Practices						
Other	4,006	5	All outstanding complaints logged in the last week of March have been resolved within the allotted timeframe, resulting in zero pending cases to date.	6,491	35	All pending complaints were resolved within the specified turnaround time (TAT)

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.

SCNL prioritizes cybersecurity and data privacy as integral aspects of protecting sensitive information and maintaining trust with stakeholders. The Company has implemented robust cybersecurity protocols, including encryption, access controls, and regular security assessments, to prevent unauthorized access and data breaches. Additionally, the Company complies with data privacy regulations by implementing policies for data collection, storage, and sharing, as well as obtaining customer consent.

By prioritizing cybersecurity and data privacy, SCNL mitigates risks and safeguards sensitive information. Furthermore, a proactive approach to cybersecurity and data privacy reflects the Company's commitment to ethical practices, enhancing customer trust and loyalty. This ultimately ensures compliance with regulations and fosters a culture of responsibility and accountability within the organization.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

No penalty/regulatory action has been levied or taken on the above-mentioned parameters

7. Provide the following information relating to data breaches: NIL

- Number of instances of data breaches: NIL
- Percentage of data breaches involving personally identifiable information of customers: NIL
- Impact of any, of the data breaches: NIL

Leadership Indicators

1. Channels/Platforms where information on products and services of the entity can be accessed (provide weblink, if available).

Information regarding various of financial services offered by the organization can be accessed on the Company's website at: <https://satincreditcare.com/product-portfolio/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

To ensure customers fully understand and effectively utilize loan products suited to their lifecycle needs, the Company provides comprehensive training and support during the onboarding process. This includes a mandatory two-day group training session focused on responsible product usage and financial awareness.

Following the training, customers participate in a Group Recognition Test and engage directly with the branch manager to reinforce key concepts and address any questions. At the time of loan disbursement, the branch manager further emphasizes the importance of credit discipline and responsible borrowing practices.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Customers are informed of any potential disruptions or discontinuation of essential services both during center meetings and via SMS to ensure timely awareness and minimal inconvenience.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company fully adheres to display regulations, ensuring complete transparency across all loan products. All terms and conditions are clearly outlined in the loan acknowledgement receipt, sanction letter, and loan card provided to customers. Additionally, information on various loan products and their ticket sizes is prominently displayed at all branch offices and published on the Company's website.

The loan card contains detailed information including the rate of interest, loan tenure, repayment cycle and installment amount, processing fees, insurance coverage, and other applicable terms and conditions ensuring that customers are fully informed before proceeding.

Additionally, the Company fully adheres to display regulations, ensuring complete transparency across all loan products. All terms and conditions are clearly outlined in the loan acknowledgement receipt, sanction letter, Key Fact Statement (KFS), and loan card provided to customers. Additionally, information on various loan products and details is prominently displayed at all branch offices and published on the Company's website. Furthermore, the Company ensures customers are fully informed of the total cost of borrowing through the disclosure of the Annual Percentage Rate (APR), which reflects not just the interest rate but also all associated fees and charges, presented in a consistent annualized format. The entity does display product information over and above what is mandated by local laws, providing enhanced clarity to customers. No consumer satisfaction survey was carried out during the reporting period across major products/ services, significant locations of operation, or the entity as a whole.

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

The core values of Satin Creditcare Network Limited ("**the Company**") – Seeking Excellence, Accountability and Ownership, Teamwork and Collaboration, Integrity and Nurturing Lives (or "**SATIN**") – are the cornerstones of the Company's corporate governance philosophy and serve as its compass.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability within the organization. The Company's philosophy seeks to balance the interests of all stakeholders, ensure that the Company's operations are carried out in an accountable and equitable manner and set the foundation for achieving the Company's goals. The Company has been maintaining fair and ethical business and corporate procedures as well as openness in its transactions in accordance with its dedication to the principles of good corporate governance. To increase efficiency and transparency throughout its business operations, the Company is constantly working to review, improve, and reinforce its systems and procedures.

The Company adheres to the highest level of Governance and always strives to adopt best practices in Corporate Governance and remains abreast with the continuous developments in the industry's Corporate Governance systems. The entire framework is guided by a strong Board of Directors and executed by a committed team of management and employees.

Over time, your organization has adhered to Corporate Governance guidelines set forth by the Companies Act, 2013 ("**the Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023, Master Direction Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022, (*hereinafter collectively called* "**RBI Master Directions**") IND-AS (Indian Accounting Standards), Secretarial Standards etc. In order to meet the highest standards of governance, the Company is dedicated to defining, upholding, and implementing the highest degree of corporate governance across all of its business processes.

The Company sincerely believes that corporate governance is a process rather than a final goal which requires constant evolution. This is a continuous process as the business keeps trying to be the best at producing long-term value. This report, which outlines

the Company's numerous endeavours to uphold the highest standards of governance, reflects the Company's efforts in this respect.

2. BOARD OF DIRECTORS

The Board of Directors ("**Board**") provide leadership and guidance to the Company's Management while discharging its fiduciary responsibilities, directs as well as reviews business objectives, management strategic plans and monitors the performance of the Company.

The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the management.

(a) Composition and category of the Board of Directors:

A professional body of directors, consisting of distinguished individuals with significant professional competence and experience in a range of sectors, oversees and manages the Company. They effectively participate in the development of the Company and the formulation of its policies. The composition of Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors and is in conformity with applicable provisions of the Act, SEBI LODR Regulations and RBI Master Directions. The Chairman of the Board is an Executive Director.

The category-wise composition of Board of Directors under Regulation 17 of SEBI LODR Regulations, as on March 31, 2025 is as under:

S. No.	Category	No. of Director(s)
1.	Executive Director	1
2.	Non-Executive & Non-Independent Director	1
3.	Non-Executive & Independent Director (including a Woman Director)	4
Total		6

All the Directors in their individual capacity have confirmed that they are not debarred or disqualified by SEBI/Ministry of Corporate Affairs or any other statutory authority to continue as Director of the Company. The Company has also obtained a certificate from a Practicing Company Secretary in this regard.

Corporate Governance Report (Contd.)

(b) Board Meetings & Attendance:

There are at least four scheduled Board meetings held each year to comply with statutory compliance requirements. As per the Act, SEBI LODR Regulations, RBI Master Directions and other laws and regulations, as applicable, from time to time, the Company provides complete information to the Board/ Committees by circulating detailed notes to agenda with sufficient notice of 7 (seven) days in advance from the date of Board/Committee meetings, unless the meeting is called with a shorter notice period. The Company also provides an option to its Directors to participate at each of the Board/Committee meetings through audio/video conference facility as permitted under Section 173(2) of the Act read with rules made thereunder. Furthermore, towards digitization, the Company has been using Board PAC Software, a paperless meeting solution that offers the highest standards of confidentiality and security for ease of Board Members to access agenda documents properly through a web/phone-based application. The Directors are provided with a conducive environment to express their opinion on the Board matters and the decisions are taken after detailed deliberations.

As a part of good corporate governance, Board Minutes of wholly owned subsidiaries (debt listed and unlisted), are placed at the Company's Board meetings. The Board periodically reviews the compliance report pertaining to all the laws applicable to the Company.

(c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2024-25 and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the category of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies as on March 31, 2025 are herein given below:

Name of the Director (DIN)	Category	Designation	Director since	No. of Board meetings		Whether Attended the last AGM held on August 9, 2024	Total Number of other Directorship held [#]	Number of Chairmanship/ Membership held in other Public Companies ^A	
				Held	Attended			Chairman	Member
Dr. Harvinder Pal Singh (00333754)	Promoter, Executive Director	Chairman cum Managing Director	October 16, 1990	9	8	Yes	3	-	2
Mr. Satvinder Singh (00332521)	Promoter, Non-Executive & Non-Independent Director	Director	October 16, 1990	9	8	Yes	-	-	-
Mr. Anil Kumar Kalra (07361739)	Non-Executive & Independent Director	Director	December 8, 2015	9	9	No	1	-	1
Mr. Anil Kaul* (00644761)	Non-Executive & Independent Director	Director	January 15, 2024	9	9	Yes	3	-	2
Mr. Joydeep Datta Gupta (00176737)	Non-Executive & Independent Director	Director	June 24, 2024	7	7	Yes	-	-	-
Ms. Jyoti Davar Vij (09757889)	Non-Executive & Independent Director	Director	July 31, 2024	6	5	No	1	-	-

Corporate Governance Report (Contd.)

Name of the Director (DIN)	Category	Designation	Director since	No. of Board meetings		Whether Attended the last AGM held on August 9, 2024	Total Number of other Directorship held [#]	Number of Chairmanship/ Membership held in other Public Companies [^]	
				Held	Attended			Chairman	Member
Mr. Ashok Kumar Sharma** (05276443)	Non-Executive & Independent Director	Director	June 27, 2025	-	-	NA	-	-	-
Mr. Anupam Kunal Gangaher** (11172548)	Non-Executive & Independent Director	Director	June 27, 2025	-	-	NA	-	-	-

*Resigned as Non-Executive & Independent Director w.e.f. close of business hours of June 27, 2025.

**Based on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 27, 2025, approved the appointment of Mr. Ashok Kumar Sharma and Mr. Anupam Kunal Gangaher as an Additional Directors (Non-Executive & Independent) of the Company, subject to approval of Members of the Company at the ensuing 35th AGM.

Notes:

1. [#]Excludes directorship(s) held in foreign companies & private limited companies and companies under Section 8 of the Act, Partnership Firms, LLP, HUF, Sole Proprietorships and Association of Individuals (Trust, Society etc).

S. No.	Name of the Director & DIN	Name of other listed entities where person is a director [§]	Category of directorship in other listed entities where the person is a director
1	Dr. Harvinder Pal Singh (00333754)	- Satin Finserv Limited - Satin Housing Finance Limited	Non-Executive & Non -Independent Director Non-Executive & Non- Independent Director
2	Mr. Satvinder Singh (00332521)	-	-
3	Mr. Anil Kumar Kalra (07361739)	- Satin Finserv Limited	Non-Executive & Independent Director
4	Mr. Anil Kaul (00644761)	- LIC Housing Finance Limited - Hiranandani Financial Services Private Limited	Non-Executive & Independent Director Non-Executive & Independent Director
5	Mr. Joydeep Datta Gupta (00176737)	-	-
6	Ms. Jyoti Davar Vij (09757889)	- R R Kabel Limited	Non-Executive & Independent Director
7	Mr. Ashok Kumar Sharma (05276443)	-	-
8	Mr. Anupam Kunal Gangaher** (11172548)	-	-

[§]In terms of Regulation 2 of SEBI LODR Regulations, listed entity means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it.

2. [^]In terms of Regulation 26 of the SEBI LODR Regulations, Membership(s)/Chairmanship(s) of Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies (including high value debt listed entities) have been considered.

Corporate Governance Report (Contd.)

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities and high value debt listed entities;
- who are Executive Director(s) serves as IDs in more than three listed entities and high value debt listed entities;
- are a Member of more than ten committees or Chairman of more than five Committees across all the public limited companies in which he/she is a Director;
- are on Board of more than three NBFCs excluding base layer;
- has attained the age of seventy-five years as on March 31, 2025; and
- has been debarred from accessing the capital market and/or disqualified/restrained from holding or being appointed or continuing as Director by SEBI/Ministry of Corporate Affairs or any such authority.

(d) Number and Dates of Board meetings

During the financial year 2024-25, the Board met 9 (Nine) times on April 29, 2024, June 24, 2024, July 31, 2024, August 29, 2024, September 11, 2024, November 08, 2024, January 16, 2025, February 10, 2025 and March 12, 2025. The maximum gap between any two consecutive meetings was less than 120 (one hundred and twenty) days, as stipulated under Section 173 of the Act, Regulation 17 of the SEBI LODR Regulations and Secretarial Standard - 1 as issued by the Institute of Company Secretaries of India ("ICSI"). In case of any exigency/ emergency, resolutions were passed by circulation also.

During the financial year 2024-25, one meeting of the Board of Directors was convened at shorter notice as per the consent of all Board Members and all Independent Directors were present in that meeting. Further, the resolutions approved through circulation were taken on record by the Board in the next Board Meeting.

(e) Disclosure of relationship between Directors inter-se

Dr. Harvinder Pal Singh, Chairman cum Managing Director of the Company, is related to Mr. Satvinder Singh. Mr. Satvinder Singh is a Promoter, Non-Executive & Non-Independent Director and is brother of Dr. Harvinder Pal Singh. Otherwise as disclosed herein, there are no inter-se relationships among the Board Members.

(f) Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2025;

Name of the Director	Category	Number of Equity Shares held	Number of Convertible Instruments held
Mr. Satvinder Singh	Promoter, Non-Executive & Non-Independent Director	3,85,703	Nil

(g) Training and Familiarization Programme for Independent Directors and web link where details of such familiarization programme are disclosed

The Independent Directors are familiarized about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates, etc. In this regard, the Company follows a structured familiarization programme for the Independent Directors. The details of the familiarization programme of Independent Directors are available on the website of the Company at <https://satincare.com/wp-content/uploads/2024/12/Details-of-Familiarization-Program.pdf>.

(h) Skills/expertise/competence of the Board of Directors

In the table given below, the specific areas of focus or expertise of individual Board Members as on March 31, 2025 have been highlighted. However, the absence of a mark against a member's name does not necessarily mean that the member's does not possess the corresponding qualification or skill:

Name of Director	Area of expertise						
	Financial	Global Business	Leadership	Technology	Mergers & Acquisitions	Board service & Governance	Sales & Marketing
Dr. Harvinder Pal Singh	✓	✓	✓	✓	✓	✓	✓
Mr. Satvinder Singh	✓	✓	✓	✓	✓	✓	✓

Corporate Governance Report (Contd.)

Name of Director	Area of expertise						
	Financial	Global Business	Leadership	Technology	Mergers & Acquisitions	Board service & Governance	Sales & Marketing
Mr. Anil Kumar Kalra	✓	✓	✓	✓	✓	✓	-
Mr. Anil Kaul*	✓	✓	✓	✓	✓	✓	✓
Mr. Joydeep Datta Gupta	✓	✓	✓	✓	✓	✓	-
Ms. Jyoti Davar Vij	✓	✓	✓	✓	✓	✓	-
Mr. Ashok Kumar Sharma**	✓	✓	✓	✓	✓	✓	-
Mr. Anupam Kunal Gangaher**	✓	✓	✓	✓	✓	✓	-

*Resigned as Non-Executive & Independent Director w.e.f. close of business hours on June 27, 2025.

**Based on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on June 27, 2025, approved appointment of Mr. Ashok Kumar Sharma and Mr. Anupam Kunal Gangaher as Additional Directors (Non-Executive & Independent) of the Company, subject to approval of Members of the Company at the ensuing 35th AGM.

(i) Declaration by the Independent Directors

All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Regulation 16(1)(b) of SEBI LODR Regulations & Section 149 (6) of the Act. Further, in terms of Regulation 25(8) of SEBI LODR Regulations, the Independent Directors have submitted a declaration that they are not aware of any circumstances or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.

The Independent Directors do not have any pecuniary relationship or transactions with the Company, Promoters or Promoter Group and Management, which may affect the independence or judgement of such Directors in any manner.

Further, in the opinion of the Board, the Independent Directors are persons of integrity and fulfils the conditions specified in these regulations & other applicable laws and are independent of the management. The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://satincreditcare.com/board-of-directors/>.

(j) Detailed reasons for the resignation of an Independent Director

During the financial year 2024-25, none of the Independent Directors had resigned from the Board of Directors of the Company.

However, during the financial year 2024-25, Mr. Sundeep Kumar Mehta (DIN:00840544), Ms. Sangeeta Khorana (DIN: 06674198), Mr. Goh Colin (DIN: 06963178) and Mr. Sanjay Kumar Bhatia (DIN: 07033027), ceased to be Non-Executive & Independent Directors of the Company w.e.f. September 4, 2024, upon completion of their 2 (two) consecutive terms of 5 (five) years each as Non-Executive & Independent Directors of the Company.

Post closure of financial year 2024-25, Mr. Anil Kaul (DIN: 00644761) resigned as Non-Executive & Independent Director, due to his professional pre-occupation by accepting a new assignment which needs his full-time attention and time commitment which would be challenging for him to spend adequate time on Company's Board and Committees because of the new assignment.

(k) Independent Directors Meeting

In accordance with the requirement of Schedule IV of the Act, Regulation 25 and Schedule II of SEBI LODR Regulations and SEBI (LODR) (Third Amendment) Regulations, 2024 dated December 12, 2024, during the financial year 2024-25, two separate meetings of the Independent Directors were held on January 27, 2025 and March 12, 2025 without the presence of Non-Independent Directors and members of the management. Along with other matters, Independent Directors discussed the below mentioned matters specified in Schedule IV of the Act and Regulation 25(4) of

Corporate Governance Report (Contd.)

SEBI LODR Regulations.

- review the performance of Non-Independent Directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of Executive and Non-executive Directors; and
- assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that was necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at these meetings.

(l) Performance evaluation of the Board, its Committees and individual Directors

In compliance with provisions of SEBI LODR Regulations and pursuant to provisions of Sections 134, 149 and 178 of the Act read with Schedule IV of the Act and the Rules made thereunder, the Company has a Board approved framework on Performance Evaluation of Directors providing the criteria of performance evaluation of Board, its Committees, its Chairperson and Individual Directors.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the Director's evaluation was carried out on the basis of questionnaire containing criteria such as level of participation by individual Directors, independent judgement by the Directors, understanding of the Company's business, etc. The performance evaluation of the Board and its mandatory Committees were done by all the Directors and the members of Nomination and Remuneration Committee. The performance evaluation of each Independent Director was carried out by the entire Board excluding the Independent Director being evaluated. The performance evaluation of the Chairman cum Managing Director and Non-Executive Directors was carried out by the Independent Directors.

The performance evaluation results were discussed at the meeting of Board of Directors, Nomination and Remuneration Committee and the Independent Directors meeting. The Directors were satisfied with the overall corporate

governance standards, Board performance and effectiveness.

(m) Code of Conduct

The Company has adopted the Code of Conduct as per Regulation 17(5) of SEBI LODR Regulations and is applicable to all its Board Members and Senior Management Personnel. Pursuant to Regulation 26(3) of SEBI LODR Regulations, all the Board Members and Senior Management Personnel of the Company as on March 31, 2025 have affirmed compliance with Codes of Conduct. Pursuant to Regulation 26(5) of SEBI LODR Regulations, all members of Senior Management Personnel have confirmed that there were no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large.

A declaration signed by the Chairman cum Managing Director of the Company confirming that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, is enclosed as **Annexure - 1**.

The copy of code of conduct is also available on the website of the Company on web link: <https://satincreditcare.com/wp-content/uploads/2025/04/Code-of-Conduct-for-Board-of-Directors-and-SMP-1.pdf>

3. COMMITTEES OF THE BOARD/MANAGEMENT

The Committee(s) constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committee(s) are placed before the Board for information or for approval, as required. The Committee(s) operate as empowered agents of the Board as per their terms of reference.

There was no instance during the financial year 2024-25, where the Board of Directors of the Company did not accept the recommendation of any of the Committees of the Board, which was mandatorily required.

The composition and functioning of these Committee(s) are in compliance with the applicable provisions of the Act, SEBI LODR Regulations and also in consonance with the Corporate Governance Master Directions issued by the Reserve Bank of India as applicable to the Company.

Corporate Governance Report (Contd.)

As on March 31, 2025, the following Committee(s) were in operation:

- (A) Audit Committee;
- (B) Risk Management Committee;
- (C) Stakeholders Relationship Committee;
- (D) Corporate Social Responsibility & ESG Committee;
- (E) Nomination and Remuneration Committee;
- (F) Asset Liability Management Committee;
- (G) IT Strategy Committee;
- (H) Working Committee; and
- (I) NCD Public Issuance Committee.

Details on the role and composition of these Committee(s), including the number of meetings held during the financial year 2024-25 and the related attendance, are provided below:

(A) Audit Committee

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 and Schedule II of SEBI LODR Regulations, Section 177 of the Act and RBI Master Directions, as amended from time to time.

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

i. Composition and Meetings

As on March 31, 2025, the Audit Committee comprised of 4 (four) Directors, out of which 3 (three) are Non-Executive & Independent Directors and 1 (one) is Promoter, Non-Executive & Non-Independent Director. The Chairman of the Audit Committee is a Non-Executive & Independent Director. The Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. All Committee Members are financially literate and have accounting or related financial management expertise in terms of applicable statutory provisions. The quorum of Audit Committee meeting is two members or one-third of its members, whichever is higher with at least two Independent Directors.

The composition of Audit Committee is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, the Audit Committee met 7 (Seven) times on April 29, 2024, June 24, 2024, July 31, 2024, September 11, 2024, November 08, 2024, February 10, 2025 and March 12, 2025. The maximum gap between any two Audit Committee meetings was less than 120 days. Generally, the Chairman cum Managing Director, Statutory Auditors, Group Controller, Chief Financial Officer, Chief Audit Officer, Chief Strategy Officer, Chief Business Officer, Head – Accounts and Head - Finance of the Company, were invitees to the meetings of the Audit Committee.

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

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Anil Kumar Kalra	Chairman	August 29, 2024	4	4	100
Mr. Satvinder Singh	Member	February 12, 2011	7	6	85
Mr. Joydeep Datta Gupta	Member	August 29, 2024	4	4	100
Ms. Jyoti Davar Vij	Member	August 29, 2024	4	3	75
Mr. Sanjay Kumar Bhatia*	Chairman	November 14, 2018	3	3	100
Mr. Goh Colin*	Member	November 13, 2020	3	3	100
Mr. Sundeep Kumar Mehta*	Member	November 12, 2013	3	3	100

*Ceased to be Chairman/Member of the Audit Committee w.e.f. August 29, 2024 due to their retirement upon completion of 2(two) consecutive terms of appointment as Non-Executive & Independent Directors on September 4, 2024.

Corporate Governance Report (Contd.)

The Chairman of Audit Committee had attended the last Annual General Meeting held on August 9, 2024 to answer the Members' queries.

ii. Terms of Reference

The terms of reference of Audit Committee are very wide and in line with the regulatory requirements mandated by the Act and Part C of Schedule II of SEBI LODR Regulations, as amended.

Terms of reference for Audit Committee includes:

- Oversight of the financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transaction;

g) modified opinion(s) in the draft audit report;

- Reviewing with management, the quarterly financial statements before submission to the Board for approval;
- Reviewing with management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including structure of the internal audit department, staffing and seniority of official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of

Corporate Governance Report (Contd.)

- internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the whistle blower mechanism;
 - Approval of appointment of Chief Financial Officer after assessing the qualification, experience and background etc., of the candidate;
 - To carry out any other function as is mentioned in the terms of reference of the audit committee, in terms of any other applicable guidelines or any other applicable law, as amended from time to time;
 - Reviewing the utilization of loans and/ or advances /investment by the holding Company in the subsidiary exceeding INR 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
 - Any other matters as delegated by the Board of Directors from time to time in terms of the applicable guidelines or any other applicable law, as amended;
 - The Audit Committee shall mandatorily review the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Management letters/ letters of internal control weaknesses
- issued by the statutory auditors;
- c) Internal audit reports relating to internal control weaknesses;
 - d) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and
 - e) Statement of deviations:
 - o Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
 - o Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

(B) Risk Management Committee

The Risk Management Committee ("RMC") of the Company has been constituted in line with the provisions of Regulation 21 and Part D of Schedule II of the SEBI LODR Regulations and RBI Master Directions, as amended. The Company especially focuses on improving its sensitivity to the assessment of risks and improving methods of computation of risk. The functions of RMC include monitoring and reviewing risk management plan, Operational risk, Credit risk, Integrity risk and cover cyber security risk among others and taking strategic actions in mitigating risk associated with the business.

i. Composition and Meetings

As on March 31, 2025, RMC comprised of 4 (four) Directors, out of which 3 (three) are Non-Executive & Independent Directors and 1 (one) is Promoter, Non-Executive & Non-Independent Director. The Chairman of RMC is a Non-Executive & Independent Director & Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to RMC. The quorum of RMC meeting is two members or one-third of its members, whichever is higher including atleast one member of the Board in attendance.

Corporate Governance Report (Contd.)

The composition of RMC is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, RMC met 5 (Five) times on June 17, 2024, August 27, 2024, December 13, 2024, January 16, 2025 and March 12, 2025.

The composition of RMC and details of meetings attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Anil Kaul	Chairman	August 29, 2024	3	3	100
Mr. Anil Kumar Kalra	Member	May 8, 2019	5	5	100
Mr. Satvinder Singh	Member	November 12, 2014	5	4	80
Ms. Jyoti Davar Vij	Member	August 29, 2024	3	3	100
Mr. Sundeep Kumar Mehta*	Member	November 13, 2020	2	2	100

*Ceased to be Member of the Committee w.e.f. August 29, 2024 due to his retirement upon completion of 2(two) consecutive terms of appointment as Non-Executive & Independent Director on September 4, 2024.

ii. Terms of Reference

The terms of reference of RMC are wide enough to cover the matters specified for RMC under Regulation 21 and Schedule II of SEBI LODR Regulations and in terms of RBI Master Directions, as amended.

Terms of reference for RMC includes:

- Approve/ recommend to the Board for its approval/ review of the policies, strategies and associated frameworks for management of risk;
- Approve the risk appetite and any revisions to it;
- Sub-delegate its powers and discretions to executives of the Company;
- Ensure appropriate risk categorization structure with authority and responsibility clearly defined, adequate staffing, and the independence of Risk Management functions;
- Provide appropriate and prompt reporting to the Board of Directors in order to fulfil the oversight responsibilities of the Board of Directors;
- Review reports from management concerning the SCNL's risk management framework (i.e. principles, policies, strategies, process and controls) and also discretions conferred on executive management, in order to oversee the effectiveness of them;

- Review reports from management concerning changes in the factors relevant to the SCNL's projected strategy, business performance or capital adequacy;
- Review reports from management concerning implications of new and emerging risks, legislative or regulatory initiatives and changes, organizational change and major initiatives, in order to monitor them;
- Ensure adherence of the extant internal risk policy guidelines and also regulatory guidelines;
- The appointment, removal and terms of remuneration and review performance and set objectives for the SCNL's Chief Risk Officer (CRO) and ensure he has unfettered access to the Board;
- Oversee statutory/regulatory reporting requirements related to risk management;
- Monitor and review capital adequacy computation with an understanding of methodology, systems and data;
- Approve the stress testing results/ analysis and monitor the action plans and corrective measures periodically;
- Monitor and review of non-compliance, limit breaches, audit/regulatory findings, and policy exceptions with respect to risk management;

Corporate Governance Report (Contd.)

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- Measures for risk mitigation including systems and processes for internal control of identified risks;
- Business continuity plan;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; and
- Any other matters as delegated by the Board of Directors from time to time in terms of the applicable guidelines or any other applicable law, as amended from time to time.

(C) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee ("SRC") of the Company has been constituted in line with the provisions of Section 178(5) of the Act and Regulation 20 and Part D of Schedule II of SEBI LODR Regulations. The purpose of SRC is to specifically look into various aspects of interest of Members, debenture holders and security holders.

i. Composition and Meetings

As on March 31, 2025, SRC comprised of 4 (four) Directors, out of which 2 (two) are Non-Executive & Independent Directors, 1 (one) is Promoter, Non-Executive & Non-Independent Director and 1 (one) is Promoter, Executive & Non-Independent Director. The Chairman of SRC is a Non-Executive & Non-Independent Director & Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to SRC. The quorum of SRC meeting is two members or one-third of its members, whichever is higher.

The composition of SRC is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

Further, grievances relating to Stakeholders/ Investors may also be forwarded to the Company Secretary & Chief Compliance Officer of the Company at secretarial@satincare.com.

During the financial year 2024-25, 1 (one) meeting of SRC was held on March 12, 2025.

The composition of SRC and details of meeting attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Satvinder Singh	Chairman	August 29, 2024	1	1	100
Dr. Harvinder Pal Singh	Member	August 29, 2024	1	1	100
Mr. Anil Kaul	Member	August 29, 2024	1	1	100
Mr. Anil Kumar Kalra	Member	November 14, 2018	1	1	100
Mr. Sundeep Kumar Mehta*	Chairman	February 09, 2015	-	-	-
Mr. Sanjay Kumar Bhatia*	Member	February 09, 2015	-	-	-

*Ceased to be Chairman/Member of SRC w.e.f. August 29, 2024, due to their retirement upon completion of the 2 (two) consecutive terms of appointment as Non-Executive & Independent Directors on September 4, 2024.

Corporate Governance Report (Contd.)

The Chairman of SRC had attended the last Annual General Meeting held on August 9, 2024, to answer the Members' queries.

ii. Terms of Reference

The terms of reference of SRC are wide enough to cover the matters specified under Regulation 20 and Part D of Schedule II of SEBI LODR Regulations, as amended.

Terms of reference for SRC includes:

- Resolving the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

iii. Name and designation of Compliance Officer:

Mr. Vikas Gupta,
Company Secretary and Chief Compliance Officer

iv. Investors Complaints received during the financial year 2024-25

No. of investor complaints pending at the beginning of the financial year	No. of investor complaints received during the financial year	No. of investor complaints disposed off during the financial year	No. of investor complaints not solved to the satisfaction of shareholders	No. of investor complaints pending at the end of the financial year
0	1	1	0	0

(D) Corporate Social Responsibility and ESG Committee

The Board of Directors at its meeting held on August 29, 2024, approved change in the nomenclature of Corporate Social Responsibility Committee to Corporate Social Responsibility and ESG Committee ("CSR and ESG Committee") by extending the terms of reference of the Corporate Social Responsibility and ESG Committee to include terms of reference/scope or functions as defined in ESG Policy of the Company.

The CSR and ESG Committee is empowered, *inter alia*, to make contributions to various corporate foundation or other reputed non-governmental organisation, of at least 2% (two percent) of the Company's average net profit during the three immediately preceding financial years in pursuance of its Board approved Corporate Social Responsibility Policy ("CSR Policy") of the Company.

The Company also has in place a CSR Policy as required under the provisions of Section 135 of the Act and rules made thereunder indicating therein the activities to be undertaken by the Company as specified in Schedule VII of the Act.

The CSR Policy is uploaded on the Company's website and can be accessed at <https://satincare.com/wp-content/uploads/2024/03/Corporate-Social-Responsibility-Policy.pdf>

i. Composition and Meetings

As on March 31, 2025, CSR and ESG Committee comprised of 4 (four) Directors, out of which 2 (two) are Non-Executive & Independent Directors, 1 (one) is Promoter, Executive Director and 1 (one) is Promoter, Non-Executive & Non-Independent Director of the Company. Dr. Harvinder Pal Singh, Promoter, Executive & Non-Independent Director is the Chairman of the CSR and ESG Committee & Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. The quorum of CSR and ESG Committee meeting is two members or one-third of its members, whichever is higher. Ms. Aditi Singh is designated CSR – Nodal Officer of the Company.

Corporate Governance Report (Contd.)

The aforesaid composition of CSR and ESG Committee is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, 1 (one) meeting of CSR and ESG Committee was held on July 29, 2024.

The composition of CSR and ESG Committee and details of meetings attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Dr. Harvinder Pal Singh	Chairman	May 26, 2014	1	1	100
Mr. Satvinder Singh	Member	August 29, 2024	-	-	-
Mr. Anil Kumar Kalra	Member	August 29, 2024	-	-	-
Ms. Jyoti Davar Vij	Member	August 29, 2024	-	-	-
Mr. Goh Colin*	Member	November 14, 2018	1	1	100
Ms. Sangeeta Khorana *	Member	May 26, 2014	1	1	100

*Ceased to be Members w.e.f. August 29, 2024, due to their retirement upon completion of the 2 (two) consecutive terms of appointment as Non-Executive & Independent Directors on September 4, 2024.

ii. Terms of Reference

The terms of reference of CSR and ESG Committee are wide enough to cover the matters specified under Section 135(3) of the Act, as amended.

Terms of reference for CSR and ESG Committee includes:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in area or subject, specified in Schedule VII;
- recommend the amount of expenditure to be incurred on the activities referred to in above clause;
- monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- identifying risks and opportunities across various ESG dimensions and developing strategic plans & objectives to mitigate these risks and leverage opportunities.

(E) Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") of the Company has been constituted in line with the provisions of Section 178 of the Act, read with Regulation 19 and Schedule II of the SEBI LODR Regulations and RBI Master Directions, as amended from time to time.

NRC identifies and recommends the persons who are qualified to be appointed as directors or appointed as part of Senior Management and ensures/determines fit and proper attributes/qualifications of proposed/existing Directors.

NRC under the guidance of the Board has formulated the criteria and framework for the performance evaluation of every Director on the Board, including the Executive and Independent Directors.

i. Composition and Meetings

As on March 31, 2025, NRC comprised of 4 (four) Directors, out of which 3 (three) are Non-Executive & Independent Directors and 1 (one) is Promoter, Executive Director. The Chairman of NRC is a Non-Executive & Independent Director. and the Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to NRC. The quorum of NRC meeting is two members or one-third of its members, whichever is higher with at least one independent Director in attendance.

The composition of NRC is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, NRC met 4 (four) times on June 24, 2024, July 29, 2024, January 16, 2025, and March 12, 2025.

Corporate Governance Report (Contd.)

The composition of NRC and details of meetings attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Anil Kaul	Chairman	August 29, 2024	2	2	100
Dr. Harvinder Pal Singh	Member	November 12, 2014	4	4	100
Mr. Anil Kumar Kalra	Member	August 29, 2024	2	2	100
Mr. Joydeep Datta Gupta	Member	August 29, 2024	2	2	100
Mr. Sundeep Kumar Mehta*	Chairman	May 26, 2014	2	2	100
Mr. Sanjay Kumar Bhatia*	Member	November 13, 2020	2	2	100
Mr. Goh Colin*	Member	October 29, 2021	2	2	100
Ms. Sangeeta Khorana*	Member	November 12, 2014	2	2	100

*Ceased to be Chairman/Member w.e.f. August 29, 2024, due to their retirement upon completion of 2 (two) consecutive terms of appointment as Non-Executive & Independent Director on September 4, 2024.

The Chairman of NRC had attended the last Annual General Meeting held on August 9, 2024, to answer the Members' queries.

ii. Terms of Reference

The terms of references of NRC are wide enough to cover the matters specified under Regulation 19(4) read with Part D of Schedule II of the SEBI LODR Regulations, as amended.

Terms of reference for NRC includes:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every Director's performance;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Director's, Key Managerial Personnel and other employees;
- For every appointment of an independent director, evaluate balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified

in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

- Ensure and determine that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors and also the Independent Directors and size of the Board and its diversity;
- Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability and ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and other employees of the Company and reviewing its effectiveness;
- Oversee the formulation and implementation of ESOP Schemes, its administration, supervision and formulating detailed terms and conditions in accordance with SEBI Guidelines;
- Decide/approve details of fixed components and performance linked incentives (if any) along with the performance criteria;

Corporate Governance Report (Contd.)

- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their Service contract;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board;
- Considering any other matter as may be requested by the Board and to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate;
- To recommend to the Board whether to extend or continue the term of appointment of Independent Directors on the basis of report of performance evaluation of Independent Directors;
- To approve the remuneration of Senior Management including Key Managerial Personnel of the Company; maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievements relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To devise a policy on diversity of Board of Directors;
- To develop a succession plan for the Board and to regularly review the plan;
- Formulation of criteria for evaluation of Independent Director and the Board;
- To implement and monitor policies and processes regarding principles of corporate governance; and
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation of Board Members

In accordance with the provisions of Section 178 of the Act and Part D to Schedule II of SEBI LODR Regulations, the Company has devised a process and criteria for performance evaluation, as recommended by NRC and approved by the Board. The evaluation process is conducted for each of the categories - Chairman, Independent Directors, Non-Executive Directors, Executive Directors, Board as a whole and Committees of the Board.

The performance evaluation of Independent Directors was carried out by the Board of Directors based on various criteria, as suggested by the NRC, like preparedness for meetings, generation of new ideas, monitoring of corporate governance practices, value addition including fresh perspectives and insights, decision making quality, conflict of interest, adherence to the code of conduct, etc., among others.

Policy laid down by Nomination and Remuneration Committee for remuneration of Directors, Key Managerial Personnel, Senior Management & Other Employees and the criteria formulated by the Committee

Corporate Governance Report (Contd.)

for determining Qualifications, Positive Attributes, Independence of Director

Pursuant to Section 178 of the Act read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended, the Board of Directors of the Company has put in place the Policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP), Senior Management and other Employees ("**NRC Policy**").

The NRC Policy also includes the Board Diversity policy which was framed under the applicable provisions of SEBI LODR Regulations.

In addition to the above, it also includes the framework which governs the compensation of Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) in accordance to the "Guidelines on compensation of Key Managerial Personnel and Senior Management in NBFCs" issued by Reserve Bank of India vide its circular DOR.GOV.REC.No.29/18.10.002/2022-23 dated April 29, 2022.

The policy is also available on the website of the Company at <https://satincreditcare.com/wp-content/uploads/2025/05/NRC-Policy-v2.6.pdf>

(F) Asset Liability Management Committee

The Asset Liability Management Committee ("**ALM Committee**") of the Company has been constituted in accordance with the guidelines

issued by Reserve Bank of India (RBI) on Asset Liability Management System for NBFCs on June 27, 2001, as amended from time to time.

The functions of ALM Committee include addressing concerns regarding asset liability mismatches, interest rate risk exposure and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulation made in this regard.

i. Composition and Meetings

As on March 31, 2025, ALM Committee comprised of 6 (six) Members out of which 1 (one) is Promoter, Executive Director and remaining 5 (five) Members are other officials of the Company. Dr. Harvinder Pal Singh, Promoter, Executive Director is the Chairman of the Committee & Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to the Committee. The quorum of ALM Committee meeting is 3 (three) members.

The composition of ALM Committee is also available on the website of the Company at <https://satincreditcare.com/Board-of-Directors/>

During the financial year 2024-25, ALM Committee met 4 (four) times on June 11, 2024, August 20, 2024, November 19, 2024 and February 27, 2025.

The composition of ALM Committee and details of meetings attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Dr. Harvinder Pal Singh	Chairman	August 12, 2010	4	3	75
Mr. Jugal Kataria	Member (Group Controller)	August 12, 2010	4	4	100
Mr. Manoj Agrawal	Member (Chief Financial Officer)	October 27, 2023	4	3	75
Mr. Amit Kumar Gupta	Member (Head-Accounts)	August 12, 2010	4	3	75
Mr. Manish Kumar Mittal	Member (Head-Finance)	October 29, 2021	4	4	100
Mr. Dhiraj Jha*	Member (Chief Risk Officer)	May 4, 2022	3	3	100
Mr. Vikas Wadhwa**	Member (Chief Risk Officer)	January 17, 2025	1	1	100
Mr. Rakesh Sachdeva***	Member (Chief Financial Officer)	December 13, 2020	1	1	100

*Resigned as Chief Risk Officer w.e.f. January 16, 2025 due to his transfer within the Satin Group as CEO of Satin Finserv Limited, wholly owned subsidiary of the Company and consequently ceased to be Member of ALM Committee w.e.f. said date;

**Appointed as Chief Risk Officer w.e.f. January 17, 2025 and consequently appointed as Member of ALM Committee w.e.f. the said date;

***Ceased to be Member w.e.f. June 30, 2024 due to his retirement upon attaining the age of superannuation on the said date.

Corporate Governance Report (Contd.)

(G) IT Strategy Committee

The IT Strategy Committee of the Company had been constituted in terms of "Master Direction Information Technology Framework for NBFC Sector" issued by RBI on June 8, 2017, as amended from time to time.

Further, pursuant to RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023, the functions of IT Strategy Committee have been aligned to focus on areas that include, among other things, adequate oversight mechanisms to ensure accountability and mitigation of IT and cyber/information security risks. Further, the IT Strategy Committee also ensures the effectiveness of business continuity planning and disaster recovery management and also performs any other functions as required under applicable laws, regulations or guidelines.

i. Composition and Meetings

As on March 31, 2025, IT Strategy Committee comprised of 6 (six) Members out of which 1 (one) is Promoter, Executive Director, 1 (one) Non-Executive & Non-Independent Director, 1 (one) Non-Executive & Independent Director and remaining 3 (three) Members are other officials of the Company. Mr. Joydeep Datta Gupta, Non-Executive and Independent Director is the Chairman of IT Strategy Committee & Company Secretary and Chief Compliance Officer of the Company, officiates as the Secretary to IT Strategy Committee.

The composition of IT Strategy Committee is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, IT Strategy Committee met 4 (four) times on June 17, 2024, August 27, 2024, December 13, 2024 and March 12, 2025.

The composition of IT Strategy Committee and details of meetings attended by its members are given below:

Name of Member	Designation	Member of Committee since	No. of meetings		% of attendance
			Held	Attended	
Mr. Joydeep Datta Gupta	Chairman	August 29, 2024	2	2	100
Dr. Harvinder Pal Singh	Member	May 30, 2018	4	3	75
Mr. Satvinder Singh	Member	March 22, 2024	4	3	75
Mr. Jugal Kataria	Member (Group Controller)	May 30, 2018	4	4	100
Mr. Sunil Yadav	Member (Chief Information Officer)	February 01, 2022	4	4	100
Mr. Anil Kumar Kalra*	Chairman	November 13, 2020	2	2	100
Mr. Manoj Agrawal**	Member (Chief Financial Officer)	June 24, 2024	2	2	100
Mr. Rakesh Sachdeva***	Member (Chief Financial Officer)	February 12, 2021	1	0	0

*Ceased to be Chairman & Member w.e.f. August 29, 2024;

** Appointed as Chief Financial Officer w.e.f. July 1, 2024 and consequently, he was appointed as Member w.e.f. the said date.

***Ceased to be Member w.e.f. June 30, 2024 due to his retirement upon attaining the age of superannuation on the said date.

(H) Working Committee

The Working Committee of the Company broadly consider, review and approve routine matters of the Company which includes but not limited to evaluation and approval of various proposals for borrowings, issue of securities and investments etc. in ordinary course of business within the limits authorised by the Board/Committee Members. Moreover, the Committee also consider and approve various banking operations for smooth functioning and other general purposes of the Company as may be authorised/delegated by the Board from time to time.

As on March 31, 2025, Working Committee comprised of 6 (six) Members, out of which 1 (one) is Promoter, Executive Director, 1 (one) is Promoter, Non-Executive & Non-Independent Director and remaining 4 (four) members are other officials of the Company. Dr. Harvinder Pal Singh, Promoter, Executive Director is the Chairman of the Working Committee and Company Secretary and Chief Compliance Officer of the Company, officiates as Secretary to the Working Committee. The quorum of the Working Committee meeting is 3 (three) members.

The composition of Working Committee is also available on the website of the Company at <https://satincare.com/Board-of-Directors/>

During the financial year 2024-25, the Working Committee met 29 (Twenty-Nine) times.

Corporate Governance Report (Contd.)

(I) NCD Public Issuance Committee

The Board of Directors at its meeting held on January 15, 2024, had constituted NCD Public Issuance Committee of the Company, as a specialized Committee to ensure a well-organized, compliant, and successful execution of the public issuance of Non-Convertible Debentures.

The NCD Committee comprised of 3 (three) Members, out of which 1 (one) is Promoter, Executive Director, 2 (two) Members are Non-Executive & Independent Directors. The quorum of NCD Public Issuance Committee meeting is 2 (two) members.

During the financial year 2024-25, no NCD Public Issuance Committee meeting was held.

The composition of NCD Public Issuance Committee are as follows:

Name of the Members	Designation	Member of Committee since
Dr. Harvinder Pal Singh	Chairman	January 15, 2024
Mr. Joydeep Datta Gupta	Member	August 29, 2024
Ms. Jyoti Davar Vij	Member	August 29, 2024
Mr. Sanjay Kumar Bhatia*	Member	January 15, 2024
Mr. Sundeep Kumar Mehta*	Member	January 15, 2024

*Ceased to be Member w.e.f. August 29, 2024, due to their retirement upon completion of the 2 (two) consecutive terms of appointment as Non-Executive & Independent Directors on September 4, 2024.

4. REMUNERATION OF DIRECTORS

As per the Company's Policy on Nomination & Remuneration for Directors, Key Managerial Personnel, Senior Management and other Employees, Remuneration to Executive (Non-Independent Director) shall be paid in terms of Act and other applicable laws. The Managing Director/Whole Time Director shall be eligible for monthly remuneration as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.

The remuneration paid to Executive Director commensurate with his roles and responsibilities is in compliance with applicable provisions of the Act and other applicable laws & regulations, remuneration payable to Executive Director consists of fixed & Variable Pay, perquisites shall be decided by the Board on the recommendation of the Nomination and Remuneration Committee and approved by the Members, wherever required.

i. Remuneration of Executive Director

Remuneration of Executive Director is decided by the Board based on recommendation of Nomination and Remuneration Committee within the ceiling fixed as permissible under the Act and other relevant applicable laws and regulations.

Based on recommendation of Nomination and Remuneration Committee and Board of Directors, the Members of the Company at 34th Annual General Meeting held on August 9, 2024, had approved revision in the payment of variable pay of 20% of basic salary to Dr. Harvinder Pal Singh, Chairman cum Managing Director, effective from April 1, 2024 till completion of his tenure i.e. upto September 30, 2025, which shall be based on performance of the Company.

The disclosure in respect of remuneration paid/payable to Dr. Harvinder Pal Singh, Chairman cum Managing Director of the Company for the financial year 2024-25 is given below:

(Amount in INR)

Particulars	Dr. Harvinder Pal Singh, Chairman cum Managing Director
Salary*	3,60,19,200
Approximate value of perquisites	53,99,600
Total	4,14,18,800
Present period of agreement for remuneration	April 01, 2024 to September 30, 2025
Present period of agreement of appointment	October 01, 2020 to September 30, 2025

*Excluding variable pay.

Note: In context to the above and based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 7, 2025, approved an amount of INR 64,32,000 (Indian Rupees Sixty-Four Lakhs Thirty-Two Thousand Only) as Variable Pay, constituting 20% of basic salary, for financial year 2024-25 i.e. effective from April 1, 2024 till March 31, 2025.

Corporate Governance Report (Contd.)

ii. Remuneration of Non-Executive Directors

During the financial year 2024-25, Non-Executive Directors are paid remuneration in form of commission and sitting fees for attending meetings of the Board of Directors and its Committees. The sitting fees paid is within the ceiling of INR 1,00,000 per meeting as prescribed under the Act and the rules made thereunder.

In accordance with the applicable provisions of Articles of Association of the Company and in terms of Act read with rules made thereunder and SEBI LODR Regulations, the Board of Directors at its meeting held on January 15, 2024, had approved the revision in the structure of sitting fees payable to Non-Executive & Non-Independent and Non-Executive & Independent Directors of the Company for attending meetings of the Board of Directors and its Committees.

The structure for payment of sitting fees for attending Board and Committee Meetings are as follows:

Sl. No	Type of Meeting	Sitting Fees
1	Board of Directors	INR 50,000 (Indian Rupees Fifty Thousand only) per meeting
2	Audit Committee and Risk Management Committee	INR 35,000 (Indian Rupees Thirty-Five Thousand only) per meeting
3	Other Statutory Committee(s) (except Working Committee)	INR 25,000 (Indian Rupees Twenty-Five Thousand only) per meeting

Further, during the financial year 2024-25, the Board of Directors in their meeting held on June 24, 2024 had approved the payment of remuneration by way of commission in addition to the sitting fees and reimbursement of expenses, to all Non-Executive Directors (including Independent Directors) of the Company, for each financial year commencing from September 1, 2024 onwards, an amount not exceeding INR 30,00,000 (Indian Rupees Thirty Lakhs only) per annum, individually, as may be decided by the Board of Directors from time to time, and subject to the overall maximum limit of 1% (one percent) of the net profits of the Company calculated in accordance to provisions of Section 198 of the Act.

Detail of remuneration paid to Non-Executive Directors during the financial year 2024-25 is as under:

(Amount in INR)

Sl. No.	Name of Non-Executive Directors	Sitting Fees		Commission	Total
		Board Meeting	Committee Meeting		
1	Mr. Satvinder Singh	4,00,000	4,50,000	14,00,000	22,50,000
2	Mr. Anil Kumar Kalra	4,50,000	4,90,000	14,00,000	23,40,000
3	Mr. Anil Kaul	4,50,000	2,30,000	24,00,000	30,80,000
4	Mr. Joydeep Datta Gupta	3,50,000	2,90,000	18,46,667	24,86,667
5	Ms. Jyoti Davar Vij	2,50,000	2,60,000	16,06,667	21,16,667
6	Mr. Sundeep Kumar Mehta*	2,00,000	2,25,000	Nil	4,25,000
7	Mr. Goh Colin*	2,00,000	1,80,000	Nil	3,80,000
8	Ms. Sangeeta Khorana*	2,00,000	75,000	Nil	2,75,000
9	Mr. Sanjay Kumar Bhatia*	2,00,000	1,55,000	Nil	3,55,000
Total		27,00,000	23,55,000	86,53,334	1,37,08,334

*Ceased to be Non-Executive & Independent Directors w.e.f. September 4, 2024 due to their retirement upon completion of the 2 (two) consecutive terms of appointment.

There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company during the financial year ended March 31, 2025 other than those disclosed in the Financial Statements.

None of Non-Executive Directors of the Company is taking any salary, benefit, bonuses, stock options & pension from the Company. Further, no fixed component and performance linked incentives involved therein. The Company has not signed any service contracts, notice period or severance fees contract with any of the Directors.

Corporate Governance Report (Contd.)

5. SENIOR MANAGEMENT PERSONNEL

As on March 31, 2025, the following officials are categorised under Senior Management Personnel category:

Sl. No	Name	Designation
1	Mr. Jugal Kataria	Group Controller
2	Mr. Manoj Agrawal	Chief Financial Officer
3	Mr. Anil Gupta	Business Head – Products
4	Mr. Amarjit Singh	Chief Audit Officer
5	Ms. Aditi Singh	Chief Strategy Officer
6	Mr. Anil Kwatra	Chief Business Officer
7	Mr. Sunil Yadav	Chief Information Officer
8	Mr. Vikas Wadhera	Chief Risk Officer
9	Mr. Vikas Gupta	Company Secretary and Chief Compliance Officer

Following change(s) took place in the Senior Management Personnel of the Company during the financial year 2024-25:

Name	Designation	Change
Mr. Rakesh Sachdeva	Chief Financial Officer	Retired from the position of Chief Financial officer and Key Managerial Personnel w.e.f. close of business hours on June 30, 2024, upon attaining age of superannuation.
Mr. Manoj Agrawal	Chief Financial Officer	Appointed as Chief Financial Officer w.e.f. July 1, 2024.
Mr. Dhiraj Jha	Chief Risk Officer	Resigned as Chief Risk Officer w.e.f. January 16, 2025, due to his transfer within the Satin Group as CEO of Satin Finserv Limited, wholly owned subsidiary of the Company.
Mr. Vikas Wadhera	Chief Risk Officer	Appointed as Chief Risk Officer w.e.f. January 17, 2025.

6. GENERAL MEETINGS

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

a) Annual General Meetings (AGMs):

Year	Location	Date	Time	Whether any Special Resolution(s) passed
2023-24	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 9, 2024	11:00 A.M.	1. Appointment of Mr. Joydeep Datta Gupta (DIN: 00176737) as Non-Executive & Independent Director of the Company; 2. Payment of remuneration by way of commission to Non-Executive Directors (including Independent Directors) of the Company; and 3. Issuance of Non-Convertible Debentures (NCDs), in one or more series/tranches on private placement basis.
2022-23	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 9, 2023	11:00 A.M.	1. Issuance of Non-Convertible Debentures (NCDs), in one or more series/tranches on private placement basis; 2. Amendment of Articles of Association of the Company;
2021-22	Meeting conducted through VC / OAVM pursuant to the MCA Circulars	August 10, 2022	11:00 A.M.	1. Issue of Non-Convertible Debentures (NCDs), in one or more series/tranches on Private Placement basis.

All resolutions placed at the last 3 AGM were passed by means of electronic voting only by the requisite majority of members.

The above resolutions were passed with requisite majority.

b) No Extraordinary General meeting was held during financial year 2024-25.

Corporate Governance Report (Contd.)

c) Details of Special Resolution passed through Postal Ballot during financial year 2024-25:

During the financial year 2024-25, the Company has conducted 1 (one) Postal Ballot in compliance with Regulation 44 of SEBI LODR Regulations and in pursuance of Sections 108, 110 and other applicable provisions of the Act read with Companies (Management and Administration) Rules, 2014, for passing Special Resolution.

i. Details of Voting Pattern:

One Special Resolution was passed by way of Postal Ballot (through remote e-voting only) conducted during financial year 2024-25, detail of which is mentioned below:

Special Resolution: Appointment of Ms. Jyoti Davar Vij (DIN: 09757889) as Non-Executive & Independent Director of the Company.

After scrutinizing all votes received, the scrutinizer reported as under:

Item No. 1 of the Notice (i)	Votes in favour of the resolution		Votes against the resolution		Invalid votes
	No. of valid Votes (ii)	As a % of total number of valid votes (in Favour and Against) (iii=ii/ (ii+iv)* 100)	No. of valid Votes (iv)	As a % of total number of valid votes (in Favour and Against) (v =iv/ (ii+iv)* 100)	
Appointment of Ms. Jyoti Davar Vij (DIN: 09757889) as Non-Executive & Independent Director of the Company.	7,07,16,704	99.98%	17,564	0.02%	2,87,252

The above Special Resolution was passed on September 29, 2024, result of which was declared on September 30, 2024.

ii. Persons responsible for conducting the postal ballot exercise

The Board of Directors had appointed Mr. Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) of M/s Rajeev Bhatia & Associates as Scrutinizer, for conducting the Postal Ballot process through electronic voting only, in a fair and transparent manner. Accordingly, Mr. Rajeev Bhatia conducted the process and submitted his report to the Chairman cum Managing Director of the Company.

iii. Procedure adopted for Postal Ballot

- In compliance with Regulation 44 of SEBI LODR Regulations and Sections 108, and 110 of the Act and rules framed thereunder and General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs and other applicable provisions, if any, approval of Members of the Company was sought on special business by way of postal ballot process i.e. through remote e-voting only.
- The Postal Ballot notice together with explanatory statement, dated August 29, 2024 was sent only through electronic mode to those Members whose names appeared in the Register of Members or in the Register of Beneficial Owners maintained by Depositories and whose e-mail addresses were registered with the Company or Depository or Depository Participant as on Cut-off Date i.e. August 23, 2024.
- The Company had availed the services of Central Depository Services (India) Limited ("CDSL") to provide the e-voting facilities to the Members to enable them to cast their votes electronically. The remote e-voting period commenced on August 31, 2024 at 9:00 a.m. (IST) and ended on September 29, 2024 at 5:00 p.m. (IST), both days inclusive.
- The Company had published newspaper advertisement in Business Standard (both in English and Hindi edition) on August 31, 2024 regarding completion of dispatch of Notice and also specifying therein the matters prescribed in the Rules with regard to remote e-voting and requested Members of the Company to update their KYC details with the Company / Registrar & Share Transfer Agents / Depository / Depository Participants.
- The remote e-voting was unblocked by the Scrutinizer on September 29, 2024, in the presence of two witnesses who were not in employment of the Company.
- The Scrutinizer submitted his report dated September 30, 2024, addressed to the Chairman cum Managing Director of the Company in the prescribed format. Based on the Scrutinizer's report, the resolution set out in

Corporate Governance Report (Contd.)

the Postal Ballot Notice was deemed to have been passed as Special Resolution on September 29, 2024.

- The result of the Postal Ballot was declared on September 30, 2024 and displayed on the notice board at the Registered Office and Corporate Office of the Company.
- Voting results along with Scrutinizer's report is placed on the website of the Company and can be accessed at <https://satincare.com/wp-content/uploads/2024/09/Scrutinizers-Report-and-Voting-Results.pdf>

As on date of this report, no special resolution is proposed to be conducted through postal ballot.

7. MEMBERS' COMMUNICATION

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

Means of Communication

- **Quarterly results and newspapers wherein results normally published:** The quarterly financial results are regularly submitted to the Stock Exchanges and are generally published in Business Standard (both English and Hindi edition) in compliance with SEBI LODR Regulations and are also displayed along with other relevant information viz., notices, Members' communications, policies, Director's profile, Annual Report, other official news, etc. on its website i.e. <https://satincare.com/investor-relations-satin-creditcare/#FinancialStatements>
- **News releases, presentations, among others:** Official news releases, corporate presentations, press releases and official media releases are sent to Stock Exchanges regularly and also available on website of the Company at <https://satincare.com/investor-relations-satin-creditcare/#Notifications>. Further, the investors presentations are available on website of the Company at <https://satincare.com/investor-presentation/>
- **Website:** The Company's website www.satincare.com contains a separate section 'INVESTOR RELATIONS' for use of investors.

The quarterly, half yearly and annual financial results and official news releases are promptly and prominently displayed on the website of the Company. Annual Reports, Shareholding Patterns and other Corporate Communications submitted to the Stock Exchanges are also available on the website.

All the corporate communication to the Stock Exchanges are filed electronically on BSE's listing portal i.e. BSE Listing Centre and with NSE through NSE Electronic Application Processing System (NEAPS) portal. The Stock Exchange filings are also made available on the website of the Company and can be accessed at <https://satincare.com/investor-relations-satin-creditcare/#Notifications>

- **Communication to Members on email:** In support of "Green Initiative" undertaken by the Ministry of Corporate Affairs, during the financial year 2024-25, the Company had sent various communications including documents like Notices and Annual Report to the Members at their email address, as registered with their Depository Participants/ Company/ Registrar & Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

The Company proposes to send documents like members meeting Notice/other notices, Audited Financial Statements, Directors' report, Auditor's report or any other document, to its Members in electronic form at the email address provided by them and/or made available to the Company by their depositories. We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA of the Company, to receive soft copies of the Annual Reports, Postal Ballot Notices and other information disseminated by the Company, on a real-time basis without any delay.

Further, pursuant to SEBI Circular bearing reference nos. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 & SEBI/HO/MIRSD/MIRSD-PoD-1 / P/ CIR/ 2023 / 37 dated March 16, 2023 (now rescinded due to issuance of Master Circular dated May 17, 2023) and SEBI directive vide e-mail to RTA on January 17, 2024, the Company has sent intimation/ reminder through post to Members' holding shares in physical form, to update their KYC details along with "Choice of Nomination" with M/s MUFG Intime India Private Limited (formerly known as M/s Link Intime India Private Limited) RTA.

Corporate Governance Report (Contd.)

Additionally, in terms of SEBI circular dated June 10, 2024, all Members' are encouraged to provide choice of nomination by contacting the RTA, if shares are held in physical form or their respective Depository Participant(s), if shares are held in dematerialized form. Further, as mandated in the said SEBI circular, all new Members' are mandatorily required to provide the choice of nomination for their demat accounts (except for jointly held demat accounts). The said SEBI Circular is also available on the website of the Company at <https://satincare.com/investor-relations-satin-creditcare/#Other>

8. GENERAL MEMBER INFORMATION

(a) Company Registration Details:

The Company is registered in New Delhi, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs is L65991DL1990PLC041796. The Company being Non-Deposit taking NBFC is registered with Reserve Bank of India as NBFC-MFI and further categorised as Middle Layer in accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended.

Stock Exchanges	ISIN
National Stock Exchange of India Limited ('NSE') Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra East, Mumbai-400051, Maharashtra, India.	INE836B01017
BSE Limited ('BSE') 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India.	INE836B01017

The Non-Convertible Debentures of the Company are listed on BSE. The outstanding details of Non-Convertible Debentures (NCDs) as on March 31, 2025 are mentioned in the Financial Statements.

United States Dollars Denominated Non-Convertible Bonds ("USD Bonds") of the Company are listed on India International Exchange (IFSC) Limited (India INX) and NSE IFSC Limited (NSE IX). The outstanding details of USD Bonds are as on March 31, 2025 are mentioned in the Financial statements.

The Annual Listing Fee for the financial year 2025-26 has been paid by the Company to NSE, BSE, India INX and NSE IX.

(f) In case the securities are suspended from trading during the Financial Year 2024-25: Not Applicable

(g) Registrar & Share Transfer Agents:

Sl. No.	Name of Security	Registrar & Share Transfer Agent ("RTA")
1	Equity Shares	M/s MUFG Intime India Private Limited (formerly known as M/s Link Intime India Private Limited) Address: Noble Heights, 1 st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi – 110058; Website: https://in.mpms.mufig.com

(b) Ensuing Annual General Meeting (AGM):

Date and Time	August 7, 2025 at 11:00 A.M (IST).
Venue/ Mode of AGM	The Company will conduct the AGM through Video Conference and Other Audio-Visual Means in accordance to the circulars issued by Ministry of Corporate Affairs and other regulatory authority, relevant details of which have been provided in the notice of the AGM.

(c) Financial Year : April 01, 2024 to March 31, 2025

(d) Dividend payment:

In order to undertake and carry on future plans, it is necessary to conserve the resources. The Directors are of the opinion of retaining the profits for the year within the Company and thus, have not recommended any dividend on Equity Shares for the financial year ended March 31, 2025.

(e) Listing of Shares:

As on March 31, 2025, the Company has fully paid-up Equity Shares which are listed on BSE Limited and National Stock Exchange of India Limited.

Corporate Governance Report (Contd.)

Sl. No.	Name of Security	Registrar & Share Transfer Agent ("RTA")
2	Non-Convertible Debentures and Commercial papers	M/s KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Address: Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032. Website: https://www.kfintech.com
3	United States Dollars Denominated Non-Convertible Bonds	M/s India International Depository IFSC Limited Address: Unit No. 310, Hiranandani Signature, GIFT SEZ, Gift City, Gandhinagar - 382355 Website: https://www.iidi.co.in

(h) Share transfer system:

The dematerialized shares are transferred directly to the beneficiaries by the depositories. Trading in Equity Shares of the Company is permitted only in dematerialized form. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form effective from April 1, 2019. Accordingly, the Company/ its RTA have stopped accepting any fresh lodgement for transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.

Further, the Company had informed all Members holding securities in physical form and whose folios are incomplete indicating the process and documentation required for updation of their KYC, details of bank account, demat account and nomination with the RTA.

(i) Shareholding Pattern/Distribution of shareholding as on March 31, 2025:

Sl. No.	Category of Shareholder	Shareholding	% of Holding
A	Promoters & Promoter Group	3,99,60,753	36.17*
B	Public Shareholding		
B1	Mutual Fund	14,86,801	1.35
B2	Alternate Investment Funds	8,70,359	0.79
B2	Foreign Portfolio Investor	49,94,575	4.52
B3	Banks and NBFCs	22,09,525	2.00
B4	Insurance Companies	24,44,996	2.21
B5	Non-Institutions	5,80,21,010	52.52
C	Non-Promoter- Non-Public shareholding		
C1	Shares Held by Employee Trust	4,82,946	0.44
Total		11,04,70,965	100.00

*As disclosed in the shareholding pattern for quarter ended March 31, 2025, the total percentage shareholding of Promoters & Promoter Group is 36.18%.

Distribution of Shareholding based on Shares held as on March 31, 2025

Sl. No.	Share Range	Number of Shareholders	% of total Number of Shareholders	Total Number of Shares for the Range	% of Total Number of Shares
1	1 to 500	44,521	86.53	51,66,505	4.68
2	501 to 1000	3,480	6.76	26,88,917	2.43
3	1001 to 2000	1,750	3.40	25,63,312	2.32
4	2001 to 3000	584	1.14	14,79,448	1.34
5	3001 to 4000	256	0.50	9,12,114	0.83
6	4001 to 5000	203	0.39	9,48,253	0.86
7	5001 to 10000	366	0.71	26,79,109	2.43
8	10001 and above	294	0.57	9,40,33,307	85.12
	Total	51,454	100.00	11,04,70,965	100.00

Corporate Governance Report (Contd.)

(j) Dematerialization of Shares and Liquidity:

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

The International Securities Identification Number (ISIN) allotted to the Company's shares is INE836B01017.

As on March 31, 2025, 99.87% of Equity Shares of the Company representing 11,03,31,122 out of a total of 11,04,70,965 Equity Shares were held in dematerialized form and balance 1,39,843 Equity Shares representing 0.13% of total number of Equity Shares of the Company were held in physical form.

The Equity Shares of the Company are frequently traded on both National Stock Exchange of India Limited & BSE Limited.

(k) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding Global Depository Receipt (GDR) / American Depository Receipt (ADR) / Warrants or any other convertible instruments as on date.

(l) Plant locations:

The Company, being a Non-Banking Finance Company, does not have any manufacturing plant.

(m) Address for correspondence:

- **Registered Office:** 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033, India.
- **Corporate Office:** Plot No. 492, Udyog Vihar, Phase III, Gurugram 122016, Haryana, India.

(n) List of all credit ratings obtained by the Company during the financial year 2024-25:

The details with respect to Credit Ratings obtained by the Company are given in the Directors' Report.

(o) Transfer of unclaimed dividends due for remittance into Investor Education and Protection Fund:

As on March 31, 2025, no amount of unclaimed dividend is due for transfer to Investor Education and Protection Fund.

(p) Reconciliation of Share Capital Audit:

A quarterly audit was conducted by a Practicing Chartered Accountant, reconciling the issued and listed capital of the Company with the aggregate

of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the Stock Exchanges within the prescribed time limit.

(q) Information to Members:

A brief resume of the Directors appointed/reappointed together with the nature of their experience and details of other Directorships held by them is annexed to the Notice convening Annual General Meeting.

(r) Any query on Annual Report:

Members can write an email to secretarial@satincare.com or send their query on Annual Report to below mentioned address: Plot No. 492, Udyog Vihar, Phase III, Gurugram, Haryana 122016, India, addressed to the Company Secretary and Chief Compliance Officer of the Company.

9. OTHER DISCLOSURES:

(a) Disclosure on Materially significant related party transaction that may have potential conflict with the interest of listed entity at large:

There has been no material significant related party transaction with the Company's Promoters, Directors, Management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding related party transactions are given in the notes to accounts. The Company has also formulated a Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions ("RPT Policy") and necessary approval of the Audit Committee / Board of Directors were taken, wherever required, in accordance with the RPT Policy.

The RPT policy has been uploaded on the website of the Company at <https://satincare.com/wp-content/uploads/2025/04/RPT-Policy.pdf>

(b) Details of non-compliance by the Company penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authorities on any matter related to capital markets during the last three years:

There was no instances of material non-compliance with Stock Exchange(s), SEBI Regulations, RBI Master Directions and other applicable laws and regulations.

Corporate Governance Report (Contd.)

During the financial year 2022-23, the Company was in receipt of an email from BSE Limited regarding delay in submission of intimations during financial year 2020-21 and 2021-22 under Regulation 60(2) of SEBI LODR Regulations asking for fines to be deposited. In view of this, the Company filed a response mentioning reasons of delay i.e. due to unprecedented pandemic caused by COVID 2.0. The said intimations were submitted with some delay (i.e. 1-2 days) inadvertently to the Exchange which leads to non-compliance of Regulation 60(2) of SEBI LODR Regulations. In this regard, the Company had deposited an amount of INR 50,000 (Indian Rupees Fifty Thousand Only) plus taxes and intimated the payment details to BSE.

Further, during the financial year 2023-24, the Company was in receipt of an email from BSE Limited regarding delay in submission of prior intimation required under Regulation 50(1) of SEBI LODR Regulations, which pertains to the financial year 2020-21 asking for fine to be deposited. In response to this, the Company had filed a response mentioning the reasons of delay and the Company had deposited the amount of INR 1,000 (Indian Rupees One Thousand Only) plus taxes and intimated the payment details to BSE.

Except above, no penalties or strictures have been imposed on the Company by the Stock Exchange(s), SEBI or RBI or any statutory authority on any matter related to capital markets during the last three financial years.

(c) Establishment of Vigil Mechanism/Whistle Blower Policy:

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI LODR Regulations, the Company vide its Board meeting dated February 10, 2016 had adopted Whistle Blower Policy/Vigil Mechanism applicable for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail the mechanism.

The Company affirms that no personnel has been denied access to Audit Committee of the Company. In order to ensure proper functioning of vigil mechanism, Audit Committee of the

Company on quarterly basis take note of the same.

The Whistle Blower Policy/Vigil Mechanism is also placed on website of the Company, i.e. <https://satincare.com/wp-content/uploads/2024/09/Whistle-Blower-Policy.pdf>

(d) Compliance with mandatory requirement and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of corporate governance specified in SEBI LODR Regulations. The Board has taken cognizance of the discretionary requirements as specified in Part E of Schedule II to the SEBI LODR Regulations and are being reviewed from time to time.

(e) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure to commodity price risks. During the financial year 2024-25, the Company has managed the foreign exchange risk by hedging the entire principal and/or interest on its foreign currency borrowings. The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, options, interest rate swaps.

(f) Details of utilization of fund raised through Preferential Allotment or Qualified Institution Placement:

During the financial year 2024-25, the Company did not allot any shares through preferential allotment or qualified institutional placement.

(g) Certificate from Company Secretary in Practice for Non-disqualification of Directors:

The Company has obtained a certificate from Practicing Company Secretary, Mr. Shesdev Behera, partner, M/s. S. Behera & Co., confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The said certificate forms part of this Corporate Governance Report annexed as **Annexure – 2**.

(h) Total Fees paid to the Statutory Auditors:

A consolidated fee of INR 45,00,000 (Indian Rupees Forty-five Lakhs Only) was paid to Statutory Auditors by the Company for financial year 2024-25.

Corporate Governance Report (Contd.)

(i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the details of the cases reported during the financial year 2024-25 are mentioned hereunder.

Particulars	Financial Year (2024-25)
Number of complaints in the beginning of the Financial Year.	0
Number of complaints filed during the Financial Year.	1
Number of complaints disposed-off during the Financial Year.	1
Number of complaints remaining unresolved/pending as on end of the Financial Year.	0

(j) Disclosure pursuant to loans and advances by the Company and Subsidiaries in the nature of loans to firms/companies in which directors are interested:

The details of loans and advances in the nature of loans to firms/companies in which directors are interested are given in Notes to the Financial Statements.

(k) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

As on March 31, 2025, the Company has 1 (one) material Subsidiary viz. M/s Satin Housing Finance Limited.

(l) Weblink where the policy of determining "material" subsidiaries is disclosed:

The Company has a policy for determining 'material' subsidiaries in terms of SEBI LODR Regulations and such policy is uploaded on the Company's website and can be accessed through the following link <https://satincreditcare.com/wp-content/uploads/2025/04/Policy-on-Material-Subsidiary-1.pdf>

(m) The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the SEBI LODR Regulations.

10. COMPLIANCE CERTIFICATE:

The Company has complied with Corporate Governance Requirements as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI LODR Regulations for the period commencing from April 1, 2024 and ended on March 31, 2025 and the same is annexed to the report as **Annexure – 3**.

11. CEO/CFO CERTIFICATION:

The requisite certification from the Chairman cum Managing Director and Chief Financial Officer for the financial year 2024-25 required to be given under Regulations 17(8) and 33(2) of the SEBI LODR Regulations, were placed before the Board of Directors of the Company at its meeting held on May 7, 2025 and the same is annexed to the report as **Annexure – 4**.

12. EQUITY SHARES IN THE DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

As on March 31, 2025, there are no shares in the Demat suspense account / unclaimed suspense account.

13. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY:

The Company has not entered into any agreements falling under the provisions of Clause 5A of Paragraph A of Part A of Schedule III of SEBI LODR Regulations.

For and on behalf of
Satin Creditcare Network Limited

Sd/-

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

Place: Gurugram
Date: June 27, 2025

Annexures to Corporate Governance Report

ANNEXURE - 1

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

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, of the Company as approved by the Board of Directors, for the financial year ended on March 31, 2025.

Sd/-

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

Place: Gurugram
Date: May 7, 2025

ANNEXURE - 2

CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V PART C CLAUSE (10) SUB-CLAUSE (I) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of,
Satin Creditcare Network Limited

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that none of the directors on the board of the Company, have been debarred or disqualified, from being appointed or continuing as directors of companies, by the SEBI/MCA or any such statutory authority during the period commencing from April 01, 2024 till March 31, 2025.

For S.Behera & Co.
Company Secretaries

Sd/-

Shesdev Behera
FCS No. 8428
C P No.: 5980
ICSI UDIN: F008428G000435569

Date: May 26, 2025
Place: New Delhi

Annexures to Corporate Governance Report (Contd.)

ANNEXURE - 3

CERTIFICATE OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V (E) OF THE SECURITIES' AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of,
Satin Creditcare Network Limited

We have examined all the relevant records of Satin Creditcare Network limited (CIN: L65991DL1990PLC041796) ("the Company") for the purpose of certifying the compliance of the conditions of Corporate Governance as stipulated under Regulation 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period commencing from April 01, 2024 and ended on March 31, 2025. We have obtained all the information and explanations which are to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para C, D and E of Schedule V for the period commencing from April 01, 2024 till March 31, 2025.

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

For S.Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
FCS No. 8428
C P No.: 5980
ICSI UDIN: F008428G000435536

Date: May 26, 2025
Place: New Delhi

Annexures to Corporate Governance Report (Contd.)

ANNEXURE - 4

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

Sub: Certificate of Chairman cum Managing Director and Chief Financial Officer under Regulation 33(2) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Harvinder Pal Singh, Chairman cum Managing Director and Manoj Agrawal, Chief Financial Officer of the Company do hereby certify that:

- A) We have reviewed the financial results and the cash flow statement for the quarter and financial year ended March 31, 2025, as applicable and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period under review which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the auditors and the Audit Committee:
 - (i) that there is no significant changes in internal control over financial reporting during the period under review;
 - (ii) that there is no significant changes in accounting policies during the period under review and that the same have been disclosed in the notes to the financial statements; and
 - (iii) that there is no instances of significant fraud during the period under review of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of
Satin Creditcare Network Limited

Sd/-
Harvinder Pal Singh
Chairman cum Managing Director

Date: April 30, 2025
Place: Gurugram

Sd/-
Manoj Agrawal
Chief Financial Officer

Independent Auditor's Report

To the Members of Satin Creditcare Network Limited Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Satin Creditcare Network Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (**hereinafter referred to as the "standalone financial statements"**).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (**the "Act"**) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit & other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing

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

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	Auditor's Response
Reliance on Information Processing Systems for Accounting and Financial Reporting The Company operates in the financial services sector, where the volume and complexity of transactions necessitate the extensive use of information processing systems for accounting and financial reporting purposes. Consequently, the integrity, accuracy, completeness, and validity of financial information are significantly dependent on the design and effectiveness of the Company's information technology (IT) systems and related internal controls. Given the pervasive impact of these systems on the Company's standalone financial statements, and the reliance on automated processes and controls, we considered the use of information processing systems for accounting and financial reporting to be a key audit matter for the current year audit.	Principle Audit Procedures Our audit procedures in respect of this key audit matter included, but were not limited to, the following: a) Obtained an understanding of the Company's IT environment, including IT General Controls (ITGCs) and automated controls relevant to financial reporting, covering key applications, databases, and operating systems. b) Performed the following procedures: i. Tested the design and operating effectiveness of key ITGCs relating to: - User access management, - Change management, - IT operations, and - Segregation of duties around security administration and program maintenance.

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
	ii. Assessed the Company's periodic review processes for user access rights and evaluated the controls around approval and authorization of system changes. iii. Tested selected automated controls relevant to the recognition and measurement of loans, interest income, and other material financial reporting elements, including application interfaces and system-generated reports. iv. Evaluated the design and operating effectiveness of selected automated controls that were identified as key internal controls over financial reporting. c) Obtained written representations from management confirming the design and operational effectiveness of relevant IT controls during the period under audit.
Impairment of Financial Assets - Expected Credit Losses (ECL) [Refer Note No. 3(j) for the accounting policy and Note No. 44 for the related disclosures] As at March 31, 2025, the Company has financial assets (loans) amounting to INR 8,57,481.88 lakhs, including loans classified at fair value through other comprehensive income of INR 7,50,064.76 lakhs. In accordance with Ind AS 109 – Financial Instruments, the Company is required to recognise impairment losses on financial assets using the Expected Credit Loss (ECL) model. The determination of ECL involves complex modelling and requires management to make significant assumptions and judgments, including: - Determining criteria for a significant increase in credit risk (SICR); - Incorporating forward-looking macroeconomic assumptions into the model; - Estimating key parameters such as probability of default (PD), loss given default (LGD), exposure at default (EAD) and discounting factor. These estimates are derived using internally developed statistical models, historical data, and involve input from external experts engaged by the management. Given the materiality of the financial assets, the subjectivity involved in modelling assumptions, and the degree of management judgment required, we identified the impairment of financial assets under the ECL framework as a key audit matter.	Principle Audit Procedures Our audit procedures to address this key audit matter included, but were not limited to, the following: a) Obtained an understanding of the Company's process for determining ECL and performed a walkthrough to assess the design effectiveness of related controls. b) Reviewed the Company's accounting policies and the governance framework for ECL as approved by the Board, and evaluated their compliance with Ind AS 109 and the relevant regulatory guidelines issued by the Reserve Bank of India (RBI). c) Gained an understanding of the Company's ECL model, including the methodology, key assumptions, and data inputs used. Evaluated how the model captures relevant historical data, current conditions, and forward-looking information. d) Assessed the competence, independence, and objectivity of the external expert appointed by management to review the ECL model, and evaluated the conclusions drawn by the expert. e) Evaluated the appropriateness of the Company's definition and application of the SICR criteria in accordance with Ind AS 109. f) Assessed whether the historical experience used in the model remained appropriate and relevant in the context of current market conditions and recent portfolio performance.

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
	g) Reviewed the staging of loans based on their past due status and tested a sample of Stage 1 assets to determine whether any indicators of SICR or impairment warranted classification into higher stages. h) Tested the design and operating effectiveness of key controls over the completeness and accuracy of data and assumptions used in the ECL computation. i) Performed substantive procedures to test the accuracy of data inputs and assessed the reasonableness of management's assumptions. j) Developed an independent point estimate or range and compared it with the ECL recognised by the Company to assess the reasonableness of the overall provision. k) Verified the mathematical accuracy of the ECL calculations and assessed the adequacy and appropriateness of the related disclosures in the financial statements in accordance with Ind AS and applicable RBI circulars. l) Obtained written representations from management on the reasonableness of key assumptions used in the estimation of ECL.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, Board of Directors are responsible for assessing the Company's ability

Independent Auditor's Report (Contd.)

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- planning the scope of our audit work and in evaluating the results of our work; and
- to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Independent Auditor's Report (Contd.)

OTHER MATTER

The audit of comparative financial statements of the company for the year ended March 31, 2024 was conducted by M/s S S Kothari Mehta & Co. LLP, Chartered Accountants, the previous auditors of the Company, whose reports dated April 29, 2024, expressed an unmodified opinion on those audited standalone financial statements. Accordingly, we JC Bhalla & Co., Chartered Accountants, do not express any opinion on the figures reported in the financial statements for the year ended March 31, 2024.

Our opinion is not modified in respect of above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - g) In our opinion and to the best of our information

and according to the explanations given to us, the managerial remuneration has been paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in

Independent Auditor's Report (Contd.)

- writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the current financial year

and in the previous financial year. Hence, the compliance of Section 123 of the Act is not applicable;

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit and based on the review of available logs, we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the Company as per the statutory requirements for the record retention.

For **J C Bhalla & Co.**
Chartered Accountants
Firm Regn No. 001111N

Rajesh Sethi
Partner
Membership No. 085669
UDIN: 25085669BMODNV6732
Place: Gurugram
Date: May 07, 2025

Annexure “A” to the Independent Auditor's Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Satin Creditcare Network Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;
 - (B) The Company has maintained proper records showing full particulars of intangible assets;
 - b. According to the information and explanations provided to us, the Property, Plant & Equipment, Investment property and right-of-use assets have been physically verified by the management according to designed process to cover all the items once in three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its Assets. The discrepancies, noticed on such physical verification had been properly dealt with in the books of account;
 - c. According to the information and explanations given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company as at the balance sheet date except for the following property which was transferred as a result of an amalgamation of companies as stated in the Note No. 13 (i) to the Standalone Financial Statements wherein the title deeds are in the name of the erstwhile Company;

(Amount in INR Lakhs)

Description of Property	Gross Carrying Value as on March 31, 2025	Held in the Name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Building	292.00	Satin Intellicomm Limited	Not Applicable	Since December 2007	The said property is in the name of Satin Intellicomm Limited, an erstwhile company that merged with the Company. However, transfer formalities are not yet completed.

- d. According to the information and explanations given to us and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
- e. According to the information and explanations given to us and based on our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable to the company and hence not commented upon.
- (b) According to the information and explanations given to us and based on our examination of records, the Company has been sanctioned overdraft against fixed deposits in excess of five crore rupees, in aggregate, from banks. However, there are no covenants in the sanction letters with respect to furnishing the quarterly returns/statements for such sanctioned overdraft limits.
- iii. According to the information and explanations given to us and based on our examination of records, the Company has made investments in, companies, firms, limited liability partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) Reporting under clause 3(iii)(a) of the Order is not applicable as the Company is a NBFC – MFI;
 - (b) In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest;
 - (c) In respect of loans and advances granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. The

Annexure “A” to the Independent Auditor's Report (Contd.)

principal business of the Company is to give loans, so the irregular repayments of loans and advances overdue by more than 90 days are as below:

(INR in Lakhs)

Type of Loan	Number of Cases	Principal Overdue	Interest Overdue	Total Overdue
JLG	2,39,019	14,203.11	3,142.01	17,345.12
MSME	33	17.38	17.79	35.17
Total	2,39,052	14,220.49	3,159.80	17,380.29

- (d) In respect of loans granted by the Company, the details of total amount overdue above 90 days is Rs. 17,380.29 Lakhs. Based on the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest;
- (e) Reporting under clause 3(iii)(e) of the Order is not applicable as the Company is an NBFC – MFI;
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence the reporting under clause 3(iii)(f) is not applicable.
- iv. According to the information and explanations given to us, there are no transactions which are required to be reported under Section 185 of the Act. However, the Company has complied with the provisions of Section 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, to the extent applicable.
- v. According to the information and explanations given to us, during the year the Company has neither accepted any deposits from the public nor any deposits are outstanding during the year. There are no deemed deposits under the provisions of the Act and rules thereunder. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government in terms of sub-section (1) of section 148 of the Act are not applicable to the company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us and the records of the Company examined by us and based on the representation given by the management, in our opinion:
 - a. the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, service tax, sales tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable, with the appropriate authorities. There were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable;
 - b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (INR in Lakhs)	Assessment year to which the amount relates	Forum where Dispute is pending
The Income Tax Act, 1961	Income Tax	64.96	2018-19	CIT (A)
		67.35	2020-21	CIT (A)
		93.68	2021-22	CIT (A)

- viii. According to the information and explanation given to us and based on our examination of records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) Based on the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us and based on our examination of records, the Company has applied the term loans for the purpose for which the loans were obtained;
- (d) According to the information and explanations given to us and based on our examination of records, funds raised on short- term basis have, prima facie, not been used for long-term purposes by the Company during the year;

Annexure "A" to the Independent Auditor's Report (Contd.)

- (e) According to the information and explanations given to us and based on our examination of records, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) According to the information and explanations given to us and based on our examination of records, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised money by way of initial public offer or further public offer during the year. Further, monies raised by the Company by way of non-convertible debentures were applied for the purposes for which those were raised;
- (b) According to the information and explanations given to us and based on our examination of records, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Hence, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) According to the information and explanations given to us and based on our examination of records, no fraud by the Company or on the Company has been noticed or reported during the year except management reported few instances of misappropriation of cash collected from customers and other forms of embezzlement of cash by the employees, involving amount aggregating to INR 25.83 Lakhs (net of recovery). As informed to us, the Company has terminated the services of such employees and also initiated legal action against them;
- (b) According to the information and explanations given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) We have been informed that there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under the clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- xiv. (a) According to the information and explanations given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business;
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons concerned with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) as a NBFC-MFI and has obtained the certificate vide no. B-14.01394 dated November 06, 2013;
- (b) According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company;
- (d) As per the information and explanations provided to us by the Company, the Group does not have more than one CICs as part of the Group.

Annexure "A" to the Independent Auditor's Report (Contd.)

- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. According to the information and explanations given to us and based on our examination, there has been no resignation of the statutory auditors during the year. However, previous statutory auditors have completed their tenure as prescribed under the applicable laws and regulations.
- xix. According to the information and explanations given to us and based on our examination of the records of the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, there is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing or other than ongoing projects requiring a transfer to a Fund specified in Schedule VII of the Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The Companies (Auditor's Report) Order (CARO) is reported on the standalone financial statements of the Company. Therefore, the provision of clause 3(xxi) of the Order is not applicable.

For **J C Bhalla & Co.**
Chartered Accountants
Firm Regn No. 001111N

Rajesh Sethi
Partner
Membership No. 085669
UDIN: 25085669BMODNV6732
Place: Gurugram
Date: May 07, 2025

Annexure “B” to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Satin Creditcare Network Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB- SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE “ACT”)

We have audited the internal financial controls with reference to standalone financial statements of **Satin Creditcare Network Limited** (the “Company”) as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding

of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

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

Annexure “B” to the Independent Auditor's Report (Contd.)

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively

as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **J C Bhalla & Co.**
Chartered Accountants
Firm Regn No. 001111N

Rajesh Sethi
Partner
Membership No. 085669
UDIN: 25085669BMODNV6732
Place: Gurugram
Date: May 07, 2025

Standalone Balance Sheet

As at March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial assets			
Cash and cash equivalents	4	64,024.61	35,628.06
Bank balances other than cash and cash equivalents	5	57,635.35	78,026.10
Derivative financial instruments	6	1,490.24	1,800.00
Trade receivables	7	142.34	400.90
Loans	8	8,57,481.88	7,95,143.90
Investments	9	91,365.13	82,481.45
Other financial assets	10	2,923.70	2,634.29
		10,75,063.25	9,96,114.70
Non-financial assets			
Current tax assets (net)	11	740.46	180.66
Investment Property	12	601.14	631.91
Property, plant and equipment	13	8,811.15	8,641.25
Capital work-in-progress	13	29.60	-
Other intangible assets	14	5.64	41.01
Other non-financial assets	15	3,379.51	2,491.38
		13,567.50	11,986.21
TOTAL ASSETS		10,88,630.75	10,08,100.91
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	16		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		67.78	241.60
Other payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		27.47	83.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,787.20	1,244.97
Debt securities	18	1,66,322.82	1,01,416.58
Borrowings (other than debt securities)	19	5,80,812.20	5,85,312.08
Subordinated liabilities	20	32,817.75	32,767.40
Other financial liabilities	21	17,497.62	10,543.52
		8,00,332.84	7,31,609.70
Non-financial liabilities			
Current tax liabilities (net)	22	-	234.95
Provisions	23	1,550.04	834.80
Deferred tax liabilities (net)	24	1,304.36	7,834.74
Other non-financial liabilities	25	1,115.71	852.45
		3,970.11	9,756.94
EQUITY			
Equity share capital	26	11,004.32	11,004.32
Other equity	27	2,73,323.48	2,55,729.95
		2,84,327.80	2,66,734.27
TOTAL LIABILITIES AND EQUITY		10,88,630.75	10,08,100.91

Statement of material accounting policies and other explanatory notes. 1-3

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

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Place : Gurugram
Date : May 07, 2025

Standalone Statement of Profit and Loss

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I. INCOME			
Revenue from operations			
Interest income	28	2,10,637.17	1,74,876.22
Dividend income	29	12.50	-
Rental income	30	130.86	129.25
Fees and commission income	31	1,207.49	2,536.64
Net gain on fair value changes	32	3,085.94	1,107.07
Net gain on derecognition of financial instruments	33	22,087.55	25,702.55
Other operating income	34	186.66	526.87
Total revenue from operations		2,37,348.17	2,04,878.60
Other income	35	328.08	186.22
Total income		2,37,676.25	2,05,064.82
II. EXPENSES			
Finance costs	36	94,976.24	83,284.36
Impairment on financial instruments	37	50,319.44	14,448.03
Employee benefits expenses	38	50,731.66	36,570.22
Depreciation and amortization	39	2,360.10	1,997.75
Other expenses	40	15,990.88	12,179.51
Total expenses		2,14,378.32	1,48,479.87
Profit before tax		23,297.93	56,584.95
Tax expense:	41		
Current tax		8,411.64	6,709.27
Tax adjustment related to earlier years		(645.00)	-
Deferred tax (credit)/charge		(6,124.94)	7,591.27
Total tax expense		1,641.70	14,300.54
Profit after tax		21,656.23	42,284.41
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans (refer note 48)		(763.36)	7.66
Equity instruments through other comprehensive income (refer note 9)		(4,466.08)	(2,046.87)
Income tax relating to above items		1,316.15	513.23
	A	(3,913.29)	(1,525.98)
Items that will be reclassified to profit or loss			
Changes in fair value of loan assets (refer note 8)		(259.34)	2,030.59
Income tax relating to above item		65.27	(511.06)
	B	(194.07)	1,519.53
Other comprehensive income	A+B	(4,107.36)	(6.45)
Total comprehensive income for the year		17,548.87	42,277.96
Earnings per equity share (face value of INR 10 per equity share)	42		
Basic (INR)		19.69	43.01
Diluted (INR)		19.69	41.97

Statement of material accounting policies and other explanatory notes. 1-3

This statement of profit and loss referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Place : Gurugram
Date : May 07, 2025

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Standalone Cash Flow Statement

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	23,297.93	56,584.95
Adjustments for:		
Depreciation and amortization	1,338.91	1,149.07
Depreciation of right-of-use assets	1,021.19	848.68
Net loss/(gain) on derecognition of property, plant and equipment	13.27	56.83
Fair value gain on mutual funds	(2,228.13)	(1,182.31)
Loss/ (gain) on fair valuation of subsidiaries	(1,291.42)	(387.46)
Unrealised loss/ (gain) on fair value changes of derivatives and investments	433.61	462.70
Impairment on financial instruments	50,319.44	14,448.03
Dividend income	(12.50)	-
Net gain on sale of loan portfolio through assignment	(22,087.55)	(25,702.55)
First loss default guarantee reversal	(3.40)	(1,124.22)
Share based payment to employees	43.29	-
Effective interest rate adjustment for financial instruments	5,444.39	4,387.03
Interest expense for leasing arrangements	200.17	201.22
Net gain on termination of leases	(12.46)	(15.57)
Corporate guarantee premium income	(108.49)	(53.76)
Unrealised exchange fluctuation loss (net)	1,683.96	924.29
Operating profit before working capital changes	58,052.21	50,596.93
Movement in working capital		
(Increase)/decrease in trade receivables	258.21	(177.94)
(Increase)/decrease in loans	(1,04,647.74)	(2,14,734.51)
(Increase)/decrease in other bank balances	20,390.75	3,516.33
(Increase)/decrease in other financial assets	(273.10)	(1,124.16)
(Increase)/decrease in other non-financial assets	(600.39)	60.84
Increase/(decrease) in trade and other payables	1,313.70	222.09
Increase/(decrease) in other financial liabilities	7,065.99	(13,821.29)
Increase/(decrease) in provisions	(48.12)	138.61
Increase/(decrease) in other non-financial liabilities	263.26	272.82
Cash used in operating activities post working capital changes	(18,225.23)	(1,75,050.28)
Income tax paid (net)	(7,585.41)	(3,333.35)
Net cash used in operating activities (A)	(25,810.64)	(1,78,383.63)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress)	(1,549.64)	(1,084.46)
Proceeds from sale of property, plant and equipment	(91.42)	54.48
Investment made in subsidiaries	(7,200.00)	(8,999.99)
Investment made in other than subsidiaries	(16,24,036.49)	(13,51,624.99)
Sale of investments other than subsidiaries	16,22,564.49	13,53,071.00
Dividend income	12.50	-
Net cash used in investing activities (B)	(10,300.56)	(8,583.96)
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)	-	33,084.63
Proceeds from debt securities	81,944.58	48,787.91
Repayment of debt securities	(18,605.49)	(57,067.17)
Proceeds from borrowings other than debt securities	4,04,867.17	6,08,934.03
Repayment of borrowings other than debt securities	(4,02,507.32)	(4,29,075.52)
Lease payments	(1,191.19)	(1,011.13)
Proceeds from subordinated liabilities	-	4,801.07
Repayment of subordinated liabilities	-	(7,191.18)
Net cash generated from financing activities (C)	64,507.75	2,01,262.64
Net increase / (decrease) in cash and cash equivalents (A+B+C)	28,396.55	14,295.05
Cash and cash equivalents at the beginning of the year	35,628.06	21,333.01
Cash and cash equivalents at the end of the year	64,024.61	35,628.06
<i>(i) Refer note 20 for reconciliation of liabilities arising from financing activities.</i>		

Standalone Cash Flow Statement

For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Notes:		
Cash and cash equivalents (as per note 4 to the financial statements)	64,024.61	35,628.06
Less: Overdraft facility against term deposits	-	-
	64,024.61	35,628.06

Statement of material accounting policies and other explanatory notes. 1-3

This statement of cash flows referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Place : Gurugram
Date : May 07, 2025

Place : Gurugram
Date : May 07, 2025

Standalone Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL (REFER NOTE 26)

As at March 31, 2025

Particulars	Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2024	Changes during the year	Balance as at March 31, 2025
Equity share capital	11,004.32	-	11,004.32	-	11,004.32

As at March 31, 2024

Particulars	Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2023	Changes during the year	Balance as at March 31, 2024
Equity share capital	8,479.63	-	8,479.63	2,524.69	11,004.32

B. OTHER EQUITY (REFER NOTE 27)

Particulars	Reserves and surplus					Other comprehensive income		Money received against share warrants	Total
	Statutory reserve	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings	Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	
Balance as at April 01, 2023	16,057.47	1,13,726.31	29.94	2,777.00	-	48,663.24	(2,049.12)	760.13	1,82,892.05
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at April 01, 2023	16,057.47	1,13,726.31	29.94	2,777.00	-	48,663.24	(2,049.12)	760.13	1,82,892.05
Profit for the year	-	-	-	-	-	42,284.41	-	-	42,284.41
Other comprehensive income (net of tax)	-	-	-	-	-	5.73	(1,531.71)	1,519.53	(6.45)
Issue of equity shares (net of share issue expenses)	-	33,487.02	-	-	-	-	-	-	21,778.70
Money received against share warrants (refer note 26(F))	-	-	-	-	-	-	-	-	8,781.24
Transfer to statutory reserves	8,456.89	-	-	-	-	(8,456.89)	-	-	-
Balance as at March 31, 2024	24,514.36	1,47,213.33	29.94	2,777.00	-	82,496.49	(3,580.83)	2,279.66	2,55,729.95
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at March 31, 2024	24,514.36	1,47,213.33	29.94	2,777.00	-	82,496.49	(3,580.83)	2,279.66	2,55,729.95

Standalone Statement of Changes in Equity For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Reserves and surplus					Other comprehensive income		Money received against share warrants	Total
	Statutory reserve	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings	Equity instruments through other comprehensive income	Change in fair value of loan assets through other comprehensive income	
Profit for the year	-	-	-	-	-	21,656.23	-	-	21,656.23
Other comprehensive income (net of tax)	-	-	-	-	-	(571.23)	(3,342.06)	(194.07)	(4,107.36)
Amount transferred to retained earning*	-	-	-	-	-	(2,901.86)	2,901.86	-	-
Transfer to statutory reserves	4,331.24	-	-	-	-	(4,331.24)	-	-	-
Share based payment to employees	-	-	-	-	44.66	-	-	-	44.66
Balance as at March 31, 2025	28,845.60	1,47,213.33	29.94	2,777.00	44.66	96,348.39	(4,021.03)	2,085.59	2,73,323.48

* During the current year, an amount of INR 2,901.86 Lakhs (net of deferred tax of INR 975.97 Lakhs) (March 31, 2024: INR Nil) has been transferred from Equity instruments through other comprehensive income to Retained Earnings. This amount reflects fair value loss of INR 3,877.83 Lakhs (March 31, 2024: INR Nil) on account of Security Receipts (Prudent Trust 67/22) till March 31, 2025 which has been written off due to expiry of redemption realization period in terms of applicable RBI Direction.

Statement of material accounting policies and other explanatory notes. 1-3

This statement of changes in equity referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Satvinder Singh
(Director)
DIN: 00332521
Manoj Agrawal
(Chief Financial Officer)

Summary of Material Accounting Policies and Other Explanatory Information

for the year ended March 31, 2025

1 COMPANY OVERVIEW

Satin Creditcare Network Limited ('the Company') (CIN : L65991DL1990PLC041796) is a public limited company and incorporated under the provisions of Companies Act. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with the Reserve Bank of India ("RBI") in November 2013. The Company is engaged primarily in providing micro finance services to women in the rural areas of India who are enrolled as members and organized as Joint Liability Groups ('JLG'). The Company is domiciled in India and its registered office is situated at 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, New Delhi – 110033.

2 BASIS OF PREPARATION

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

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

The financial statements for the year ended March 31, 2025 were authorized and approved for issue by the Board of Directors on May 07,2025.

(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 recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

(iii) Going Concern

Management is of the view that having regard to the projections of the business prospects, Company shall

be able to continue as a going concern. Accordingly, management considers it appropriate to prepare these financials statements on a going concern basis.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The financial statements have been prepared using the material accounting policies and measurement bases summarized 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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized 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:

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.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

De-recognition

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

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 Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company 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 derecognized 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 recognized 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 (amortization method, useful lives and residual value)

Intangible assets are amortized over a period of 3-5 years from the date when the assets are available for use. The estimated useful life (amortization 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 amortization period is revised to reflect the changed pattern, if any.

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 recognized as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortization of the asset begins when development is complete and the asset is available for use.

e) Revenue recognition

Interest income on loans

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized 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 amortized cost of a financial liability.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

The Company recognizes 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 Company recognizes interest income on the net amortized cost of financial assets at EIR. If financial asset is no longer credit-impaired Company 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 recognized when the related loan assets are de-recognized. Interest income is also recognized on carrying value of remaining assets over the outstanding period of such assets.

Commission income

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

Dividend income

Dividend income is recognized 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 Company 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.

Current tax relating to items recognized outside profit or loss is recognized 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 recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized 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 recognized outside profit or loss is recognized 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.

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

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

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

Defined contribution plans

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

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and last drawn salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/ losses resulting from re-measurements of the liability/ asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after 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) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount

is higher of an asset's 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 recognized 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 recognized in statement of profit and loss when the compensation becomes receivable.

j) Impairment of financial assets

The Company is recording the allowance for expected credit losses for all loans at amortized 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 Company's policies for determining if there has been a significant increase in credit risk.

Loan assets

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

- Stage 1 (0-30 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:

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default.

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

Trade receivables

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

Other financial assets

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

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

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), bank balance and deposits with original maturity upto 3 months that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Company has netted off the balance of bank overdraft with cash and cash equivalents for cash flow statement as they are considered an integral part of the Company's cash management.

l) 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.

m) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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

n) Leases

Company 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 Company assesses whether

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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 Company
- the Company 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 Company has the right to direct the use of the identified asset throughout the period of use.

The Company 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 Company recognizes 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 Company, 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).

The Company 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 Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company 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 Company'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 Company 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 recognized 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 Company is lessee

The Company 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 Company has several lease contracts that include extension and termination options. The Company 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.

o) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

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

Non-derivative financial assets

Subsequent measurement

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss.

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

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

- 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 recognized in OCI. Interest income are recognized in profit or loss in the same manner as for financial assets measured at amortized 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 Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized 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 FVTPL – FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL, with all changes recognized in profit and loss.

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-recognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also de-recognize the

financial asset and recognize 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 amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized 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 recognized in the Statement of Profit and Loss.

Financial Guarantees

Financial guarantees are initially recognized 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 recognized less cumulative amortization.

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

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

Derivative contracts

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

Fair value measurement

The Company 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:

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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

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

p) Foreign currency

Functional and presentation currency

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

Transactions and balances

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

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

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

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

Significant management judgements

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

Business model assessment – The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

Evaluation of indicators for impairment of assets

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

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortized cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

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

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

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

Significant estimates

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

r) 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, unrealized foreign currency gains and losses; and
- III. All other items for which the cash effects are investing or financing cash flows.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

4 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	2,154.30	3,316.04
Balances with banks and financial institutions		
- Balance with banks in current accounts	59,168.55	21,219.84
- Deposits for original maturity upto 3 months	2,701.76	11,092.18
Total	64,024.61	35,628.06

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits for original maturity of more than 3 months and upto 12 months	1,412.16	678.09
Deposits with original maturity more than 12 months	2,326.86	9,382.90
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	53,893.86	67,962.96
Earmarked balances with banks *	2.47	2.15
Total	57,635.35	78,026.10

* Balances with bank includes amount of INR 2.15 Lakhs (March 31, 2024 : INR 2.15 Lakhs) which is earmarked for unclaimed dividend.

The amount under lien as security against term loan and overdraft facility availed, assets securitized, first loss default guarantee are as follows (included above in note 5):-

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans	25,163.80	28,391.44
Overdraft facilities	20,880.42	20,595.92
Securitizations	7,547.57	18,790.49
Derivatives	167.43	155.66
Bank guarantee	28.12	26.96
Security against facilities	106.52	2.49
Total	53,893.86	67,962.96

6 DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2025		As at March 31, 2024	
	Notional amount	Fair value	Notional amount	Fair value
Currency and interest swap	1,38,513.64	1,490.24	73,109.97	1,800.00
	1,38,513.64	1,490.24	73,109.97	1,800.00
Included in above are derivative held for risk management purpose as follows:				
Undesignated derivative	1,38,513.64	1,490.24	73,109.97	1,800.00
Total	1,38,513.64	1,490.24	73,109.97	1,800.00

The Company enters into derivative contracts for risk management purposes.

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

The notional amount indicates the value of transaction outstanding at the year end and are not indicative of either the market risk or credit risk.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed with derivative instruments are foreign currency risk and interest rate risk.

Offsetting

The 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.

7 TRADE RECEIVABLES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - unsecured	142.69	419.66
Credit impaired - unsecured	18.76	-
	161.45	419.66
Less: Impairment loss allowance	(19.11)	(18.76)
Total	142.34	400.90

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	2.40	-	-	-	-	2.40
(ii) Undisputed trade receivables – credit impaired	-	-	1.00	17.76	-	18.76
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	140.29
As at March 31, 2025	2.40	-	1.00	17.76	-	161.45

(i) Undisputed trade receivables – considered good	43.04	-	17.76	-	-	60.80
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	358.86
As at March 31, 2024	43.04	-	17.76	-	-	419.66

The Company 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.

8 LOANS

Particulars	As at March 31, 2025			As at March 31, 2024		
	At fair value through other comprehensive income	At amortized cost	Total	At fair value through other comprehensive income	At amortized cost	Total
Term Loan						
Portfolio loans (also refer note 44)						
Secured	-	1,862.23	1,862.23	-	3,095.97	3,095.97
Unsecured	7,73,878.55	1,11,857.08	8,85,735.63	6,59,652.72	1,49,978.41	8,09,631.13
Total - Gross	7,73,878.55	1,13,719.31	8,87,597.86	6,59,652.72	1,53,074.38	8,12,727.10
Less: Impairment loss allowance	(23,813.79)	(6,302.19)	(30,115.98)	(13,204.90)	(4,378.30)	(17,583.20)
Total - Net	7,50,064.76	1,07,417.12	8,57,481.88	6,46,447.82	1,48,696.08	7,95,143.90

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Secured by tangible assets (property, plant and equipment including land and building)	425.53	918.85
(ii) Secured by book debts, inventories, margin money and other working capital items	1,436.70	2,177.12
(iii) Unsecured	8,85,735.63	8,09,631.13
Total - Gross	8,87,597.86	8,12,727.10
Less: Impairment loss allowance	(30,115.98)	(17,583.20)
Total - Net	8,57,481.88	7,95,143.90

Particulars	As at March 31, 2025	As at March 31, 2024
Loans in India		
(i) Public sector	-	-
(ii) Others	8,87,597.86	8,12,727.10
Total - Gross	8,87,597.86	8,12,727.10
Less: Impairment loss allowance	(30,115.98)	(17,583.20)
Total - Net	8,57,481.88	7,95,143.90

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

9 INVESTMENTS

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amortized cost	At fair value		Total	Amortized cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Equity instruments (unquoted)								
Subsidiaries								
15,19,34,675 (March 31, 2024: 12,96,23,230) equity shares of face value of INR 10 each of Satin Housing Finance Limited	-	-	47,935.39	47,935.39	-	-	40,387.98	40,387.98
15,75,57,892 (March 31, 2024: 15,75,57,892) equity shares of face value of INR 10 each of Satin Finserv Limited	-	-	37,719.40	37,719.40	-	-	36,975.39	36,975.39
20,00,000 (March 31, 2024: Nil) equity shares of face value of INR 10 each of Satin Technologies Limited	-	-	200.00	200.00	-	-	-	-
Others (unquoted)								
50,000 (March 31, 2024 : 50,000) equity shares of face value of INR 10 each of Alpha Micro Finance Consultants Private Limited#	-	-	-	-	-	-	-	-
31,471 (March 31, 2024 : 31,471) Equity Shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited#	-	-	-	-	-	-	80.13	80.13

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amortized cost	At fair value		Total	Amortized cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Others (quoted)								
42,400 (March 31, 2024 : Nil)	-	-	21.43	21.43	-	-	-	-
Equity Shares of face value of INR 10 each of Usha Financial Services Limited								
Security Receipts (unquoted)								
Nil (March 31, 2024 : 4,50,500)	-	-	-	-	-	2,756.91	-	2,756.91
security receipts in Prudent Trust 67/22 (Trust floated by Prudent ARC Limited)								
7,35,250 (March 31, 2024 : 7,35,250) security receipts in Prudent Trust 70/22 (Trust floated by Prudent ARC Limited)	-	1,788.91	-	1,788.91	-	3,563.46	-	3,563.46
3,70,000 (March 31, 2024 : Nil) security receipts in Prudent Trust 115/25 (Trust floated by Prudent ARC Limited)	-	3,700.00	-	3,700.00	-	-	-	-
Total	-	5,488.91	85,876.22	91,365.13	-	6,320.37	77,443.50	83,763.87
(i) Investments in India	-	5,488.91	85,876.22	91,365.13	-	6,320.37	77,443.50	83,763.87
(ii) Investments outside India	-	-	-	-	-	-	-	-
Total	-	5,488.91	85,876.22	91,365.13	-	6,320.37	77,443.50	83,763.87
Less: Allowance for Impairment loss	-	-	-	-	-	(1,282.42)	-	(1,282.42)
Total	-	5,488.91	85,876.22	91,365.13	-	5,037.95	77,443.50	82,481.45
Name of Subsidiaries	Ownership Interest							
	As at March 31, 2025				As at March 31, 2024			
Satin Housing Finance Limited	100%				100%			
Satin Finserv Limited	100%				100%			
Satin Technologies Limited	100%				NA			

The Company has not entered in to any credit derivative to mitigate the credit risk (if any).

#Investment has been written off and therefore shown at zero value.

10 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	244.16	209.70
Staff advances	320.68	198.40
Insurance recoverable	368.26	807.44
Other recoverable	1,991.44	1,419.86
	2,924.54	2,635.40
Less: Impairment loss allowance	(0.84)	(1.11)
Total	2,923.70	2,634.29

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

11 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income - tax (net)	740.46	180.66
Total	740.46	180.66

12 INVESTMENT PROPERTY

Particulars	As at March 31, 2025	As at March 31, 2024
A. Reconciliation of carrying amount (Cost or deemed cost)		
Opening balance	769.52	769.52
Additions during the year	-	-
Total	769.52	769.52
Accumulated depreciation		
Opening balance	137.61	105.26
Additions during the year	30.77	32.35
Total	168.38	137.61
Carrying amount	601.14	631.91
B. Amount recognized in Statement of profit and loss for investment property		
Rental income	29.51	36.81
Less: Depreciation expense	30.77	32.35
Gain/(loss) from investment property	(1.26)	4.46
C. Measurement of fair value		
Investment property	1,382.95	1,158.55
	1,382.95	1,158.55

The Company's investment properties consist of two residential properties in India. The fair values of the properties are INR 1,382.95 Lakhs (March 31, 2024 : INR 1,158.55 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 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.

Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

13 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Buildings (refer note (i))	Right of use (Leased building)	Right of use (Vehicle)	Computer equipment	Electric equipment	Office equipment	Furniture and fixtures	Vehicles (refer note (iii))	Total	Capital work in progress
Gross carrying amount											
Balance as at April 01, 2023	1,518.37	4,516.22	1,813.90	80.69	2,843.45	817.30	741.56	1,773.82	284.58	14,389.89	-
Additions	-	-	1,454.32	-	757.52	-	100.04	145.42	81.48	2,538.78	-
Adjustment on account of disposals	-	-	(860.70)	-	(648.40)	-	(31.11)	(19.29)	(59.50)	(1,619.00)	-
Balance as at March 31, 2024	1,518.37	4,516.22	2,407.52	80.69	2,952.57	817.30	810.49	1,899.95	306.56	15,309.67	-
Additions	-	-	1,416.50	-	907.79	-	163.77	245.04	59.57	2,792.67	29.60
Adjustment on account of disposals	-	-	(914.57)	-	(365.31)	-	(54.67)	(147.29)	(27.72)	(1,509.56)	-
Balance as at March 31, 2025	1,518.37	4,516.22	2,909.45	80.69	3,495.05	817.30	919.59	1,997.70	338.41	16,592.78	29.60
Accumulated depreciation											
Balance as at April 01, 2023	-	747.33	745.20	6.14	2,311.23	290.56	597.60	1,225.63	137.21	6,060.90	-
Depreciation charge for the year	-	184.29	825.40	23.28	485.96	93.74	78.04	156.01	57.60	1,904.32	-
Adjustment on account of disposals	-	-	(607.24)	-	(605.54)	-	(29.03)	(16.03)	(38.96)	(1,296.80)	-
Balance as at March 31, 2024	-	931.62	963.36	29.42	2,191.65	384.30	646.61	1,365.61	155.85	6,668.42	-
Depreciation charge for the year	-	174.99	1,005.18	16.01	699.29	75.85	104.56	164.14	54.78	2,294.80	-
Adjustment on account of disposals	-	-	(651.48)	-	(336.34)	-	(51.02)	(128.42)	(14.33)	(1,181.59)	-
Balance as at March 31, 2025	-	1,106.61	1,317.06	45.43	2,554.60	460.15	700.15	1,401.33	196.30	7,781.63	-
Net carrying amount											
Balance as at March 31, 2024	1,518.37	3,584.60	1,444.16	51.27	760.92	433.00	163.88	534.34	150.71	8,641.25	-
Balance as at March 31, 2025	1,518.37	3,409.61	1,592.39	35.26	940.45	357.15	219.44	596.37	142.11	8,811.15	29.60

Notes:

(i) Details of property not held in the name of the Company

Particulars	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 since which date	Reason for not being held in the name of the Company
Property, plant & equipment	Buildings	292.00	Satin Intellicomm Limited	No	December, 2007	Buildings acquired under amalgamation. Transfer formalities are yet to be completed.

Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- (ii) For disclosure of contractual commitments to be executed on capital account, refer note 52.
- (iii) Vehicles which are taken on finance lease; monthly installments are paid as per agreed terms and conditions.
- (iv) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 53.
- (v) 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	More than 3 years	Total
Projects in progress					
As at March 31, 2025	29.60	-	-	-	29.60
As at March 31, 2024	-	-	-	-	-

14 OTHER INTANGIBLE ASSETS

Particulars	Computer software	Total
Gross carrying amount		
Balance as at April 01, 2023	1,173.89	1,173.89
Additions		
- Additions – being internally developed	-	-
- Additions – others	-	-
Adjustment on account of disposals	(250.52)	(250.52)
Balance as at March 31, 2024	923.37	923.37
Additions		
- Additions – being internally developed	-	-
- Additions – others	-	-
Adjustment on account of disposals	(127.98)	(127.98)
Balance as at March 31, 2025	795.39	795.39
Accumulated amortization		
Balance as at April 01, 2023	1,029.23	1,029.23
Amortization charge for the year	61.09	61.09
Adjustment on account of disposals	(207.96)	(207.96)
Balance as at March 31, 2024	882.36	882.36
Amortization charge for the year	34.53	34.53
Adjustment on account of disposals	(127.14)	(127.14)
Balance as at March 31, 2025	789.75	789.75
Net block		
Balance as at March 31, 2024	41.01	41.01
Balance as at March 31, 2025	5.64	5.64

15 OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	3,076.54	2,118.23
Balances with government authorities	47.96	63.91
Capital advances	143.87	-
Gratuity fund assets (refer note 48)	-	155.14
Other assets	111.14	154.10
Total	3,379.51	2,491.38

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

16 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (refer to note 59)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	67.78	241.60
Total	67.78	241.60

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	-	-	-	-	-	-
(ii) Others	67.78	-	-	-	-	67.78
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2025	67.78	-	-	-	-	67.78

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	-	-	-	-	-	-
(ii) Others	241.60	-	-	-	-	241.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2024	241.60	-	-	-	-	241.60

17 OTHER PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (refer to note 59)	27.47	83.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,787.20	1,244.97
Total	2,814.67	1,328.52

18 DEBT SECURITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
External commercial borrowings	26,084.52	-
Non-convertible securities	1,40,238.30	1,01,416.58
Total	1,66,322.82	1,01,416.58
Debt securities in India	1,40,238.30	1,01,416.58
Debt securities outside India	26,084.52	-
Total	1,66,322.82	1,01,416.58

The Company has maintained asset cover as stated in the information memorandum/ Key information Document which is sufficient to discharge the principal amount and interest at all times for the non- convertible debt securities issued.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Terms of repayment	As at March 31, 2025	As at March 31, 2024
Non-convertible securities (secured)				
1	Nil (March 31, 2024: 9,750) @Nil (Previous year: 10.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 5 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 INR 4,874.51 Lakhs (99.99%) on May 06, 2022 and rest INR 0.49 Lakhs (.01%) on May 06, 2024 and frequency of Interest payment is half yearly.	-	0.49
2	Nil (March 31, 2024: 600) @Nil (Previous year: 11.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 5,00,000 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 INR 1,500 Lakhs (25%) on April 24, 2023, INR 1,500 Lakhs (25%) on October 24, 2023 rest INR 3,000 Lakhs (50%) on April 23, 2024 and frequency of Interest payment is half yearly.	-	2,999.98
3	18,750 (March 31, 2024: 18,750) @11.10% (Previous year: 11.10%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 10 each (March 31, 2024: INR 10 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 INR 18,748.13 Lakhs (99.99%) on June 05, 2023 and rest INR 1.87 Lakhs (.01%) on June 05, 2025 and frequency of Interest payment is half yearly.	1.88	1.88
4	Nil (March 31, 2024: 5,000), @ Nil (Previous year: 2.00% XIRR), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is April 06, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding principal plus accrued interest/ obligations).	Redeemable at premium on October 06, 2024 and frequency of Interest payment is yearly.	-	4,907.85
5	Nil (March 31, 2024: 1,500), @Nil (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is July 28, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 28, 2025 and frequency of Interest payment is monthly.	-	1,475.30

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
6 Nil (March 31, 2024: 2,000), @Nil (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 07, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on March 28, 2025 and frequency of Interest payment is monthly.	-	1,999.38
7 5,382 (March 31, 2024: 5,382), @10.90% (Previous year: 10.90%), Rated, Unlisted, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is June 28, 2023. (Secured by way of hypothecation of loans (and/or other assets) in the form of a fixed charge, whereas the cumulative amount of all assets subject to the hypothecation shall be, at any time, not less than 100% of the outstanding amount).	Redeemable at par INR 5,381.46 Lakhs (99.99%) on May 08, 2025 and rest INR 0.54 Lakhs (.01%) on May 08, 2027 and frequency of Interest payment is semi-annually.	5,312.73	5,279.81
8 2,000 (March 31, 2024: 2,000), @10.95% (Previous year: 10.95%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 21, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on May 21, 2025 and frequency of Interest payment is monthly.	1,992.33	1,953.45
9 3,500 (March 31, 2024: 3,500), @10.90% (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 24, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on May 23, 2025 and frequency of Interest payment is annually.	3,492.51	3,440.94
10 680 (March 31, 2024: 680), @12.00% (Previous year : 12.00%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 10,00,000 each). The date of allotment is June 15, 2016 and roll over date is June 02, 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	6,800.00

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
11 2,000 (March 31, 2024: 2,000), @11.00% (Previous year: 11.00%), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is June 22, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on June 20, 2025 and frequency of Interest payment is monthly.	1,992.25	1,952.96
12 19,250 (March 31, 2024: 19,250) @11.15% (Previous year: 11.15%), Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2024: INR 50,000 each). 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 INR 9,624.03 Lakhs (99.99%) on June 24, 2025 and rest INR 0.96 Lakhs (.01%) on June 24, 2027 and frequency of Interest payment is half yearly.	9,558.28	9,459.01
13 5,000 (March 31, 2024: 5,000), @11.00% (Previous year: 11.00%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is October 13, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 13, 2026 and frequency of Interest payment is monthly.	4,998.67	4,996.98
14 2,060 (March 31, 2024: 2,060) @11.6880% (Previous year: 11.6880%), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: 1,00,000 each). 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.	2,052.53	2,043.84
15 750 (March 31, 2024: 750), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 7,50,000 each (March 31, 2024: INR 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 06, 2026 and frequency of Interest payment is half yearly.	5,617.57	7,484.10

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
16 300 (March 31, 2024: 300), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 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.	2,999.21	2,998.37
17 5,000 (March 31, 2024: 5,000), @10.85% (Previous year: 10.85%), Secured, Rated, Listed, Redeemable, Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is January 12, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on July 10, 2026 and frequency of Interest payment is annually.	4,919.15	4,855.83
18 5,000 (March 31, 2024: Nil), @10.25% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil). The date of allotment is August 22, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on August 21, 2026 and frequency of Interest payment is monthly.	4,921.26	-
19 Nil (March 31, 2024: 373), @Nil (Previous year: 11.50%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 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 02, 2026 (Subject to Call Put Option is exercised on August 30, 2024) and frequency of Interest payment is half yearly.	-	3,729.40
20 10,000 (March 31, 2024: 10,000), @13.00% (Previous year: 13.00%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 01, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 120% of the value of the outstanding amount).	Redeemable at par on September 11, 2026 and frequency of Interest payment is semi-annually.	9,868.71	9,778.13

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
21 7,500 (March 31, 2024: Nil), @10.60% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 80,000 each (March 31, 2024: INR Nil each). The date of allotment is April 23, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on October 23, 2026 and frequency of Interest payment is quarterly.	5,927.94	-
22 45,650 (March 31, 2024: 45,650), @11.70% (Previous year: 11.70%), Secured, Rated, Unlisted, Redeemable, Non-Convertible Debenture of face value of INR 10,000 each (March 31, 2024: INR 10,000 each). The date of allotment is December 01, 2023. (Secured by way of hypothecation over certain identified book debts/loan receivables of the Company with security cover at least 100% of the outstanding amount under the NCD).	Redeemable at par INR 4,564.54 Lakhs (99.99%) on December 01, 2026 and rest INR 0.45 Lakhs (.01%) on December 1, 2028 and frequency of Interest payment is semi-annually.	4,485.77	4,464.20
23 5,000 (March 31, 2024: Nil), @10.50% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil). The date of allotment is July 04, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on January 04, 2027 and frequency of Interest payment is annually.	4,915.80	-
24 2,500 (March 31, 2024: 2,500), @12.30% (Previous year: 12.30%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). 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.	2,498.55	2,497.72
25 7,840 (March 31, 2024: 7,840) @11.7160% (Previous year: 11.7160%) Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). 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.	7,799.49	7,778.10

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
26 1,000 (March 31, 2024: Nil), @11.71% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is April 18, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on April 20, 2027 and frequency of Interest payment is semi-annually.	8,554.09	-
27 7,000 (March 31, 2024: Nil), @10.40% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil each). The date of allotment is May 2, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding Amounts).	Redeemable at par on April 30, 2027 and frequency of Interest payment is quarterly.	6,816.07	-
28 2,683 (March 31, 2024: 2,683), @10.85% (Previous year: 10.85%), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 09, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 09, 2027 and frequency of Interest payment is quarterly.	2,661.66	2,652.38
29 1,417 (March 31, 2024: 1,417), @10.85% (Previous year: 10.85%), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 14, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 14, 2027 and frequency of Interest payment is quarterly.	1,406.34	1,401.73
30 500 (March 31, 2024: Nil), @8.18% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is September 25, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on September 27, 2027 and frequency of Interest payment is semi-annually.	4,274.59	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
31 800 (March 31, 2024: Nil), @11.86% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is April 16, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on October 16, 2027 and frequency of Interest payment is semi-annually.	6,842.20	-
32 650 (March 31, 2024: 650), @12.15% (Previous year: 12.15%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 10,00,000 each). 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 semi-annually.	6,478.08	6,464.75
33 33,200 (March 31, 2024: Nil), @10.53% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil each). The date of allotment is May 24, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on May 24, 2029 and frequency of Interest payment is semi-annually.	32,721.51	-
34 750 (March 31, 2024: Nil), @8.47% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is October 03, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of principal amounts in respect of the Bonds.).	Redeemable at par on October 03, 2030 (Call and Put options available on October 04, 2027) and frequency of Interest payment is semi-annually.	6,413.65	-
Total		1,66,322.82	1,01,416.58

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

19 | BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans		
From banks		
Secured*	2,99,120.92	2,95,662.38
From other parties		
Secured#	1,06,963.90	1,33,110.81
External commercial borrowings		
Secured	98,368.69	60,027.09
Unsecured	12,802.61	12,437.82
Commercial paper (unsecured)	5,692.43	5,130.86
Liability against securitized assets (secured)	56,101.97	77,331.37
Liability against leased assets (unsecured)	1,761.68	1,611.75
Total	5,80,812.20	5,85,312.08
Borrowings in India	4,69,640.90	5,12,847.17
Borrowings outside India	1,11,171.30	72,464.91
Total	5,80,812.20	5,85,312.08

*Includes amount guaranteed by directors in their personal capacity of INR 1,49,059.49 Lakhs (March 31, 2024 : INR 1,52,544.54 Lakhs)

#Includes amount guaranteed by directors in their personal capacity of INR 57,691.77 Lakhs (March 31, 2024 : INR 99,414.40 Lakhs)

20 | SUBORDINATED LIABILITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-convertible debentures (refer note A)	12,817.75	12,767.40
Term loans from banks	20,000.00	20,000.00
Total	32,817.75	32,767.40
Subordinated liabilities in India	32,817.75	32,767.40
Subordinated liabilities outside India	-	-
Total	32,817.75	32,767.40

A. Non convertible debentures (unsecured)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
1	10,010 (March 31, 2024: 10,010), @ 13.14 % (Previous year: 13.14%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2024: INR 50,000 each)., The date of allotment is March 24, 2020.	4,979.05	4,965.26
2	300 (March 31, 2024: 300), @15.50% (Previous year: 15.50%), Unsecured, Rated, Listed, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 10,00,000 each). The date of allotment is December 17, 2019.	2,996.20	2,993.84

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
3	5,000 (March 31, 2024: 5,000), @ 12.75% (Previous year: 12.75%), Subordinated, Unsecured, Rated, Listed, Taxable, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is March 19, 2024.	4,842.50	4,808.30
Total		12,817.75	12,767.40

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2025 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 Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	79	17.90	72	18.21	22	4.16	-	-	-	-	40.27
	9% to 12%	5,344	2,47,968.97	11,371	1,05,993.18	9,185	5,786.40	1,108	128.64	1,736	13.97	3,59,891.16
	12.01% to 15%	68	5,623.60	-	-	-	-	-	-	-	-	5,623.60
Quarterly	9% to 12%	93	58,999.88	68	29,216.10	39	14,461.34	4	2,486.40	3	2,249.75	1,07,413.47
	12.01% to 15%	10	2,466.67	3	691.67	-	-	-	-	-	-	3,158.34
Semi-annually	9% to 12%	22	18,241.07	18	15,292.05	2	3,390.00	2	3,678.69	-	-	40,601.81
	Above 15%	2	1,500.00	2	1,500.00	-	-	-	-	-	-	3,000.00
Annually	9% to 12%	1	8,300.00	-	-	3	11,006.60	3	11,132.88	1	8,300.00	38,739.48
	12.01% to 15%	-	-	-	-	2	6,846.51	-	-	-	-	6,846.51
	Above 15%	3	8,625.00	-	-	-	-	-	-	-	-	8,625.00
Bullet	9% to 12%	11	33,006.84	8	40,241.75	6	11,280.57	3	25,674.88	-	-	1,10,204.04
	12.01% to 15%	5	21,566.83	6	44,613.84	6	19,077.25	-	-	1	5,000.00	90,257.92
	Above 15%	2	26,500.00	1	2,500.00	-	-	-	-	-	-	29,000.00
Total		5,640	4,32,816.76	11,549	2,40,066.80	9,265	71,852.83	1,120	43,101.49	1,741	15,563.72	8,03,401.60

Terms of repayment of debt securities, other borrowings and subordinated liabilities as on March 31, 2024 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 Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	127	31.60	87	21.59	84	22.62	23	4.76	32	6.38	86.95
	9% to 12%	6,995	2,23,052.28	5,937	1,05,995.97	4,757	39,393.12	3,665	46.26	5,004	303.27	3,68,790.90
	12.01% to 15%	390	49,888.97	101	11,107.31	-	-	-	-	-	-	60,996.28
Quarterly	Below 9.00%	4	375.00	-	-	-	-	-	-	-	-	375.00
	9% to 12%	55	53,035.20	36	32,168.33	10	5,834.55	4	2,501.22	7	4,377.13	97,916.43
	12.01% to 15%	22	4,966.67	11	2,685.42	3	691.67	-	-	-	-	8,343.76
Semi-annually	Below 9.00%	2	2,671.50	-	-	-	-	-	-	-	-	2,671.50
	9% to 12%	4	1,843.75	2	1,243.75	-	-	-	-	-	-	3,087.50
	12.01% to 15%	1	3,000.00	-	-	-	-	-	-	-	-	3,000.00
	Above 15%	-	-	2	1,500.00	2	1,500.00	-	-	-	-	3,000.00
Annually	12.01% to 15%	1	1,875.00	3	8,625.00	-	-	-	-	-	-	10,500.00
Bullet	9% to 12%	8	18,382.94	10	27,507.37	5	22,070.63	4	1.50	2	0.46	67,962.90
	12.01% to 15%	2	10,530.00	6	41,068.15	8	54,093.96	4	4,100.50	1	5,000.00	1,14,792.61
Total		7,611	3,69,652.91	6,195	2,31,922.89	4,869	1,23,606.55	3,700	6,654.24	5,046	9,687.24	7,41,523.83

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.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Reconciliation of liabilities arising from financing activities

The changes in the Company'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 01, 2023	1,09,144.08	3,99,241.33	35,126.25	1,236.37	5,44,748.03
Cash flows:					
- Repayment	(57,067.17)	(4,29,292.58)	(7,191.18)	(1,011.13)	(4,94,562.06)
- Proceeds from / (repayment of) overdraft facility	-	-	-	-	-
- Proceeds other than overdraft facility	50,047.00	6,14,613.02	5,000.00	-	6,69,660.02
	(7,020.17)	1,85,320.44	(2,191.18)	(1,011.13)	1,75,097.96
Non cash:					
- Addition during the year	-	-	-	1,454.32	1,454.32
- Foreign exchange	-	924.29	-	-	924.29
- Amortization of upfront fees and others	551.76	3,804.01	31.26	-	4,387.03
- Deferment of upfront processing fee	(1,259.09)	(5,589.74)	(198.93)	-	(7,047.76)
- Others	-	-	-	(67.81)	(67.81)
March 31, 2024	1,01,416.58	5,83,700.33	32,767.40	1,611.75	7,19,496.06
Cash flows:					
- Repayment	(18,605.49)	(4,02,507.32)	-	(1,191.19)	(4,22,304.00)
- Proceeds from / (repayment of) overdraft facility	-	-	-	-	-
- Proceeds other than overdraft facility	83,226.73	4,08,925.06	-	-	4,92,151.79
	64,621.24	6,417.74	-	(1,191.19)	69,847.79
Non cash:					
- Addition during the year	-	-	-	1,416.50	1,416.50
- Foreign exchange	575.60	1,108.36	-	-	1,683.96
- Amortization of upfront fees and others	991.55	4,402.49	50.35	-	5,444.39
- Deferment of upfront processing fee	(1,282.15)	(4,057.89)	-	-	(5,340.04)
- Others	-	(12,520.51)	-	(75.38)	(12,595.89)
March 31, 2025	1,66,322.82	5,79,050.52	32,817.75	1,761.68	7,79,952.77

Notes:

- The Borrowings together with debt securities and subordinate liabilities referred in notes 18, 19 and 20 are secured by way hypothecation of portfolio loans arising out of its business operations, cash collateral in the form of fixed deposits.
- Vehicles are hypothecated for respective borrowings availed for purchase of respective vehicles.

21 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on debt securities	5,054.69	3,134.41
Interest accrued on borrowings other than debt securities	2,935.22	3,585.83
Interest accrued on subordinated liabilities	782.72	448.56
Payable towards assignment/securitization transactions	4,468.42	1,743.44
First loss default guarantee	0.79	-
Payable to employees	3,177.13	1,241.21
Security deposit received	49.96	41.39
Insurance payables	66.28	57.08
Financial liability for corporate guarantee	956.97	283.34
Unclaimed amount of preference shares	5.44	8.26
Total	17,497.62	10,543.52

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

22 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for tax (net)	-	234.95
Total	-	234.95

23 PROVISIONS

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (refer note 48)	370.77	-
Provision for compensation absences	1,179.27	834.80
Total	1,550.04	834.80

24 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Deferred tax assets		
Provision for employee benefits	390.12	171.06
Difference in written down value as per Companies Act and Income Tax Act	188.75	186.86
Impairment loss allowance on security receipts	-	322.76
Loss on security receipts through other comprehensive income	1,350.70	1,202.65
Impairment loss allowance and first loss default guarantee	7,584.81	4,430.34
Liability against leases	434.30	391.92
Financial liabilities measured at amortized cost	-	0.54
Total deferred tax assets	9,948.68	6,706.13
(B) Deferred tax liabilities		
Financial assets measured at amortized cost	374.37	452.26
Fair valuation of financial instruments through profit and loss	5,253.78	8,138.20
Fair valuation of loan assets through other comprehensive income	830.33	895.60
Right of use assets	409.65	376.37
Deduction of Impairment loss allowance u/s 36 (viiia) of Income Tax Act	416.81	-
Deferment of excess interest spread	3,968.10	4,678.44
Total deferred tax liabilities	11,253.04	14,540.87
Net deferred tax assets/(liabilities)	(1,304.36)	(7,834.74)

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

Particulars	As at April 01, 2024	(Charged)/credited to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2025
Assets				
Provision for employee benefits	171.06	26.94	192.12	390.12
Difference in written down value as per Companies Act and Income Tax Act	186.86	1.89	-	188.75
Impairment loss allowance on security receipts	322.76	(322.76)	-	-
Loss on security receipts through other comprehensive income	1,202.65	-	148.05	1,350.70
Impairment loss allowance and first loss default guarantee	4,430.34	3,154.47	-	7,584.81
Liability against leases	391.92	42.38	-	434.30
Carry forward losses	-	-	-	-
Financial liabilities measured at amortized cost	0.54	(0.54)	-	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at April 01, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Liabilities				
Financial assets measured at amortized cost	(452.26)	77.89	-	(374.37)
Fair valuation of financial instruments through profit and loss	(8,138.20)	2,884.42	-	(5,253.78)
Fair valuation of loan assets through other comprehensive income	(895.60)	-	65.27	(830.33)
Right of use assets	(376.37)	(33.28)	-	(409.65)
Deduction of Impairment loss allowance u/s 36(via) of Income Tax Act	-	(416.81)	-	(416.81)
Deferment of excess interest spread	(4,678.44)	710.34	-	(3,968.10)
Total (net)	(7,834.74)	6,124.94	405.44	(1,304.36)

Particulars	As at April 01, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2024
Assets				
Provision for employee benefits	177.11	(4.12)	(1.93)	171.06
Difference in written down value as per Companies Act and Income Tax Act	189.62	(2.76)	-	186.86
Impairment loss allowance on security receipts	678.04	(355.28)	-	322.76
Loss on security receipts through other comprehensive income	687.49	-	515.16	1,202.65
Impairment loss allowance and first loss default guarantee	3,281.00	1,149.34	-	4,430.34
Liability against leases	293.25	98.67	-	391.92
Carry forward losses	7,849.35	(7,849.35)	-	-
Financial liabilities measured at amortized cost	2.30	(1.76)	-	0.54
Liabilities				
Financial assets measured at amortized cost	(560.22)	107.96	-	(452.26)
Fair valuation of financial instruments through profit and loss	(8,057.37)	(80.83)	-	(8,138.20)
Fair valuation of loan assets through other comprehensive income	(384.54)	-	(511.06)	(895.60)
Right of use assets	(287.73)	(88.64)	-	(376.37)
Deferment of excess interest spread	(4,113.94)	(564.50)	-	(4,678.44)
Total (net)	(245.64)	(7,591.27)	2.17	(7,834.74)

25 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Income received in advance	2.18	-
Statutory dues payables	1,113.53	852.45
Total	1,115.71	852.45

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

26 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
A Authorized				
Equity share capital of face value of INR 10 each				
At the beginning of the year	12,50,00,000	12,500.00	10,50,00,000	10,500.00
Additions during the year	-	-	2,00,00,000	2,000.00
	12,50,00,000	12,500.00	12,50,00,000	12,500.00
B Issued and subscribed				
Equity share capital of face value of INR 10 each				
At the beginning of the year	11,05,95,861	11,059.59	8,53,49,021	8,534.90
Additions during the year	-	-	2,52,46,840	2,524.69
	11,05,95,861	11,059.59	11,05,95,861	11,059.59
C Issued and Paid-up				
Fully paid-up				
Equity share capital of face value of INR 10 each				
At the beginning of the year	11,04,70,965	11,047.10	8,52,24,125	8,522.41
Additions during the year	-	-	2,52,46,840	2,524.69
	11,04,70,965	11,047.10	11,04,70,965	11,047.10
Less: Amount recoverable from Satin Employees Welfare Trust (Equity shares of INR 10 each allotted to the Satin Employees Welfare Trust)	(4,82,946)	(48.29)	(4,82,946)	(48.29)
	10,99,88,019	10,998.81	10,99,88,019	10,998.81
Add: Forfeited shares (amount originally paid on 1,24,896 equity shares (March 31, 2024: 1,24,896 equity shares))	-	5.51	-	5.51
	10,99,88,019	11,004.32	10,99,88,019	11,004.32
D Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Balance at the beginning of the year	11,04,70,965	11,047.10	8,52,24,125	8,522.41
Add: Issued during the year	-	-	2,52,46,840	2,524.69
	11,04,70,965	11,047.10	11,04,70,965	11,047.10
E Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year				
Balance at the beginning of the year	4,82,946	48.29	4,82,946	48.29
Add: Addition during the year	-	-	-	-
	4,82,946	48.29	4,82,946	48.29

F i) During the year ended March 31, 2024, pursuant to the approval accorded by the Board of Directors of the Company ("the Board"), at its meeting held on October 19, 2023 and the special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting (EGM) held on November 27, 2023, the Fund Raising Committee of the Board at its meeting held on December 14, 2023 had approved the Qualified Institutions Placement of equity shares of face value of INR 10 each of the Company.

Subsequently, the Fund Raising Committee at its meeting held on December 19, 2023 had approved the allotment of 1,08,36,584 equity shares of face value of INR 10 each to eligible qualified institutional buyers at the issue price of INR 230.70 per equity share (including a premium of INR 220.70 per equity share) aggregating to INR 25,000.00 Lakh.

ii) During the year ended March 31, 2024, the Company has allotted 1,44,10,256 equity shares of face value of INR 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 INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

G Rights, preferences and restrictions

The Company has only one class of equity shares having face value of INR 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 Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders 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, 2025		As at March 31, 2024	
	Number	%	Number	%
Trishashna Holdings & Investments Private Limited (THIPL)	3,79,14,820	34.32%	3,79,14,820	34.32%
Florintree Ventures LLP	1,23,07,692	11.14%	1,23,07,692	11.14%

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

On June 27, 2019, the Company has allotted 13,43,283 equity shares of INR 10 each on conversion of 13,43,283, Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of INR 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 54.

K The information required to be disclosed that enables user of its financial statements to evaluate its objectives, policies and process for managing capital is disclosed in note 45.

L Shareholdings of Promoters

Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Ms Anureet HP Singh	7,27,474	0.66%	7,27,474	0.66%	-
Mr Harbans Singh (deceased)	4,06,402	0.37%	4,06,402	0.37%	-
Mr Satvinder Singh	3,85,703	0.35%	3,85,703	0.35%	-
Ms Neeti Singh	2,04,092	0.19%	2,04,092	0.19%	-
Trishashna Holdings & Investments Private Limited	3,79,14,820	34.32%	3,79,14,820	34.32%	-
Wisteria Holdings & Investments Private Limited	3,22,262	0.29%	3,22,262	0.29%	-
Total	3,99,60,753	36.18%	3,99,60,753	36.18%	-

27 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Capital redemption reserve	2,777.00	2,777.00
Share options outstanding account	44.66	-
Statutory reserve	28,845.60	24,514.36
General reserve	29.94	29.94
Securities premium	1,47,213.33	1,47,213.33
Retained earnings	96,348.39	82,496.49
Other comprehensive income:		
Equity instruments through other comprehensive income	(4,021.03)	(3,580.83)
Changes in fair value of loan assets	2,085.59	2,279.66
Total	2,73,323.48	2,55,729.95

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Nature and purpose of other reserve

Capital redemption reserve

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

Share options outstanding account

The reserve is used to recognize the fair value of the options granted to employees of the Company and subsidiary companies under the Company's employees stock option plans.

Statutory reserve

The reserve is created as per the provision of Section 45(IC) of the 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 the 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.

Retained earnings

This represents undistributed accumulated earnings of the Company as on the balance sheet date.

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.

28 INTEREST INCOME

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI
Interest income on portfolio loans	11,418.03	-	1,88,074.96	39,866.50	-	1,23,368.29
Interest income on deposits	5,630.59	-	-	6,132.75	-	-
Interest income on certificate of deposits, commercial papers and T-Bill	-	2,812.94	-	-	1,714.41	-
Interest income on unwinding of assigned portfolio	2,700.65	-	-	3,794.27	-	-
Sub total	19,749.27	2,812.94	1,88,074.96	49,793.52	1,714.41	1,23,368.29
Total interest income			2,10,637.17			1,74,876.22

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

29 DIVIDEND INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Dividend income	12.50	-
Total	12.50	-

30 RENTAL INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rental income on building	130.86	129.25
Total	130.86	129.25

31 FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service fee and facilitation charges	1,205.64	2,528.12
Income from business correspondent operations*	1.85	8.52
Total	1,207.49	2,536.64

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Type of Services or service		
Income from business correspondent operations	1.85	8.52
Total revenue from contracts with customers	1.85	8.52
Geographical markets		
India	1.85	8.52
Outside India	-	-
Total revenue from contracts with customers	1.85	8.52
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	1.85	8.52
Total revenue from contracts with customers	1.85	8.52

Particulars	As at March 31, 2025	As at March 31, 2024
Contract balances		
Trade receivable	1.62	-
Contract assets	-	-
Contract liabilities	-	-

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per Contract	1.85	8.52
Adjustments	-	-
Discount	-	-
Revenue from contract with customers	1.85	8.52

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

32 NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Net gain/(loss) on financial instruments measured at fair value through profit or loss		
- Investments		
Fair value gain on mutual funds	2,228.13	1,182.31
Gain on fair valuation of subsidiaries	1,291.42	387.46
Gain/(Loss) on fair valuation of other investments	(123.85)	(31.06)
(B) Others		
- Derivatives	(309.76)	(431.64)
Total	3,085.94	1,107.07
Fair value changes		
- Realised	2,228.13	1,182.31
- Unrealised	857.81	(75.24)
Total	3,085.94	1,107.07

33 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gain on sale of loan portfolio through assignment	22,087.55	25,702.55
Total	22,087.55	25,702.55

34 OTHER OPERATING INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Commitment and other charges	186.66	526.87
Total	186.66	526.87

35 OTHER INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on termination of leases	12.46	15.57
Interest income on income - tax refund	57.13	116.89
License fee of software	150.00	-
Corporate guarantee premium income	108.49	53.76
Total	328.08	186.22

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

36 FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings (other than debt securities)	66,668.25	63,801.43
Interest on debt securities	20,340.25	13,272.43
Interest on subordinated liabilities	5,297.75	4,334.37
Interest expense for leasing arrangements	200.17	201.22
Other interest expenses	2,170.95	1,358.16
Bank charges	298.87	316.75
Total	94,976.24	83,284.36

37 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	On financial assets measured at amortized cost	On financial assets measured at FVTOCI	On financial assets measured at amortized cost	On financial assets measured at FVTOCI
Loans written off	201.13	26,243.05	284.88	9,233.27
Impairment loss allowance on other receivable	(15.60)	-	114.72	-
Impairment allowance on loans	1,923.89	21,966.97	2,532.62	2,282.54
Total	2,109.42	48,210.02	2,932.22	11,515.81

38 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	46,011.78	33,390.34
Contribution to provident and other funds	3,845.15	2,804.07
Share based payment to employees	43.29	-
Staff welfare expenses	831.44	375.81
Total	50,731.66	36,570.22

39 DEPRECIATION AND AMORTIZATION

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment	1,273.61	1,055.63
Depreciation on right-of-use assets	1,021.19	848.68
Depreciation on investment property	30.77	32.35
Amortization of intangible assets	34.53	61.09
Total	2,360.10	1,997.75

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

40 OTHER EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Travelling and conveyance	4,537.03	2,820.84
Legal and professional charges	2,633.80	3,009.75
Insurance	253.35	301.34
Rent	1,372.10	1,095.69
Auditor's fee and expenses*	51.65	44.61
Rates and taxes	84.39	66.53
Repairs and maintenance	790.08	630.91
Director's fees, allowances and expenses	243.59	134.76
Corporate social responsibility#	283.66	150.00
Net loss on derecognition of property, plant and equipment	13.27	56.83
Printing and stationery	406.65	508.14
Communication costs	372.82	388.20
(Write back)/write off against first loss default guarantee	(4.19)	(8.83)
First loss default guarantee expenses/(reversal)	0.79	(1,115.39)
Advertisement and publicity	901.87	423.66
Cash embezzlement	25.83	38.00
Other administrative expenses	2,274.46	2,084.74
Miscellaneous expenses	1,749.73	1,549.63
Total	15,990.88	12,179.51

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditors	45.00	38.00
Other services	3.50	2.00
Reimbursement of expenses	3.15	4.61
	51.65	44.61

During the year ended March 31, 2025, remuneration of INR 9.01 Lakhs is related to erstwhile statutory auditors.

Above excludes fee of INR Nil (previous year: INR 44.83 lakh) towards QIP issue which was adjusted against securities premium account.

Corporate social responsibility expenses

The Company's expenses towards Corporate Social Responsibility (CSR) activities as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Amount required to be spent during the year	407.73	25.93
b) Amount of expenditure incurred		
(i) Construction / acquisition of any asset	199.65	150.00
(ii) On purposes other than (i) above	84.01	-
c) Surplus arising out of the CSR activities of the previous Financial Year	124.07	-
d) Shortfall/(excess) at the end of the year	-	(124.07)
e) Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
f) Nature of CSR activities	i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	i) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
ii) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.)		ii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
g) Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

41 TAX EXPENSE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	8,411.64	6,709.27
Tax adjustments related to earlier years	(645.00)	-
Deferred tax (credit)/charge	(6,124.94)	7,591.27
Tax expense reported in the Statement of Profit and Loss	1,641.70	14,300.54
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, 2024: 25.168%) and the reported tax expense in statement of profit and loss are as follows:		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax expense	23,297.93	56,584.95
Income tax rate	25.168%	25.168%
Expected tax expense	5,863.62	14,241.30
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which is non deductible	417.54	42.28
Tax impact on deductions allowed under income tax	(823.40)	-
Impact of change in tax rates*	(3,186.09)	(8.87)
Income tax for earlier years	(645.00)	-
Others	15.03	25.83
Tax expense	1,641.70	14,300.54

* As per Finance (No.2) Act 2024, enacted in August 2024, the rates at which long term capital gains were taxed had changed from 20% to 12.50% plus applicable surcharge and cess without calculation of indexation benefit. Consequently, the deferred tax liability recognized by the Company on fair value gains on its investments as on March 31, 2024 had decreased by INR 3,054.76 Lakh thereby resulting in gain on the profit after tax of the Company for year ended March 31, 2025.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

42 EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit after tax attributable to equity shareholders		
Net profit for the year for basic earnings per share	21,656.23	42,284.41
Dilutive impact of share warrants	-	-
Net profit for the year for diluted earnings per share	21,656.23	42,284.41
Nominal value of equity share (INR)	10	10
Weighted-average number of equity shares for basis earnings per share	10,99,88,019	9,83,12,931
Effect of dilution:		
Share warrants	-	24,32,055
Weighted-average number of equity shares used to compute diluted earnings per share	10,99,88,019	10,07,44,986
Basic earnings per share (INR)	19.69	43.01
Diluted earnings per share (INR)	19.69	41.97

43 FINANCIAL INSTRUMENTS

A Financial assets and liabilities

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

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value			
Derivative financial instruments fair value through profit and loss	Note - 6	1,490.24	1,800.00
Loans measured at fair value through other comprehensive income	Note - 8	7,50,064.76	6,46,447.82
Investments measured at			
(i) Fair value through other comprehensive income	Note - 9	5,488.91	5,037.95
(ii) Fair value through profit and loss	Note - 9	85,876.22	77,443.50
Financial assets measured at amortized cost			
Cash and cash equivalents	Note - 4	64,024.61	35,628.06
Bank balances other cash and cash equivalents	Note - 5	57,635.35	78,026.10
Trade receivables	Note - 7	142.34	400.90
Loans	Note - 8	1,07,417.12	1,48,696.08
Security deposits	Note - 10	244.16	209.70
Other financial assets	Note - 10	2,679.54	2,424.59
Total		10,75,063.25	9,96,114.70
Financial liabilities measured at amortized cost			
Trade payables	Note - 16	67.78	241.60
Other payables	Note - 17	2,814.67	1,328.52
Debt securities (including interest accrued)	Note - 18 and 21	1,71,377.51	1,04,550.99
Borrowings other than debt securities (including interest accrued)	Note - 19 and 21	5,83,747.42	5,88,897.91
Sub-ordinated liabilities (including interest accrued)	Note - 20 and 21	33,600.47	33,215.96
Other financial liabilities	Note - 21	8,724.99	3,374.72
Total		8,00,332.84	7,31,609.70

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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 Company 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 Company and other valuation models. The Company 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, 2025	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	7,50,064.76	7,50,064.76
Investments at fair value through other comprehensive income				
Security Receipts (refer note 57 (D))	-	-	5,488.91	5,488.91
Investments at fair value through profit and loss				
Equity instruments	21.43	-	85,854.79	85,876.22
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,490.24	-	1,490.24

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	6,46,447.82	6,46,447.82
Investments at fair value through other comprehensive income				
Security Receipts (refer note 57 (D))	-	-	5,037.95	5,037.95
Investments at fair value through profit and loss				
Equity instruments	-	-	77,443.50	77,443.50
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,800.00	-	1,800.00

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 certificate of deposits and mutual funds on the basis of the statement received from investee party.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- 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.
- The use of valuation report obtained from registered valuer for investment in subsidiaries.

B.2 Fair value of instruments measured at amortized cost

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	64,024.61	64,024.61	35,628.06	35,628.06
Bank balances other than cash and cash equivalents	57,635.35	57,635.35	78,026.10	78,026.10
Trade receivables	142.34	142.34	400.90	400.90
Loans	1,07,417.12	1,15,279.48	1,48,696.08	1,48,696.08
Security deposits	244.16	243.47	209.70	193.75
Other financial assets	2,679.54	2,679.54	2,424.59	2,424.59
Total	2,32,143.12	2,40,004.79	2,65,385.43	2,65,369.48
Financial liabilities				
Trade payables	67.78	67.78	241.60	241.60
Other payables	2,814.67	2,814.67	1,328.52	1,328.52
Debt securities (including interest accrued)	1,71,377.51	1,76,513.22	1,04,550.99	1,08,828.15
Borrowings other than debt securities (including interest accrued)	5,83,747.42	5,87,425.43	5,88,897.91	5,90,965.70
Sub-ordinated liabilities (including interest accrued)	33,600.47	34,140.14	33,215.96	33,420.32
Other financial liabilities	8,724.99	8,724.99	3,374.72	3,374.72
Total	8,00,332.84	8,09,686.23	7,31,609.70	7,38,159.01

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, other payables and other financial liabilities 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 the Company's 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 the Company's 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.

**Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

44 FINANCIAL RISK MANAGEMENT**i) Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company 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, lending to customers, trade receivables and other financial assets	Credit limit, ageing analysis, default rate, collection efficiency	Highly rated bank deposits and diversification of asset base and collaterals taken for assets. Continuous monitoring and follow up.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities	Cash flow forecasts, LCR (HQLA, net outflow), Gap analysis	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 INR	Cash flow forecasting, unhedged open position	Currency and interest rate swaps, no unhedged open overnight position
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 of 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 Company'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 Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

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

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

**Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

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

Nature	Assets covered	Basis of 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	12 month expected credit loss
Moderate credit risk	Loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Low credit risk		
Cash and cash equivalents	61,870.31	32,312.02
Bank balances other than cash and cash equivalents	57,635.35	78,026.10
Trade receivables	142.69	401.90
Loans	8,43,813.74	7,85,120.86
Investments	85,854.79	83,763.87
Security deposits	244.16	209.70
Other financial assets	2,680.38	2,425.70
(ii) Moderate credit risk		
Loans	9,037.28	5,737.67
Trade receivable	18.76	17.76
Investments	5,510.34	-
(iii) High credit risk		
Loans	34,746.84	21,868.57

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables

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

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India
- The client's household must be engaged in some form of economic activity which ensures regular and assured income
- The client must possess the required Know Your Client (KYC) documents
- Client must agree to follow the rules and regulations of the organization
- 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

* The 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.

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

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at March 31, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	61,870.31	-	61,870.31
Bank balances other than cash and cash equivalents	57,635.35	-	57,635.35
Trade receivables	161.45	19.11	142.34
Investments	91,365.13	-	91,365.13
Security deposits	244.16	-	244.16
Other financial assets	2,680.38	0.84	2,679.54
As at March 31, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	32,312.02	-	32,312.02
Bank balances other than cash and cash equivalents	78,026.10	-	78,026.10
Trade receivables	419.66	18.76	400.90
Investments	83,763.87	1,282.42	82,481.45
Security deposits	209.70	-	209.70
Other financial assets	2,425.70	1.11	2,424.59

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

ii) Expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes more than 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
Gross carrying amount as at April 01, 2023	5,58,989.93	2,018.35	19,297.93
Assets originated*	6,65,062.27	3,457.54	3,542.29
Net transfer between stages			
Transfer to stage 1	42.49	(25.16)	(17.33)
Transfer to stage 2	(5,743.45)	5,759.90	(16.45)
Transfer to stage 3	(15,584.78)	(546.93)	16,131.71
Assets derecognized or collected (excluding write offs)	(4,17,334.29)	(3,884.60)	(5,219.06)
Write - offs (including death cases)	(311.32)	(1,041.42)	(11,850.52)
Gross carrying amount as at March 31, 2024	7,85,120.85	5,737.68	21,868.57
Assets originated*	6,93,582.40	4,506.12	7,854.35
Net transfer between stages			
Transfer to stage 1	51.84	(44.86)	(6.98)
Transfer to stage 2	(10,491.28)	10,493.81	(2.53)
Transfer to stage 3	(51,030.03)	(1,119.76)	52,149.79
Assets derecognized or collected (excluding write offs)	(5,63,944.38)	(8,224.25)	(28,789.57)
Write - offs (including death cases)	(9,475.66)	(2,311.46)	(18,326.79)
Gross carrying amount as at March 31, 2025	8,43,813.74	9,037.28	34,746.84

* 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	
Loss allowance as at April 01, 2023	1,057.62	740.91	10,086.49	36.00
Increase of provision due to assets originated during the year	1,892.20	1,441.86	2,201.83	18.16
Net transfer between stages				
Transfer to stage 1	16.22	(10.04)	(6.18)	-
Transfer to stage 2	(11.36)	21.06	(9.70)	-
Transfer to stage 3	(64.51)	(200.38)	264.89	-
Assets derecognized or collected	(303.01)	(512.03)	(6,134.55)	(140.27)
Impact of ECL on exposures transferred between stages during the year	(365.59)	896.90	6,580.57	105.98
Loss allowance as at March 31, 2024	2,221.57	2,378.28	12,983.35	19.87
Increase of provision due to assets originated during the year	3,530.28	2,262.93	4,706.02	-
Net transfer between stages				
Transfer to stage 1	21.15	(16.89)	(4.26)	-
Transfer to stage 2	(29.53)	31.07	(1.54)	-
Transfer to stage 3	(205.88)	(462.90)	668.78	-
Assets derecognized or collected	(955.13)	(1,872.04)	(11,285.90)	-
Impact of ECL on exposures transferred between stages during the year	(183.05)	2,154.22	14,175.45	0.08
Loss allowance as at March 31, 2025	4,399.41	4,474.67	21,241.90	19.95

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

c) Concentration of loans

Particulars	As at March 31, 2025	As at March 31, 2024
Micro finance loans	8,75,284.85	7,91,508.03
Micro, Small and Medium Enterprises (MSME)	21,437.65	29,456.73
Less: Unamortized processing fee	(9,124.64)	(8,237.66)
Total	8,87,597.86	8,12,727.10

d) Loans secured against collateral

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

Particulars	Carrying value
As at March 31, 2025	
MSME loans secured by property, plant and equipment (including land, building and plots)	425.53
MSME loans secured by book debts, inventories, margin money and other working capital items	1,436.70
As at March 31, 2024	
MSME loans secured by property, plant and equipment (including land, building and plots)	918.85
MSME loans secured by book debts, inventories, margin money and other working capital items	2,177.12

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Company initiate the legal proceedings against the defaulted customers.

B) Liquidity risk

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

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

(i) Financing arrangements

The Company has access to the following funding facilities:

As at March 31, 2025	Total facility	Drawn	Undrawn
- Expiring within one year	1,56,100.00	59,700.00	96,400.00
- Expiring beyond one year	-	-	-
Total	1,56,100.00	59,700.00	96,400.00
As at March 31, 2024	Total facility	Drawn	Undrawn
- Expiring within one year	88,600.00	2,500.00	86,100.00
- Expiring beyond one year	-	-	-
Total	88,600.00	2,500.00	86,100.00

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(ii) Maturities of financial assets and liabilities

The tables below analyses the Company 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 Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

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

As at March 31, 2025	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	64,026.96	-	-	-	64,026.96
Bank balances other than cash and cash equivalents	47,120.03	13,227.56	448.43	467.49	61,263.51
Trade receivables	142.34	-	-	-	142.34
Loans	6,80,938.10	3,46,167.98	51,357.01	35,213.43	11,13,676.52
Investments	1,788.91	-	-	89,576.22	91,365.13
Other financial assets	2,825.84	58.70	41.06	19.46	2,945.06
Derivatives (net settled)					
Derivative financial instruments	1,490.24	-	-	-	1,490.24
Total undiscounted financial assets	7,98,332.42	3,59,454.24	51,846.50	1,25,276.60	13,34,909.76
Financial liabilities					
Non-derivatives					
Debt Securities (including interest accrued)	80,366.39	54,013.67	50,233.89	18,342.76	2,02,956.71
Borrowings other than debt securities (including interest accrued)	3,87,940.95	2,13,396.30	33,840.21	54,391.76	6,89,569.22
Subordinated liabilities (including interest accrued)	28,756.37	2,311.47	639.32	5,849.27	37,556.43
Trade payables	67.78	-	-	-	67.78
Other payables	2,814.67	-	-	-	2,814.67
Other financial liabilities	8,719.19	-	5.80	-	8,724.99
Total undiscounted financial liabilities	5,08,665.35	2,69,721.44	84,719.22	78,583.79	9,41,689.80
Net undiscounted financial assets/(liabilities)	2,89,667.07	89,732.80	(32,872.72)	46,692.81	3,93,219.96

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	35,641.49	-	-	-	35,641.49
Bank balances other than cash and cash equivalents	72,985.99	12,660.75	8,076.15	46.48	93,769.37
Trade receivables	400.90	-	-	-	400.90
Loans	6,00,328.50	1,84,493.08	1,52,705.40	26,646.45	9,64,173.43
Investments	1,641.09	3,396.86	-	77,443.50	82,481.45
Other financial assets	2,574.90	25.65	18.72	24.22	2,643.49
Derivatives (net settled)					
Derivative financial instruments	1,800.00	-	-	-	1,800.00
Total undiscounted financial assets	7,15,372.87	2,00,576.34	1,60,800.27	1,04,160.65	11,80,910.13
Financial liabilities					
Non-derivatives					
Debt Securities (including interest accrued)	36,194.40	53,255.94	33,585.14	4,292.47	1,27,327.95
Borrowings other than debt securities (including interest accrued)	3,73,573.35	1,81,633.60	98,660.10	23,948.12	6,77,815.17
Subordinated liabilities (including interest accrued)	4,248.49	28,675.71	2,311.47	6,488.59	41,724.26
Trade payables	241.60	-	-	-	241.60
Other payables	1,328.52	-	-	-	1,328.52
Other financial liabilities	3,374.72	-	-	-	3,374.72
Total undiscounted financial liabilities	4,18,961.08	2,63,565.25	1,34,556.71	34,729.18	8,51,812.22
Net undiscounted financial assets/(liabilities)	2,96,411.79	(62,988.91)	26,243.56	69,431.47	3,29,097.91

The Company 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, as above, are the amount due and payable only to the extent the contractual terms with borrowers were amended as at March 31, 2022.

C) Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of the Company. To mitigate the Company's exposure to foreign currency risk, non-rupee cash flows are monitored and derivative contracts are entered into in accordance with the Company's risk management policies. 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 Company manages its foreign currency risk by entering in to cross currency swaps, interest rate swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period denominated in INR, are as follows

Particulars	Currency	As at March 31, 2025	As at March 31, 2024
Financial liabilities			
External commercial borrowings (including interest accrued)	USD	1,09,731.05	63,377.48
	EUR	30,416.20	10,780.56
(Gain)/loss: Derivative contract		(1,490.24)	(1,800.00)

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, 2025	For the year ended March 31, 2024
USD sensitivity*		
INR/USD- increase by 5%	(5,486.55)	(3,168.87)
INR/USD- decrease by 5%	5,486.55	3,168.87
EUR sensitivity*		
INR/EUR- increase by 5%	(1,520.81)	(539.03)
INR/EUR- decrease by 5%	1,520.81	539.03

* 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 Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2025, the Company is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

Interest rate risk exposure

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

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate liabilities		
Debt securities	10,688.24	-
Borrowings other than debt securities	4,11,696.91	3,59,439.42
Subordinated liabilities	20,000.00	20,000.00
Fixed rate liabilities		
Debt securities	1,55,634.58	1,01,416.58
Borrowings other than debt securities	1,69,115.29	2,25,872.66
Subordinated liabilities	12,817.75	12,767.40
Total	7,79,952.77	7,19,496.06

Sensitivity

The profits earned by the Company are sensitive to the change in interest rates on variable rate liabilities. The following table shows the sensitivity of profit/(loss) before tax due to change in interest rates:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest sensitivity*		
Interest rates – increase by 0.50%	(2,045.27)	(1,317.76)
Interest rates – decrease by 0.50%	2,045.27	1,317.76

* Holding all other variables constant.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

ii) Assets

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

ii) Sensitivity

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

Impact on profit before tax

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mutual fund, Certificate of deposits and commercial paper		
Net assets value – increase by 5%	-	-
Net assets value – decrease by 5%	-	-

Impact on profit before tax

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Quoted equity instruments		
Value per share – increase by 5%	1.07	-
Value per share – decrease by 5%	(1.07)	-

45 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy is to ensure that the Company 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 Company's capital management objectives are

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

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

Particulars	As at March 31, 2025	As at March 31, 2024
Net debt*	6,67,065.44	6,13,010.70
Total equity	2,84,327.80	2,66,734.27
Net debt to equity ratio	2.35	2.30

* 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.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

46 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, 2025		As at March 31, 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	64,024.61	-	35,628.06	-
Bank balances other than cash and cash equivalents	45,059.26	12,576.09	59,802.90	18,223.20
Derivative financial instruments	1,490.24	-	1,800.00	-
Trade receivables	142.34	-	400.90	-
Loans	5,27,627.97	3,29,853.91	4,66,965.39	3,28,178.51
Investments	1,788.91	89,576.22	-	82,481.45
Other financial assets	2,815.06	108.64	2,550.02	84.27
	6,42,948.39	4,32,114.86	5,67,147.27	4,28,967.43
Non-financial assets				
Current tax assets (net)	740.46	-	180.66	-
Property, plant and equipment	-	8,811.15	-	8,641.25
Capital work-in-progress	-	29.60	-	-
Investment Property	-	601.14	-	631.91
Other intangible assets	-	5.64	-	41.01
Other non-financial assets	2,898.34	481.17	2,283.49	207.89
	3,638.80	9,928.70	2,464.15	9,522.06
TOTAL ASSETS	6,46,587.19	4,42,043.56	5,69,611.42	4,38,489.49
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	67.78	-	241.60	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	27.47	-	83.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,787.20	-	1,244.97	-
Debt securities	62,107.92	1,04,214.90	23,292.70	78,123.88
Borrowings (other than debt securities)	3,23,690.59	2,57,121.61	3,14,219.25	2,71,092.83
Subordinated liabilities	26,452.81	6,364.94	-	32,767.40
Other financial liabilities	16,741.76	755.86	10,320.56	222.96
	4,31,875.53	3,68,457.31	3,49,402.63	3,82,207.07

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Non-financial liabilities				
Current tax liabilities (net)	-	-	234.95	-
Deferred tax liabilities (net)	-	1,304.36	-	7,834.74
Provisions	359.56	1,190.48	262.71	572.09
Other non-financial liabilities	1,115.71	-	852.45	-
	1,475.27	2,494.84	1,350.11	8,406.83
TOTAL LIABILITIES	4,33,350.80	3,70,952.15	3,50,752.74	3,90,613.90
Net equity	2,13,236.39	71,091.41	2,18,858.68	47,875.59

47 TRANSFERRED FINANCIAL ASSETS

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

The Company has securitized its loan assets to unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee in range of 11% to 20% of the amount securitized and therefore continues to be exposed to significant risk and rewards relating to the underlying loan receivables. Hence, these loan assets are not derecognized 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:

Securizations	As at March 31, 2025	As at March 31, 2024
Gross carrying amount of securitized assets	70,978.72	92,552.37
Gross carrying amount of associated liabilities	56,101.97	77,331.37
Carrying value and fair value of securitized assets	68,222.43	89,565.71
Carrying value and fair value of associated liabilities	56,101.97	77,331.37
Net position	12,120.46	12,234.34

48 EMPLOYEE BENEFITS

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

A Defined contribution plans

Provident and other funds

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employers contribution to provident and other fund	3,845.15	2,804.07

B Defined benefit plans

Gratuity

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

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Risks associated with plan provisions

Salary increases	Actual salary increase 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 recognized in the balance sheet is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation	2,527.36	1,540.14
Fair value of plan assets	2,156.59	1,695.28
Net (asset) / obligation recognized in balance sheet as (non-financial assets)/ provisions	370.77	(155.14)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	373.60	245.62
Interest cost on defined benefit obligation	109.65	104.09
Interest income on plan assets	(120.70)	(110.50)
Net expense in statement of profit and loss	362.55	239.21

Amount recognized in the other comprehensive income:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial gain/(loss) recognized during the year	(763.36)	7.66

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

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation as at the beginning of year	1,540.14	1,408.57
Current service cost	373.60	245.62
Interest cost	109.65	104.09
Past service cost including curtailment gains/losses	-	-
Benefits paid	(267.32)	(276.53)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	(23.82)	(32.17)
Actuarial (gain)/loss on arising from change in financial assumption	277.47	19.33
Actuarial (gain)/loss on arising from experience adjustment	517.64	71.23
Present value of defined benefit obligation as at the end of the year	2,527.36	1,540.14

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

Particulars	As at March 31, 2025	As at March 31, 2024
Funds managed by Insurers	100%	100%
Total	100%	100%

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at beginning of year	1,695.28	1,495.26
Actual return on plan assets	128.63	176.55
Employer's contribution	600.00	300.00
Benefits paid	(267.32)	(276.53)
Fair value of plan assets at the end of the year	2,156.59	1,695.28

vi) Actuarial assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discounting rate	6.94%	7.12%
Future salary increase	6.00%	4.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 years	63.15%	55.20%
From 31 to 44 years	16.76%	16.90%
Above 44 years	0.34%	0.40%
Weighted average duration	3.47	3.76

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, 2025	As at March 31, 2024
Impact of the change in discount rate		
Present value of obligation at the end of the year	2,527.36	1,540.14
- Impact due to increase of 0.50%	(71.95)	(38.16)
- Impact due to decrease of 0.50%	77.68	40.86
Impact of the change in salary increase		
Present value of obligation at the end of the year	2,527.36	1,540.14
- Impact due to increase of 0.50%	78.01	41.92
- Impact due to decrease of 0.50%	(72.89)	(39.44)

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.

Maturity profile of defined benefit obligation (discounted)	As at March 31, 2025	As at March 31, 2024
0 to 1 year	782.44	409.38
1 to 2 year	226.00	184.66
2 to 3 year	275.42	121.52
3 to 4 year	148.57	167.93
4 to 5 year	111.20	83.07
5 to 6 year	96.36	59.75
6 year onwards	887.37	513.83
Total	2,527.36	1,540.14

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- C** The Company provides for compensated unutilized earned leaves (UEL) to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on voluntary separation. The Company records an obligation for such compensated UEL in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation. A provision of INR 617.13 Lakhs has been created (March 31, 2024: INR 332.51 Lakhs) for the year on the basis of actuarial valuation at the year end and debit to the statement of profit and loss.

49 RELATED PARTY DISCLOSURES

A List of related parties and disclosures

Subsidiaries:

Satin Housing Finance Limited

Satin Finserv Limited

Satin Technologies Limited (w.e.f. August 13, 2024)

Key Managerial Personnels:

Name of directors and key managerial personnel	Designation
Dr. Harvinder Pal Singh	Chairman cum Managing Director
Mr Satvinder Singh	Non-Executive and Non-Independent Director
Mr Sundeep Kumar Mehta (till September 04, 2024)	Non-Executive and Independent Director
Mr Sanjay Kumar Bhatia (till September 04, 2024)	Non-Executive and Independent Director
Mr Anil Kumar Kalra	Non-Executive and Independent Director
Mr Goh Colin (till September 04, 2024)	Non-Executive and Independent Director
Ms Sangeeta Khorana (till September 04, 2024)	Non-Executive and Independent Director
Mr Anil Kaul (w.e.f. January 15, 2024)	Non-Executive and Independent Director
Mr Joydeep Datta Gupta (w.e.f. June 24, 2024)	Non-Executive and Independent Director
Ms Jyoti Davar (w.e.f. July 31, 2024)	Non-Executive and Independent Director
Mr Jugal Kataria	Group Controller
Mr Rakesh Sachdeva (till June 30, 2024)	Chief Financial Officer
Mr Vikas Gupta	Company Secretary and Chief Compliance Officer
Mr Manoj Agrawal (w.e.f. July 01, 2024)	Chief Financial Officer
Mr Manoj Agrawal (w.e.f. August 11, 2023 till June 30, 2024)	Deputy Chief Financial Officer

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

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR 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 March 31, 2025	For the year ended March 31, 2024
Dr. Harvinder Pal Singh	Remuneration	447.98	140.69
	Provident fund and others	30.53	14.39
	Personal guarantees given	49,500.00	44,300.00
	Personal guarantees withdrawn	36,242.42	16,196.73
Dr. Harvinder Pal Singh and Mr Satvinder Singh	Personal guarantees given (jointly)	53,714.64	2,09,031.25
	Personal guarantees withdrawn (jointly)	1,12,179.90	1,06,738.33
Mr Jugal Kataria	Remuneration	209.45	155.99
Mr Rakesh Sachdeva	Remuneration	22.96	80.39
Mr Rakesh Sachdeva	Other long-term benefits	4.43	-
Mr Manoj Agrawal	Remuneration	110.10	65.58
Mr Vikas Gupta	Remuneration	46.98	38.14
Mr Satvinder Singh	Commission	14.00	-
Mr Anil Kumar Kalra	Commission	14.00	-
Mr Anil Kaul	Commission	24.00	5.00
Mr Joydeep Datta Gupta	Commission	18.47	-
Ms Jyoti Davar	Commission	16.07	-
Mr Satvinder Singh	Sitting fees	8.50	6.05
Mr Sundeep Kumar Mehta	Sitting fees	4.25	8.75
Ms Sangeeta Khorana	Sitting fees	2.75	5.15
Mr Goh Colin	Sitting fees	3.80	6.75
Mr Sanjay Kumar Bhatia	Sitting fees	3.55	7.85
Mr Anil Kumar Kalra	Sitting fees	9.40	6.05
Mr Anil Kaul	Sitting fees	6.80	1.25
Mr Joydeep Datta Gupta	Sitting fees	6.40	-
Ms Jyoti Davar	Sitting fees	5.10	-
Satin Housings Finance Limited	Investment in equity shares (including securities premium)	7,000.00	4,999.99
	Corporate guarantee premium charged	782.13	92.91
	Corporate guarantee given	7,500.00	7,000.00
	Corporate guarantee withdrawn	1,000.00	500.00
	Rent received	41.25	37.25
Satin Finserv Limited	Interest income	-	266.69
	Inter corporate loan given	-	2,700.00
	Inter corporate loan received back	-	6,050.00
	Investment in equity shares (including securities premium)	-	4,000.00
	Share based payment recoverable	1.37	-
	Facilitation fee paid	12.00	12.00
	Received on account of managerial services	76.50	90.00
	Services received on account of sourcing and collections	-	1,485.38
	Rent received	52.55	51.31
Satin Technologies Limited	Investment in equity shares	200.00	-
	Rent received	7.68	-
	Sale of software	150.00	-
	Miscellaneous Income	1.92	-
Satin Neo Dimensions Private Limited	Interest income	-	7.36
	Inter corporate loan received back	-	58.15

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

C Key management personnel compensation includes the following expenses:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	872.43	495.18
Post employment benefits	319.22	21.34
Other long-term benefits	31.59	3.14
Share based payment	13.01	-

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

Name of related party	Nature of balance	As at March 31, 2025	As at March 31, 2024
Dr. Harvinder Pal Singh	Personal guarantees against borrowings ^A	53,038.37	39,780.79
Dr. Harvinder Pal Singh and Mr Satvinder Singh	Personal guarantees (jointly) against borrowings ^A	1,53,712.89	2,12,178.15
Dr. Harvinder Pal Singh	Remuneration	64.32	-
Mr Jugal Kataria	Remuneration	22.00	-
Mr Manoj Agrawal	Remuneration	9.00	-
Mr Vikas Gupta	Remuneration	7.00	-
Mr Anil Kaul	Commission	1.80	1.80
Mr Goh Colin	Sitting fees	-	0.69
Mr Anil Kumar Kalra	Commission	1.80	-
Mr Satvinder Singh	Commission	1.80	-
Mr Joydeep Datta Gupta	Commission	1.80	-
Ms Jyoti Davar	Commission	1.80	-
Satin Housing Finance Limited	Investments*	47,935.39	40,387.98
	Corporate guarantee given on behalf of subsidiary #	15,067.93	13,940.55
Satin Finserv Limited	Investments*	37,719.40	36,975.39
	Maximum outstanding against Inter corporate loan	-	3,850.00
	Share based payment recoverable	1.37	-
Satin Technologies Limited	Investments*	200.00	-
	Other Receivable	160.50	-
Satin Neo Dimensions Private Limited	Maximum outstanding against Inter corporate loan	-	58.15

Corporate guarantee balances outstanding indicates outstanding of borrowings against which guarantee was given.

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

*Outstanding balance of investment in subsidiary includes fair valuation gain.

50 LEASES DISCLOSURE AS LESSEE

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

March 31, 2025

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	637	1 Months-59 Months	17.26 months	637	-	-	637
Vehicles	1	22 months	22 months	1	1	-	1

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

March 31, 2024

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	573	1 Months- 59 Months	18.30 months	573	-	-	573
Vehicles	1	34 months	34 months	1	1	-	1

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

Right-of use assets	Carrying amount as on April 01, 2024	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2025
Office building	1,444.16	1,416.50	1,005.18	263.09	1,592.39
Vehicles	51.27	-	16.01	-	35.26

Right-of use assets	Carrying amount as on April 01, 2023	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2024
Office building	1,068.70	1,454.32	825.40	253.46	1,444.16
Vehicles	74.55	-	23.28	-	51.27

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

Particulars	As at March 31, 2025	As at March 31, 2024
Current	921.95	819.88
Non-current	839.73	791.87
Total	1,761.68	1,611.75

4 As at March 31, 2025 the Company had not committed to leases which had not commenced.

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

As at March 31, 2025

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,060.51	599.02	233.17	84.39
Finance charges	138.56	57.11	16.23	3.51
Net present values	921.95	541.91	216.94	80.88

As at March 31, 2024

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,021.72	612.79	261.90	420.21
Finance charges	201.84	289.28	135.83	77.92
Net present values	819.88	323.51	126.07	342.29

6 The Company has elected not to recognize 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.

7 The Company had cash outflows for leases of INR 1,191.19 Lakhs in March 31, 2025 (March 31, 2024: INR 1,011.13 Lakhs).

The following are the amounts recognized in profit or loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expense of right-of-use assets	1,021.19	848.68
Interest expense on lease liabilities	200.17	201.22
Expense relating to short-term leases (included in other expenses)	1,372.10	1,095.69
Total amount recognized in profit or loss	2,593.46	2,145.59

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company had lease contracts for office buildings used in its operations. Leases of these buildings generally have lease terms between 1 to 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets except to its wholly owned subsidiaries. There are 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 Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

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

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

Operating leases

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

Office premises

Particulars	As at March 31, 2025	As at March 31, 2024
Short term leases	634.77	527.55

Operating leases as lessor

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

Particulars	As at March 31, 2025	As at March 31, 2024
Minimum lease receipts:		
- within one year	86.73	62.99
- Later than one year but not later than two years	38.16	-
- Later than two years	29.28	-

51 SEGMENT INFORMATION

The Company operates in a single reportable segment i.e. financing which has similar risks and returns for the purpose of Ind AS 108 "Operating segments" is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, the Company operates only in India which is considered as a single geographical segment.

52 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contract remaining to be executed on capital account and not provided for	452.85	-
Claims against the Company not acknowledged as debt:		
- Litigation matters with respect to direct taxes	225.99	225.99
- Litigation matters with respect to indirect taxes	-	203.60
Corporate guarantee given by the Company to lenders on behalf of subsidiary companies (refer note (i) below)	26,000.00	19,500.00

Note (i): Borrowing outstanding towards corporate guarantee is INR 15,067.93 Lakhs (as at March 31, 2024: INR 13,940.55 Lakhs)

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgement is required to determine both probability and the estimated amount. The Company reviews these provisions periodically and adjust these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and update information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2025.

Disputed claims against the Company, including claims raised by the tax authorities and which are pending with appeal / court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes.

53 ASSETS PLEDGED/HYPOTHECATED AS SECURITY

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

Particulars	As at March 31, 2025	As at March 31, 2024
Loan assets	8,02,014.20	7,03,036.06
Vehicles*	123.11	122.69
Total assets pledged as security	8,02,137.31	7,03,158.75

*This excludes right of use asset of INR 35.26 Lakhs (March 31, 2024 : INR 51.27 Lakhs).

54 EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)

Pursuant to the approval accorded by Shareholders of Satin Creditcare Network Limited ("the Company") at their Annual General Meeting held on July 06, 2017, the Nomination and Remuneration Committee of the Company formulated a new scheme 'Satin Employee Stock Option Scheme 2017' (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (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 Company. The eligibility of employees to receive grants under the Plan has to be decided by the Nomination and Remuneration Committee from time to time at its sole discretion. Vesting of the options and vesting period shall take place in the manner determined by the Nomination and Remuneration Committee at the time of grant. Vesting of options shall be subject to the condition that the Grantee shall be in continuous employment with the Company and such other conditions as provided under ESOS 2017. The Exercise Price of each grant is determined by the Nomination and Remuneration Committee at the time of grant.

Presently, stock options have been granted under Satin Employee Stock Option Scheme 2017 (ESOS 2017).

Earlier, the Company had implemented ESOP schemes in 2010, namely Satin ESOP 2010 and Satin ESOP II 2010. These schemes were subsequently repealed pursuant to the Shareholders' Resolution dated July 06, 2017, and the outstanding options under these schemes were transferred to the Satin ESOS 2017.

The ESOP pool under the ESOS 2017 has 4,82,946 Options and Satin Employee Welfare Trust holds 4,82,946 shares (including the impact of Right Issue) in its Demat account during the year ended March 31, 2025.

As on 31 March 2025, under ESOS 2017 the options granted are 85,000 and the balance available ESOS pool for future grant is 3,97,946 options.

a) Details of grant and exercise of active options are as follows:

Particulars	Grant – 3 of ESOS 2017
No. of options granted	85,000
Date of grant of options	June 24, 2024
No. of employee to whom such options were granted	10
Financial year (F.Y.)	2024-25
No. of employees who have exercised the option	Nil
No. of options exercised	Nil

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	ESOS 2017
Date of board meeting, where ESOP/ ESOS were approved	May 26, 2017
Date of shareholders' approval	July 06, 2017
Date of committee meeting where grant of options were approved	June 24, 2024
Date of grant	June 24, 2024
No. of options granted	85,000
Method of settlement	Settlement in Equity Shares
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Company at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017.
Vesting period	Grant 3 of ESOS 2017 All the options granted will be vested at the end of 1 year from grant date
Exercise period	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

Details of Vesting and Exercise of Options (Grant 3 of ESOS 2017):

Vesting Date	Vested options	No of options exercised
June 24, 2025	-	-

i) Reconciliation of outstanding share options:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Grant-3 ESOS Scheme 2017		Grant-3 ESOS Scheme 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding options at the beginning of the year	-	-	-	-
Granted during the year	85,000	222.38	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding options at the end of the year	85,000	222.38	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years) of the option exercisable	1.23	222.38	-	-

ii) Weighted-average exercise prices and weighted-average fair values of options:

Weighted-average exercise prices: INR 222.38 per option

Weighted-average fair values of options: INR 67.59 per option

The detail of exercise price for stock option at the end of the financial year 2024-2025 is:

Series	Range of exercise price (in INR)	No. of options outstanding for Exercise	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (In INR)	Remarks
Grant-3 ESOS Scheme 2017	222.38/- per option	-	1.23	-	NA

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- 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:

Scheme Name	Grant 3 ESOS 2017
Date of grant	June 24, 2024
Fair value of option on the date of grant (in INR)	67.59
Exercise price (in INR)	222.38
Expected volatility (%)	41.34%
Expected option life (weighted average)	1.50
Expected dividends yield	-
Risk free interest rate (%)	6.83%

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

- iv) The Company has INR 169.84 Lakhs (March 31, 2024: INR 169.74 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
- v) During the year ended March 31, 2025, the Company has recognized an expense of INR 43.29 lakh (March 31, 2024: INR Nil) towards share based payment expenses in the Statement of Profit and Loss.

55 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. For the year ended on March 31, 2025, MCA has not notified any new standards or amendments to the existing standards which are applicable from April 01, 2025.

Below notes starting from 56 to 58 are non Ind AS information as required by different laws and regulations.

56 DISCLOSURE AS PER MASTER DIRECTION RBI/DOR/2023-24/105 DOR.FIN.REC.NO.45/03.10.119/2023-24 DATED OCTOBER 19, 2023 (UPDATED FROM TIME TO TIME) ARE AS UNDER

Disclosure of expected credit loss and provisions required as per Income Recognition and Asset Classification norms;

As at March 31, 2025

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	8,43,813.74	4,399.41	8,39,414.33	3,326.98	1,072.43
	Stage 2	9,037.28	4,474.67	4,562.61	32.83	4,441.84
Subtotal		8,52,851.02	8,874.08	8,43,976.94	3,359.81	5,514.27
Non-Performing Assets (NPA)						
Substandard	Stage 3	120.62	55.89	64.73	13.11	42.78
Doubtful - up to 1 year*	Stage 3	32,141.77	19,702.43	12,439.34	8,792.36	10,910.07
1 to 3 years*	Stage 3	2,461.47	1,470.62	990.85	2,186.72	(716.10)
More than 3 years	Stage 3	22.98	12.96	10.02	19.59	(6.63)
Subtotal for doubtful		34,626.22	21,186.01	13,440.21	10,998.67	10,187.34
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		34,746.84	21,241.90	13,504.94	11,011.78	10,230.12

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	2,359.70	0.84	2,358.86	-	0.84
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		2,359.70	0.84	2,358.86	-	0.84
Total	Stage 1	8,46,173.44	4,400.25	8,41,773.19	3,326.98	1,073.27
	Stage 2	9,037.28	4,474.67	4,562.61	32.83	4,441.84
	Stage 3	34,746.84	21,241.90	13,504.94	11,011.78	10,230.12
	Total	8,89,957.56	30,116.82	8,59,840.74	14,371.59	15,745.23

As at March 31, 2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	7,85,120.86	2,218.24	7,82,902.62	3,025.16	(806.92)
	Stage 2	5,737.67	2,378.24	3,359.43	22.21	2,356.03
Subtotal		7,90,858.53	4,596.48	7,86,262.05	3,047.37	1,549.11
Non-Performing Assets (NPA)						
Substandard	Stage 3	175.15	104.08	71.07	29.90	74.18
Doubtful - up to 1 year*	Stage 3	18,321.16	10,880.09	7,441.07	9,898.31	981.78
1 to 3 years*	Stage 3	3,178.85	1,887.71	1,291.14	1,700.47	187.24
More than 3 years	Stage 3	193.41	114.84	78.57	103.01	11.83
Subtotal for doubtful		21,693.42	12,882.64	8,810.78	11,701.79	1,180.85
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		21,868.57	12,986.72	8,881.85	11,731.69	1,255.03
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	2,227.30	1.11	2,226.19	-	1.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		2,227.30	1.11	2,226.19	-	1.11
Total	Stage 1	7,87,348.16	2,219.35	7,85,128.81	3,025.16	(805.81)
	Stage 2	5,737.67	2,378.24	3,359.43	22.21	2,356.03
	Stage 3	21,868.57	12,986.72	8,881.85	11,731.69	1,255.03
	Total	8,14,954.40	17,584.31	7,97,370.09	14,779.06	2,805.25

*- Includes joint liability group loans (JLG) and SME loans.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

57 ADDITIONAL DISCLOSURES AS REQUIRED BY THE RESERVE BANK OF INDIA

(A) Disclosure as per Master Direction DNBR.PD.008/03.10.119/2016-17 (updated from time to time) are as under:-

(i) Capital to Risk Assets Ratio ("CRAR")

Particulars	As at March 31, 2025	As at March 31, 2024
CRAR (%)	25.85	27.66
CRAR – Tier I capital (%)	25.21	26.25
CRAR – Tier II capital (%)	0.64	1.41
Amount of subordinated debt raised as Tier-II capital (Outstanding as on reporting date)	32,817.75	32,767.40
Amount raised by issue of perpetual debt instruments	-	-

(ii) Disclosure of investments

Particulars	As at March 31, 2025	As at March 31, 2024
1) Value of investments		
i) Gross value of investments	91,365.13	83,763.87
a) In India	91,365.13	83,763.87
b) Outside India	-	-
ii) Provisions of depreciation	-	1,282.42
a) In India	-	1,282.42
b) Outside India	-	-
iii) Net Value of investments	91,365.13	82,481.45
a) In India	91,365.13	82,481.45
b) Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	1,282.42	2,694.04
ii) Add: Provision made during the year	-	-
iii) Less: Write-off/Write back of excess provision during the year	1,282.42	1,411.62
iv) Closing balance	-	1,282.42

(iii) Derivatives

1) Forward Rate Agreement / Cross Currency Swaps

Particulars	As at March 31, 2025	As at March 31, 2024
Notional Principal of swap agreements	1,38,513.64	73,109.97
Loss/(profit) which would be incurred if counterparties failed to fulfil their obligations under the agreements	(1,490.24)	(1,800.00)
Collateral required by the applicable NBFC upon entering into swaps	-	-
Concentration of credit risk arising from swaps	-	-
Fair value of the swap book	(1,490.24)	(1,800.00)

2) Exchange Traded Interest Rate (IR) Derivative Nil (March 31, 2024 : Nil).

3) Disclosures on Risk Exposure in Derivatives

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Qualitative Disclosures

The Company, in accordance with regulations set forth by the Reserve Bank of India for Non-Banking Financial Companies engaged in Microfinance (NBFC-MFIs), complies with FEMA Regulations, notifications, and circulars issued for External Commercial Borrowings.

Given the inherent volatilities and uncertainties in the global Foreign Exchange markets, the Company faces potential risk due to adverse currency movements as it holds foreign currency liabilities. Additionally, the Company is also exposed to interest rate risk on its long-term Foreign Currency Loans.

To mitigate these risks, the Company has implemented a Forex Risk Management policy aimed at reducing the probability and potential costs of financial distress by achieving currency and interest rate neutrality.

Under this policy, any exposure in foreign currency is fully hedged covering the currency risk as well as the interest rate risk on the day of the liability's emergence. The authority to make decisions regarding the quantum and tenor of hedging is delegated by the Board committee/Board of Directors as necessary.

Furthermore, the Company adheres to accounting standards and guidance notes issued by the Institute of Chartered Accountants of India for the recognition of losses, gains, creation of assets, or liabilities.

In addition to these measures, the management conducts monthly monitoring to track gains and losses recognized. Moreover, foreign currency exposure reporting is provided to the board on an annual basis to ensure comprehensive oversight.

Quantitative Disclosures*

Particulars	As at March 31, 2025		As at March 31, 2024	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principal Amount)	1,38,513.64	-	73,109.97	-
For Hedging	1,38,513.64	-	73,109.97	-
Marked to Market Positions				
(a) Assets (+)	1,490.24	-	1,800.00	-
(b) Liability (-)	-	-	-	-
Credit Exposure	1,38,513.64	-	73,109.97	-
Unhedged Exposure	-	-	-	-

*The Company has entered into Full Currency Swaps that allows to convert long term FCY liability (Interest and Principal) to a fixed INR liability.

(iv) (a) Disclosures relating to securitisation:-

The Company has entered into various agreements for the securitisation of loans with assignees, wherein it has securitized a part of its loans portfolio amounting to INR 79,584.31 Lakhs during the year ended March 31, 2025 (March 31, 2024 INR 1,23,480.00 Lakhs), being the principal value outstanding as on the date of the deals that are outstanding. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers. In terms of the said securitisation agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

(b) Disclosure for securitisation of Standard Assets outstanding as on reporting date as per RBI circular no.DOR.STR.REC.53/21.04.177/2021-22 dated September, 24, 2021 (as amended from time to time).

Particulars	As at March 31, 2025	As at March 31, 2024
1 No of SPEs holding assets for securitisation transactions originated by the originator	11	27
2 Total amount of securitized assets as per books of the SPEs	70,693.86	92,453.04

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
3 Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	20,204.74	34,644.93
a) Off Balance sheet exposures	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
* First loss	7,302.07	14,636.75
* Others	12,902.67	20,008.18
4 Amount of exposures to securitisation transactions other than MRR	-	-
a) Off Balance sheet exposures	-	-
i) Exposure to own securitizations	-	-
* First loss	-	-
* Others	-	-
ii) Exposure to third party securitizations	-	-
* First loss	-	-
* Others	-	-
b) On Balance sheet exposures	-	-
i) Exposure to own securitizations	-	-
* First loss	-	-
* Others	-	-
ii) Exposure to third party securitizations	-	-
* First loss	-	-
* Others	-	-
5 Sale consideration received for the securitized assets and gain/loss on sale on account of securitisation	1,01,547.76	1,63,983.88
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc	-	-
7 Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided	-	-
(a) Amount paid	-	-
(b) Repayment received	-	436.55
(c) Outstanding amount	20,204.74	34,644.93
8 Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
9 Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10 Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(v) Detail of assignment transactions undertaken:-

The Company has entered into various agreements for the assignments of loans with assignees, wherein it has assigned a part of its loans portfolio amounting to INR 2,83,846.42 Lakhs during the year ended March 31, 2025 (March 31 2024: INR 2,93,090.34 Lakhs), being the principal value outstanding as on the date of the deals that are outstanding. In terms of accounting policy mentioned in Significant Accounting Policies, The Company has derecognized these loan portfolios. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyer In terms of the said assignment agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

(a) Disclosure for transfer of loan exposure as per RBI circular no.DOR.STR.REC.51/21.04.048/2021-22 dated September, 24, 2021 (as amended from time to time).

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Total number of loans assets assigned during the year	8,67,398	9,39,786
ii) Book value of loans assets assigned during the year	2,83,846.42	2,93,090.34
iii) Sale consideration received during the year	2,83,846.42	2,93,090.34
iv) Excess Interest spread recognized on loans assigned during the year	26,088.22	27,642.71

(b) Additional Disclosure for transfer of loan exposure as per RBI circular no.DOR.STR.REC.51/21.04.048/2021-22 dated September, 24, 2021 (as amended from time to time).

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Weighted average maturity of loans assets assigned (in months)	16.83	17.75
ii) Weighted average holding period of loans assets assigned (in Months)	6.55	5.61
iii) Retention of beneficial economic interest on loans assets assigned (in%)	10.00%	10.56%
iv) Coverage of tangible security coverage	NIL	NIL
v) Rating-wise distribution of rated loans.	Not rated	Not rated
vi) Agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	No	No

(c) The Company has acquired certain loans which are not in default through direct assignment, details of which are given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Total number of loans assets acquired during the year	21,310	-
ii) Book value of loans assets acquired during the year (INR in Lakhs)	6,642.61	-
iii) Sale consideration paid during the year (INR in Lakhs)	6,642.61	-
iv) Weighted average maturity of loans assets acquired (in Months)	17.59	-
v) Weighted average holding period of loans assets acquired (in Months)	5.06	-
vi) Retention of beneficial economic interest by Assignor on loans assets acquired (in%)	10%	-
vii) Coverage of tangible security coverage	Nil	-
viii) Rating-wise distribution of rated loans	Not Rated	-
ix) Agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	No	-

**Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

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

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

(vii) Detail of non-performing financial asset purchased/sold:-

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

The Company has sold some of its non performing assets in current year (previous year: nil). Details of the same has been given in point (D) below.

(viii) Asset Liability Management Maturity pattern of certain items of assets and liabilities:-**As at March 31, 2025**

Particulars	Liabilities					Assets			
	Borrowings from Banks	Market Borrowings (other than Banks)	Foreign Borrowings	Deposits	Payable towards assignment and securitisation transactions	Advances		Derivative Financial Instruments	Investments
						a) Portfolio (including Securitisation)	b) Advances- Others		
1 to 7 Days	7,997.37	767.93	2,941.61	-	0.20	8,297.92	64,275.63	-	-
8 to 14 Days	2,004.31	17.93	2,143.76	-	1,381.35	11,010.55	5.65	-	-
15 Days to 30/31 (One Month)	13,066.20	6,545.47	1,095.84	-	1,670.36	23,493.57	603.20	-	-
Over 1 Month to 2 months	21,340.26	19,258.29	4,509.14	-	1,416.51	47,198.09	3,024.65	-	-
Over 2 months upto 3 months	25,552.51	39,252.74	12,178.26	-	-	45,069.09	2,813.44	-	-
Over 3 months upto 6 months	69,442.08	230.49	19,873.97	-	-	1,46,499.46	7,913.24	-	-
Over 6 months upto 1 Year	1,09,163.29	29,838.40	43,524.79	-	-	2,46,059.29	30,445.59	-	-
Over 1 Year upto 3 Year	1,06,644.73	90,667.72	97,283.52	-	-	3,09,329.48	12,218.09	-	5,488.91
Over 3 Year upto 5 Year	10.40	20,015.71	34,584.31	-	-	6,686.97	360.49	-	-
Over 5 Year	1.74	-	-	-	-	13,837.46	-	1,490.24	85,876.22
Total	3,55,222.89	2,06,594.68	2,18,135.20	-	4,468.42	8,57,481.88	1,21,659.98	1,490.24	91,365.13

**Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2024

Particulars	Liabilities					Assets			
	Borrowings from Banks	Market Borrowings (other than Banks)	Foreign Borrowings	Deposits	Payable towards assignment and securitisation transactions	Advances		Derivative Financial Instruments	Investments
						a) Portfolio (including Securitisation)	b) Advances- Others		
1 to 7 Days	5,803.58	1,799.91	-	-	-	8,946.24	29,811.22	-	-
8 to 14 Days	5,799.41	1,799.92	-	-	600.39	10,617.81	4,708.78	-	-
15 Days to 30/31 (One Month)	14,085.31	4,368.95	-	-	1,143.05	20,455.84	2,687.80	-	-
Over 1 Month to 2 months	21,643.37	5,882.22	1,335.75	-	-	45,767.27	14,852.97	-	-
Over 2 months upto 3 months	28,288.48	15,006.38	-	-	-	38,863.05	7,039.26	-	-
Over 3 months upto 6 months	71,931.90	22,365.36	4,168.70	-	-	1,23,711.31	14,483.33	-	-
Over 6 months upto 1 Year	88,198.67	51,460.27	1,961.05	-	-	2,18,603.87	21,847.61	-	-
Over 1 Year upto 3 Year	1,24,704.12	1,76,806.63	58,766.13	-	-	3,02,267.91	18,196.24	-	5,037.94
Over 3 Year upto 5 Year	14.23	3,256.95	5,002.43	-	-	6,144.13	26.95	-	-
Over 5 Year	4.16	3,811.34	1,230.84	-	-	19,766.47	-	1,800.00	77,443.51
Total	3,60,473.23	2,86,557.93	72,464.90	-	1,743.44	7,95,143.90	1,13,654.16	1,800.00	82,481.45

Notes:

- Above mentioned portfolio (own) does not include undrawn facilities amounting to INR Nil (March 31, 2024: INR 5,000 Lakhs), since there are no sanctioned disbursement schedule.
- Unamortized processing fees are included in portfolio and borrowings.

(ix) Exposures:-

- Exposure to capital market: as per below details.

Particulars	As at March 31, 2025	As at March 31, 2024
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	21.43	-
Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
Bridge loans to companies against expected equity flows / issues	-	-
Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
Financing to stockbrokers for margin trading	-	-
All exposures to Alternative Investment Funds:	-	-
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Total Exposure to capital market	21.43	-

(b) Exposure to real state sector as per below details.

Particulars	As at March 31, 2025	As at March 31, 2024
i) Direct exposure		
a) Residential Mortgages	34.51	64.28
b) Commercial Real Estate	-	-
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	-	-
Total Exposure to Real Estate Sector	34.51	64.28

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(c) Sectoral exposure as per below details.

Sectors	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Retail business loans						
Micro finance loan/SHG Loan	8,51,008.75	32,152.67	3.78%	7,63,884.55	19,421.03	2.54%
2. Others						
Non- Food Credit - SME	21,234.93	137.95	0.65%	29,170.41	356.25	1.22%

(x) **Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by applicable NBFC.**

The Company does not have single or group borrower exceeding the limits.

(xi) **Unsecured Advances – Refer note 8 of Balance Sheet notes.**

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

This disclosure is not applicable as the Company does not have any holding/parent Company.

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

The Company is registered with following other financial sector regulators:

- (a) Ministry of Corporate Affairs (MCA)
- (b) Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI)

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

March 31, 2025

Applicable Regulation	Penalty Levied By	Reason for Penalty	Date of Notice	Date of Payment	Fine levied (in INR)
NA	NA	NA	NA	NA	NA

March 31, 2024

Applicable Regulation	Penalty Levied By	Reason for Penalty	Date of Notice	Date of Payment	Fine levied (in INR)
Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations	BSE Ltd.	Delay in furnishing prior intimation with respect to date of payment of interest / redemption amount or intimation regarding board meeting effecting the rights or interest of holders of NCDs/NCRPS in the months of January 2021.	September 28, 2022	December 01, 2023	1,000

(xv) **Related party transactions:-**

Please refer to note no 49

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(xvi) Rating assigned by credit rating agencies and migration of ratings during the year-

During the current year, SMERA Ratings Private Limited has assigned a MFI grading of 'M1' to our company. (For credit rating of instruments, refer (note xx: Rating details)).

(xvii) Revenue Recognition

Revenue recognition has not been postponed by the Company during the year (previous year Nil) due to any pending resolutions of significant uncertainties.

(xviii) Net Profit or Loss for the period, prior period items and changes in accounting policies

Prior Period Items - Nil (previous year: Nil).

Impact due to Change in accounting policies - There is no change during current year (previous year: Nil)

(xix) Loan against the security of Gold

Loan against the security of gold - Nil (March 31, 2024: Nil)

(xx) Rating details

During the year, the Company's various instruments were rated, the details of these ratings are as under:-

S. No.	Particulars	Amount (INR in Crores)	Credit rating agency	Current rating	Previous rating
1	Long-term/short-term fund-based term bank facilities programme	4,500.00	ICRA Limited	[ICRA]A (Stable)/ [ICRA]A1	[ICRA]A (Stable)/ [ICRA]A1
2	Non Convertible Debentures	200.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A (Stable)
3	Non Convertible Debentures	1,500.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A (Stable)
4	Non Convertible Debentures	733.10	CARE Ratings Limited	CARE BBB+; Stable	CARE BBB+; Stable
5	Non Convertible Debentures	200.00	ICRA Limited	[ICRA]A (Stable)	-
6	Subordinate Debt	50.00	ICRA Limited	[ICRA]A (Stable)	[ICRA]A (Stable)
7	Subordinate Debt	100.00	ICRA Limited	[ICRA]A (Stable)	-
8	Subordinate Debt	30.00	CARE Ratings Limited	CARE BBB+; Stable	CARE BBB+; Stable
9	Commercial Paper	200.00	ICRA Limited	[ICRA]A1	[ICRA] A1
10	Securitization	119.12	CRISIL Rating Limited	CRISIL AA+ (SO)	
11	Securitization	192.88	CRISIL Rating Limited	CRISIL AA- (SO)	
12	Securitization	85.60	CRISIL Rating Limited	CRISIL AA (SO)	
13	Securitization	1.99	Unrated Equity Tranche	Unrated Equity Tranche	
14	Securitization	28.95	CRISIL Rating Limited	CRISIL A+ (SO)	
15	Securitization	82.14	CRISIL Rating Limited	CRISIL AA+ (SO)	
16	Securitization	1.88	CRISIL Rating Limited	CRISIL AA (SO)	
17	Securitization	50.00	ICRA Limited	ICRA A- (SO)	
18	Securitization	144.04	ICRA Limited	ICRA AA+ (SO)	

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(xxi) Remuneration of directors:-

Particulars	Position	Remuneration / Commission		Provident fund and others		Sitting fees	
		For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Dr. Harvinder Pal Singh	Chairman & Managing Director	447.98	140.69	30.53	14.39	Nil	Nil
Mr Satvinder Singh	Non- Executive Director	14.00	-	-	-	8.50	6.05
Mr Sundeep Kumar Mehta	Non- Executive Director	-	-	-	-	4.25	8.75
Ms Sangeeta Khorana	Non- Executive Director	-	-	-	-	2.75	5.15
Mr Goh Colin	Non- Executive Director	-	-	-	-	3.80	6.75
Mr Sanjay Kumar Bhatia	Non- Executive Director	-	-	-	-	3.55	7.85
Mr Anil Kumar Kalra	Non- Executive Director	14.00	-	-	-	9.40	6.05
Mr Anil Kaul	Non- Executive Director	24.00	5.00	-	-	6.80	1.25
Mr Joydeep Datta Gupta	Non- Executive Director	18.47	-	-	-	6.40	-
Ms Jyoti Davar	Non- Executive Director	16.07	-	-	-	5.10	-

(xxii) Additional disclosures:-

(a) Provisions and contingencies:-

Break up of Provisions and Contingencies shown under the head expenditure in statement of profit and loss	For the year ended March 31, 2025	For the year ended March 31, 2024
Provision for depreciation on investment	(1,282.42)	(1,411.62)
Provision towards NPA	8,258.55	2,900.23
Provision made towards income tax	8,411.64	6,709.27
Other provision and contingencies (with details)		
i) Provision for compensated absences	617.13	332.51
ii) Provision for gratuity	362.55	239.21
Provision for Standard assets	4,274.23	2,797.95

(b) Draw down from reserves:-

There has been no draw down from reserve during the year ended March 31, 2025 (March 31, 2024: Nil)

(c) Concentration of advances, exposures and NPAs:-

Particulars	As at March 31, 2025	As at March 31, 2024
Concentration of advances		
Total advance to twenty largest borrowers	17,317.63	22,909.85
% of advance to twenty largest borrowers to total advances	1.95%	2.82%
Concentration of exposures		
Total exposure to twenty largest borrowers/customers	31,986.70	36,299.28
% of exposure to twenty largest borrowers/customers to total exposure	3.54%	4.39%
Concentration of NPAs		
Total exposure of top four NPA account	5.33	65.64
% of exposure to top four NPA account	0.00%	0.01%

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(d) Sector-wise NPAs:-

Sectors	As at March 31, 2025	As at March 31, 2024
	Percentage of NPAs to total advance to that sector	
1 Agriculture and allied activities	3.77%	2.53%
2 MSME	2.86%	2.46%
3 Corporate borrowers	0.00%	0.00%
4 Services	4.82%	2.21%
5 Unsecured personal loans	0.00%	0.00%
6 Auto loans	0.00%	0.00%
7 Other personal loans	0.00%	0.00%

(e) Movement of NPAs:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Net NPAs to net advance (%)	1.39%	0.99%
ii) Movement of NPAs (Gross)		
a) Opening balance	19,777.28	18,541.73
b) Addition during the year	61,598.64	14,438.48
c) Reduction/ write off during the year	49,085.30	13,202.93
d) Closing balance	32,290.62	19,777.28
iii) Movement of NPAs (Net)		
a) Opening balance	7,822.61	8,455.24
b) Addition during the year	22,894.93	6,776.04
c) Reduction/ write off during the year	18,559.15	7,408.67
d) Closing balance	12,158.39	7,822.61
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	11,954.67	10,086.49
b) Addition during the year	38,703.71	7,662.44
c) Reduction/ write off during the year	30,526.15	5,794.26
d) Closing balance	20,132.23	11,954.67

Interest due but not received on portfolio are not included in portfolio.

(f) Overseas assets (for those with Joint Ventures and subsidiaries abroad) – Nil

(g) Off-balance sheet SPVs sponsored – N.A.

(h) Customer complaints:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Number of complaints pending at the beginning of the year	35	55
b) Number of complaint received during the year	3,669	6,100
c) Number of complaint redressed during the year	3,699	6,120
d) Number of complaint pending at the end of the year	5	35

(i) Instances of fraud:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Number of cases	157	249
Amount of fraud	28.42	42.92
Recovery	2.59	4.92
Amount written off	25.83	38.00

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(B) Information on Net Interest Margin :-

Particulars	Percentage (%)
For the year ended March 31, 2025	12.55%
For the year ended March 31, 2024	11.77%

(C) Disclosure as required by Para 18 of Non-Banking Financial Company – systemically important non-deposit taking Company and deposit taking Company (Reserve Bank) Directions, 2016 is as under:

Particulars	Amount Outstanding	Amount Overdue
Liabilities side:		
1 Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured	1,71,377.51	-
Unsecured	12,301.15	-
(other than falling within the meaning of Public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	5,41,371.02	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	5,692.43	-
(f) Public deposits	-	-
(g) Other Loans :		
Other unsecured loans against assets of the Company	-	-
Secured loans against assets of the Company	119.64	-
Overdraft facility	-	-
Liability against securitized assets	56,101.97	-
Liability against leased assets	1,761.68	-
Preference shares other than those that qualify as equity	-	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

Particulars	Amount Outstanding
Assets side :	
3 Break-up of Loans and advances including bills receivables (other than those included in (4) below) :	
(a) Secured	1,862.23
(b) Unsecured	8,85,735.63
4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(I) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(II) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	-
(b) Repossessed Assets	-
(III) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Amount Outstanding
5 Break-up of Investments :	
Current Investments :	
1. Quoted :	
(I) Shares :	
(a) Equity	-
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (please specify)	-
2. Unquoted :	
(I) Shares :	
(a) Equity	-
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others :	
(a) Certificate of Deposit	-
(b) Commercial Paper	-
Long Term Investments :	
1. Quoted :	
(I) Shares :	
(a) Equity	21.43
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (please specify)	-
2. Unquoted :	
(I) Shares :	
(a) Equity	85,854.79
(b) Preference	-
(II) Debentures and Bonds	-
(III) Units of mutual funds	-
(IV) Government Securities	-
(V) Others (Pass through Certificates and Security Receipts)	5,488.91
Total	91,365.13

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Particulars				Total
	Secured	Unsecured	Provision - Secured	Provision - Unsecured	
1. Related Parties					
(a) Subsidiaries	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-
(c) Other related parties	-	-	-	-	-
2. Other than related Parties	1,862.23	8,85,735.63	92.21	30,023.77	8,57,481.88
Total	1,862.23	8,85,735.63	92.21	30,023.77	8,57,481.88

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	85,854.79	85,854.79
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related Parties	5,510.34	5,510.34
Total	91,365.13	91,365.13

8 Other information

Particulars	Amount
(I) Gross Non-Performing Assets	32,290.62
(a) Related parties	-
(b) Other than related parties	32,290.62
(II) Net Non-Performing Assets	12,158.39
(a) Related parties	-
(b) Other than related parties	12,158.39
(III) Assets acquired in satisfaction of debt	-

9 Pursuant to RBI circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019, Liquidity credit risk disclosures are presented as below:

Qualitative Disclosure on LCR

As per Reserve Bank of India guidelines, all deposit-taking NBFCs irrespective of their asset size and non-deposit-taking NBFCs with an asset size of INR5,000 Crores and above are required to maintain a liquidity coverage ratio (LCR) to ensure availability of adequate high-quality liquid assets (HQLA) to survive any acute liquidity stress scenario i.e, cash outflow increased to 115% and cash inflow decreased to 75%, lasting for 30 days. As per RBI guidelines, LCR has been calculated using the simple average of daily observations over the previous quarter (over a period of 90 days).

Cash outflows under secured and unsecured wholesale funding include contractual payments of the term loan, NCDs, and other debt obligations including interest payments due in next 30 days. Other contractual funding obligations include contractual payments due in next 30 days.

To compute inflow from fully performing exposures, the Company considers collection from performing advances including interest due in the next 30 days. Other cash inflows include cash from unencumbered fixed deposits, Certificates of deposits, undrawn lines of credit, and mutual fund investments maturing in the next 30 days. The LCR as of March 31, 2025 is 130.4%, which is well above the regulatory requirement of 100%.

(i) LCR Disclosure

Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²
High Quality Liquid Assets (HQLAs)								
1 Total High Quality Liquid Assets (HQLA)	28,615.81	27,148.87	24,789.88	22,760.74	24,153.27	22,995.78	24,921.27	23,446.69
Cash Outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	730.26	839.79	587.15	675.22	1,252.38	1,440.23	573.50	659.53

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²	Total Unweighted Amount ¹	Total Weighted Amount ²
4 Secured wholesale funding	33,614.22	38,656.35	33,331.94	38,331.73	34,453.27	39,621.26	29,588.50	34,026.77
5 Additional requirements, of which								
i Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
ii Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
iii Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	38,074.48	43,785.65	40,405.53	40,405.53	30,183.11	30,183.11	30,566.83	30,566.83
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 TOTAL CASH OUTFLOWS	72,418.96	83,281.80	74,324.62	79,412.48	65,888.76	71,244.60	60,728.83	65,253.13
Cash Inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	89,010.62	66,757.97	88,854.11	66,640.59	89,072.50	66,804.38	92,340.70	69,255.52
11 Other cash inflows	65,303.16	48,977.37	1,17,655.66	77,098.47	72,338.99	54,254.24	56,679.38	42,509.53
12 TOTAL CASH INFLOWS	1,54,313.78	1,15,735.33	2,06,509.77	1,43,739.06	1,61,411.49	1,21,058.62	1,49,020.08	1,11,765.05
13 TOTAL HQLA	28,615.81	27,148.87	24,789.88	22,760.74	24,153.27	22,995.78	24,921.27	23,446.69
14 TOTAL NET CASH OUTFLOWS	18,104.74	20,820.45	18,581.16	19,853.12	16,472.19	17,811.15	15,182.21	16,313.28
15 LIQUIDITY COVERAGE RATIO (%)		130.40%		114.65%		129.11%		143.73%
Components of HQLA								
Cash on hand and balance with banks in current accounts	9,247.15	9,247.15	7,774.25	7,774.25	8,088.45	8,088.45	8,614.77	8,614.77
Investment in commercial papers	9,779.61	8,312.67	13,527.57	11,498.44	7,716.61	6,559.12	9,830.57	8,355.98
T-Bills	9,589.04	9,589.04	3,488.06	3,488.06	8,348.22	8,348.22	6,475.94	6,475.94

¹ Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

² Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

* LCR has been calculated using simple average of daily observations of data points.

(ii) Funding Concentration based on significant counterparty

Sr. No.	Number of Significant Counterparties	Amount*	% of Total deposits	% of Total Liabilities
1	Twenty Five	5,94,542.86	N.A.	73.92%

*Accrued interest but not due and unamortized transaction costs are included in borrowings.

(iii) Top 20 large deposits

There are no deposits accepted by the Company during the year as company is non-deposit taking NBFC.

(iv) Top 10 borrowings

Sr. No.	For the Financial Year ended	Amount*	% of total borrowings
1	March 31, 2025	3,96,495.71	50.17%
2	March 31, 2024	3,73,646.82	51.40%

*Accrued interest but not due and unamortized transaction costs are included in borrowings.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(v) Funding Concentration based on significant instrument/product

Sr. No.	Nature of significant instrument/product	As at March 31, 2025		As at March 31, 2024	
		Amount*	% of Total Liabilities	Amount*	% of Total Liabilities
1	Non-convertible debentures	1,57,515.22	19.58%	1,17,528.01	15.85%
2	Term loans	4,27,505.72	53.15%	4,50,995.42	60.82%
3	External commercial borrowings	1,40,147.26	17.42%	74,066.31	9.99%
4	Liability against securitized assets	56,101.97	6.98%	77,548.43	10.46%
	Total	7,81,270.17	97.13%	7,20,138.17	97.12%

*Includes accrued interest but not due and unamortized transaction costs.

(vi) Stock Ratios:

Sr. No.	Particulars	As at March 31, 2025						
		Amount	Total public funds	Total liabilities	Total assets	% of Total public funds	% of Total liabilities	% of Total assets
1	Commercial papers	5,692.43	7,78,191.09	8,04,302.95	10,88,630.75	0.73%	0.71%	0.52%
2	Non-convertible debentures (original maturity of less than one year)	-	7,78,191.09	8,04,302.95	10,88,630.75	0.00%	0.00%	0.00%
3	Other short-term liabilities (excluding commercial paper)	23,017.12	7,78,191.09	8,04,302.95	10,88,630.75	2.96%	2.86%	2.11%

Sr. No.	Particulars	As at March 31, 2024						
		Amount	Total public funds	Total liabilities	Total assets	% of Total public funds	% of Total liabilities	% of Total assets
1	Commercial papers	5,130.86	7,19,496.06	7,41,366.64	10,08,100.91	0.71%	0.69%	0.51%
2	Non-convertible debentures (original maturity of less than one year)	-	7,19,496.06	7,41,366.64	10,08,100.91	0.00%	0.00%	0.00%
3	Other short-term liabilities (excluding commercial paper)	14,288.02	7,19,496.06	7,41,366.64	10,08,100.91	1.99%	1.93%	1.42%

(vii) Institutional set-up for liquidity risk management

The Company has a robust risk management system in place. To ensure smooth functioning of business operations, the Company maintains adequate liquidity in the form of cash, bank balances, fixed deposits, T-Bills and mutual funds. The Board has the ultimate responsibility for the SCNL's risk management including liquidity risk. The Board has delegated the oversight and review of liquidity risk management to the Risk Management Committee of the Board (RMCB) which is supported by Executive Risk Management Committee (ERMC) and the Asset Liability Management Committee (ALCO). The responsibility of the ALCO is to manage liquidity risk, ensures compliance with policies, frameworks, internal limits, and regulatory limits related to ALM and update the same to the board. The Executive Risk Management Committee is responsible for overseeing the implementation of risk management framework across SCNL and providing recommendations to the RMCB. ERMC, RMCB, and ALCO meetings are held at periodic intervals.

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(D) Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA) in accordance with RBI Master Direction- Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 (as amended from time to time).

(a) Details of NPA loans sold during the year

Sr. No.	Particulars	To ARCs		To permitted transferees	
		For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
1	No. of accounts	73,728	-	-	-
2	Aggregate principal outstanding (including interest accrued) of loans transferred	21,297.80	-	-	-
3	Weighted average residual tenor of the loans transferred (months)	6.44	-	-	-
4	Net book value of loans transferred (at the time of transfer)*	7,861.02	-	-	-
5	Aggregate consideration	4,260.00	-	-	-
6	Additional consideration realized in respect of accounts transferred in earlier years	Nil	-	-	-

* ECL provision of INR 13,438.65 Lakhs has been utilised on account of sale of portfolio of such loans.

(b) There are no stressed loans acquired during the year.

(c) Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies.

Sr. No.	Security Receipts	Category of Recovery Ratings		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
1	Security Receipts in Prudent Trust 67/22	NA	IVR RR3	-	2,756.91
2	Security Receipts in Prudent Trust 70/22	IVR RR5	IVR RR3	1,788.91	3,563.46
3	Security Receipts in Prudent Trust 115/25	Not Rated *	NA	3,700.00	-
				5,488.91	6,320.37

* Yet to be rated within time lines as per applicable RBI regulations.

(E) Pursuant to RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 issued for Resolution Framework for COVID-19-related Stress,

As at March 31, 2025

Sr. No.	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2025
1	Personal Loans	-	-	-	-	-
2	Business Loan - JLG	0.42	0.14	0.06	0.22	-
3	Business Loan - Others	27.94	-	-	22.12	5.82
4	Corporate persons*	-	-	-	-	-
	Total	28.36	0.14	0.06	22.34	5.82

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at September 30, 2024

Sr. No.	Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2024
1	Personal Loans	-	-	-	-	-
2	Business Loan - JLG	108.02	1.16	43.04	63.40	0.42
3	Business Loan - Others	35.04	-	-	7.10	27.94
4	Corporate persons*	-	-	-	-	-
	Total	143.06	1.16	43.04	70.50	28.36

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

58 ADDITIONAL DISCLOSURES IN TERMS OF RBI CIRCULAR RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 DATED APRIL 19, 2022 WHICH ARE NOT COVERED IN ABOVE NOTES.

A Unhedged foreign currency exposure

There is no unhedged foreign currency exposure as on reporting date.

B Disclosure of complaints

1. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman.

Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received by the NBFC from its customers		
Number of complaints pending at beginning of the year	35	55
Number of complaints received during the year	3,669	6,100
Number of complaints disposed during the year	3,699	6,120
Of which, number of complaints rejected by the NBFC	33	17
Number of complaints pending at the end of the year	5	35
Maintainable complaints received by the NBFC from Office of Ombudsman		
Number of maintainable complaints received by the NBFC from Office of Ombudsman	14	20
Number of complaints resolved in favour of the NBFC by Office of Ombudsman	14	20
Number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
Number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

2. Top five grounds of complaints received by the NBFCs from customers.

Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
As at March 31, 2025					
Recovery Stage Related	20	1,682	326%	4	-
Credit Bureau Related	2	699	(43%)	-	-
Related to Insurance	1	545	(63%)	-	-
Related to Staff	11	231	(83%)	1	-
Third Party Product	-	191	(69%)	-	-
Digital Transaction	1	32	(60%)	-	-
Total	35	3,380		5	-
As at March 31, 2024					
Related to Insurance/ Hospicash	6	1,463	19%	1	-
Related to Staff Behaviour	15	1,351	(12%)	11	-
Credit Bureau Related	7	1,227	21%	2	-
Third Party Product	3	622	34%	-	-
Application Stage Related	1	616	(74%)	-	-
Total	32	5,279		14	-

C Intra-group exposures as at March 31, 2025

- Total amount of intra-group exposures - INR 15,141.67 lakh (previous year - INR 13,958.81 lakh).
- Total amount of top 20 intra-group exposures - INR 15,141.67 lakh (previous year - INR 13,958.81 lakh).
- Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers - 1.68% (previous year - 1.69%).

D Instances of breach of covenant of loan availed or debt securities issued.

Breach of covenant	As at March 31, 2025	As at March 31, 2024
Number of instances	5	2
Amount involved (INR in Crores)	627.24	193.06

E There are no instances of Divergence in Asset Classification and Provisioning norms identified by RBI for the financial year.

F Loans to Directors, Senior Officers and Relatives of Directors

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1	Directors and their relatives	-	-
2	Entities associated with directors and their relatives	-	-
3	Senior Officers and their relatives	29.50	50.00

G Disclosure for Credit Default Swaps - Nil (March 31, 2024 - Nil).

Notes to the Standalone Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

59 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	27.47	83.55
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

60 ADDITIONAL INFORMATION PURSUANT TO MINISTRY OF CORPORATE AFFAIRS NOTIFICATION DATED MARCH 24, 2021 WITH RESPECT TO AMENDMENTS IN SCHEDULE III OF COMPANIES ACT, 2013

- All the borrowings of the Company are used for the specific purpose for which it was taken.
- There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company is not a wilful defaulter as declared by any bank or financial Institution or any other lender.
- The Company 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
Phonographic Performance Limited	Business Promotion Expense	0.75	Nil	None

- There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.

Notes to the Standalone Financial Statements
For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

(ix) Analytical ratios

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)						
- Tier I CRAR	2,22,210.75	8,81,451.14	25.21%	26.25%	(3.97%)	NA
- Tier II CRAR	5,664.46	8,81,451.14	0.64%	1.41%	(54.42%)	Increase in rate of discount for subordinated debts in terms of regulatory norms.
Liquidity coverage ratio	27,148.87	20,820.45	130.40%	132.39%	(1.99%)	NA

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

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

Place : Gurugram
Date : May 07, 2025

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Independent Auditor's Report

To the Members of Satin Creditcare Network Limited

Report on the Audit of the Consolidated Financial
Statements

OPINION

We have audited the accompanying consolidated financial statements of **Satin Creditcare Network Limited (the "Parent Company")** and its subsidiaries (**the Parent Company and its subsidiaries together referred to as the "Group"**) which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (**hereinafter referred to as the "consolidated financial statements"**).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (**"the Act"**) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (**"Ind AS"**) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, of consolidated profit & other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matter	Auditor's Response
In Respect of Parent Company Reliance on Information Processing Systems for Accounting and Financial Reporting The Company operates in the financial services sector, where the volume and complexity of transactions necessitate the extensive use of information processing systems for accounting and financial reporting purposes. Consequently, the integrity, accuracy, completeness, and validity of financial information are significantly dependent on the design and effectiveness of the Company's information technology (IT) systems and related internal controls. Given the pervasive impact of these systems on the Company's standalone financial statements, and the reliance	Principle Audit Procedures Our audit procedures in respect of this key audit matter included, but were not limited to, the following: a) Obtained an understanding of the Company's IT environment, including IT General Controls (ITGCs) and automated controls relevant to financial reporting, covering key applications, databases, and operating systems. b) Performed the following procedures: i. Tested the design and operating effectiveness of key ITGCs relating to: - User access management, - Change management,

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
on automated processes and controls, we considered the use of information processing systems for accounting and financial reporting to be a key audit matter for the current year audit.	- IT operations, and - Segregation of duties around security administration and program maintenance. ii. Assessed the Company's periodic review processes for user access rights and evaluated the controls around approval and authorization of system changes. iii. Tested selected automated controls relevant to the recognition and measurement of loans, interest income, and other material financial reporting elements, including application interfaces and system-generated reports. iv. Evaluated the design and operating effectiveness of selected automated controls that were identified as key internal controls over financial reporting. c) Obtained written representations from management confirming the design and operational effectiveness of relevant IT controls during the period under audit.
In Respect of Parent Company Impairment of Financial Assets - Expected Credit Losses (ECL) [Refer Note No. 3(j) for the accounting policy and Note No. 44 for the related disclosures of Standalone Financials of the Company] As at March 31, 2025, the Company has financial assets (loans) amounting to INR 8,57,481.88 lakhs, including loans classified at fair value through other comprehensive income of INR 7,50,064.76 lakhs. In accordance with Ind AS 109 – Financial Instruments, the Company is required to recognise impairment losses on financial assets using the Expected Credit Loss (ECL) model. The determination of ECL involves complex modelling and requires management to make significant assumptions and judgments, including: - Determining criteria for a significant increase in credit risk (SICR); - Incorporating forward-looking macroeconomic assumptions into the model; - Estimating key parameters such as probability of default (PD), loss given default (LGD), exposure at default (EAD) and discounting factor. These estimates are derived using internally developed statistical models, historical data, and involve input from external experts engaged by the management.	Principle Audit Procedures Our audit procedures to address this key audit matter included, but were not limited to, the following: a) Obtained an understanding of the Company's process for determining ECL and performed a walkthrough to assess the design effectiveness of related controls. b) Reviewed the Company's accounting policies and the governance framework for ECL as approved by the Board, and evaluated their compliance with Ind AS 109 and the relevant regulatory guidelines issued by the Reserve Bank of India (RBI). c) Gained an understanding of the Company's ECL model, including the methodology, key assumptions, and data inputs used. Evaluated how the model captures relevant historical data, current conditions, and forward-looking information. d) Assessed the competence, independence, and objectivity of the external expert appointed by management to review the ECL model, and evaluated the conclusions drawn by the expert. e) Evaluated the appropriateness of the Company's definition and application of the SICR criteria in accordance with Ind AS 109. f) Assessed whether the historical experience used in the model remained appropriate and relevant in the context of current market conditions and recent portfolio performance.

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
Given the materiality of the financial assets, the subjectivity involved in modelling assumptions, and the degree of management judgment required, we identified the impairment of financial assets under the ECL framework as a key audit matter.	g) Reviewed the staging of loans based on their past due status and tested a sample of Stage 1 assets to determine whether any indicators of SICR or impairment warranted classification into higher stages. h) Tested the design and operating effectiveness of key controls over the completeness and accuracy of data and assumptions used in the ECL computation. i) Performed substantive procedures to test the accuracy of data inputs and assessed the reasonableness of management's assumptions. j) Developed an independent point estimate or range and compared it with the ECL recognised by the Company to assess the reasonableness of the overall provision. k) Verified the mathematical accuracy of the ECL calculations and assessed the adequacy and appropriateness of the related disclosures in the financial statements in accordance with Ind AS and applicable RBI circulars. l) Obtained written representations from management on the reasonableness of key assumptions used in the estimation of ECL.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation

Independent Auditor's Report (Contd.)

of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entity or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the respective company included in the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its subsidiary companies, has adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern;

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Parent Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- planning the scope of our audit work and in evaluating the results of our work; and
- to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and the subsidiaries included in the consolidated financial statements of which we are the

Independent Auditor's Report (Contd.)

independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

- The audit of comparative financial statements for the year ended March 31, 2024 was conducted by M/s S S Kothari Mehta & Co. LLP, Chartered Accountants, the previous auditors of the Company, whose reports dated April 29, 2024, expressed an unmodified opinion on those audited consolidated financial statements. Accordingly, we JC Bhalla & Co., Chartered Accountants, do not express any opinion on the figures reported in the consolidated financial statements for the year ended March 31, 2024.
- We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of INR 1,50,322.38 lakhs as at March 31, 2025, total revenues of INR 24,261.06 lakhs, total net profit after tax of INR 1,155.42 lakhs, total comprehensive income of INR 826.90 lakhs and cash inflow (net) amounting to INR. 2,105.29 lakhs for the year ended March 31, 2025, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Parent Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- As required by section 143(3) of the Act, based on our audit we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books;
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of the written representations received from the directors of the Parent Company as on March 31, 2025 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2025 from being appointed as a director in terms of 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company and its subsidiary companies;
 - In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the

Independent Auditor's Report (Contd.)

Parent Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Parent Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements;
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies;
 - The respective Management of the Parent Company and its subsidiaries, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - The respective Management of the Parent Company and its subsidiaries, whose financial statements have been

audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Parent Company and its subsidiaries whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- The Parent Company or its subsidiaries have not declared or paid any dividend during the year and has not proposed final dividend for the year;
- Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, the Parent Company and its subsidiaries has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software system. Further, during the course of our audit we and the auditors of subsidiaries did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the Group as per the statutory requirements for the record retention.

Independent Auditor's Report (Contd.)

- With reference to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"), issued by the Central Government pursuant to Section 143(11) of the Act and required to be included in the Auditor's Report, based on the information and explanations provided to us, and further

relying on 'Annexure A' to the Independent Auditor's Report on the Standalone Financial Statements issued by us and by the respective auditors of the subsidiaries included in the consolidated financial statements, we report that the CARO reports of the said companies do not contain any qualifications or adverse remarks.

For **J C Bhalla & Co.**
Chartered Accountants
Firm Regn No. 001111N

Rajesh Sethi
Partner
Membership No. 085669
UDIN: 25085669BMODNW4811
Place: Gurugram
Date: May 07, 2025

Annexure “A” to the Independent Auditor's Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Satin Creditcare Network Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE “ACT”)

In conjunction with our audit of the consolidated financial statements of the Parent Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of **Satin Creditcare Network Limited** (hereinafter referred to as the “Parent Company”) and its subsidiary companies, as of that date.

MANAGEMENT’S AND BOARD OF DIRECTORS’ RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the internal control with reference to financial statements of the Parent Company and its subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, prescribed under Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the reasonable assurance about whether adequate internal control with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Parent Company and its subsidiary companies.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

Annexure “A” to the Independent Auditor's Report (Contd.)

projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Parent

Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to the consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **J C Bhalla & Co.**
Chartered Accountants
Firm Regn No. 001111N

Rajesh Sethi
Partner
Membership No. 085669
UDIN: 25085669BMODNW4811
Place: Gurugram
Date: May 07, 2025

Consolidated Balance Sheet

As at March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and cash equivalents	4	72,904.57	42,402.73
Bank balances other than cash and cash equivalents	5	64,573.01	84,710.52
Derivative financial instruments	6	1,490.24	1,800.00
Trade receivables	7	193.70	844.74
Loans	8	9,84,359.21	8,90,812.44
Investments	9	5,510.34	5,118.08
Other financial assets	10	3,992.10	3,558.13
		11,33,023.17	10,29,246.64
Non-financial Assets			
Current tax assets (net)	11	1,913.36	1,156.13
Deferred tax assets (net)	12	4,440.58	908.10
Investment Property	13	601.14	631.91
Property, plant and equipment	14	9,673.27	9,169.65
Capital work-in-progress	14	29.60	9.21
Intangible assets under development	15	13.24	-
Goodwill		3,370.66	3,370.66
Other intangible assets	15	34.90	90.11
Other non-financial assets	16	5,599.70	3,888.10
		25,676.45	19,223.87
TOTAL ASSETS		11,58,699.62	10,48,470.51
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		92.15	13.78
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		271.65	371.74
Other payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		27.47	83.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,161.84	1,713.87
Debt securities	19	1,82,060.02	1,03,353.73
Borrowings (other than debt securities)	20	6,62,267.24	6,52,844.85
Subordinated liabilities	21	34,816.50	34,765.04
Other financial liabilities	22	18,174.65	12,470.35
		9,00,871.52	8,05,616.91
Non-financial Liabilities			
Current tax liabilities (net)	23	-	234.95
Provisions	24	1,782.77	1,017.40
Other non-financial liabilities	25	1,759.02	1,516.42
		3,541.79	2,768.77
EQUITY			
Equity share capital	26	11,004.32	11,004.32
Other equity	27	2,43,281.99	2,29,080.51
		2,54,286.31	2,40,084.83
TOTAL LIABILITIES AND EQUITY		11,58,699.62	10,48,470.51

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated Balance Sheet referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Consolidated Statement of Profit and Loss

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I. INCOME			
Revenue from operations			
Interest income	28	2,30,284.81	1,88,176.35
Dividend income	29	12.50	-
Rental income	30	29.38	40.69
Fees and commission income	31	3,706.48	6,536.76
Net gain on fair value changes	32	1,890.69	783.84
Net gain on derecognition of financial instruments	33	23,332.26	27,285.52
Other operating income	34	212.85	455.66
Total revenue from operations		2,59,468.97	2,23,278.82
Other income	35	721.94	773.96
Total income		2,60,190.91	2,24,052.78
II. EXPENSES			
Finance costs	36	1,04,860.75	90,102.14
Impairment on financial instruments	37	52,043.84	15,079.54
Employee benefit expenses	38	58,631.30	44,791.39
Depreciation and amortization	39	2,726.88	2,266.14
Other expenses	40	18,351.35	13,524.78
Total expenses		2,36,614.12	1,65,763.99
Profit before tax		23,576.79	58,288.79
Tax expense:	41		
Current tax		8,625.77	6,949.62
Income tax relating to earlier years		(645.00)	-
Deferred tax (credit)/charge		(3,016.58)	7,745.37
Total tax expenses		4,964.19	14,694.99
Profit after tax		18,612.60	43,593.80
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurements of the defined benefit plans (refer note 48)		(764.27)	(7.53)
Equity instruments through other comprehensive income (refer note 9)		(4,466.08)	(2,046.87)
Income tax relating to above items		1,316.36	517.17
	A	(3,913.99)	(1,537.23)
Items that will be reclassified to profit and loss			
Changes in fair value of loan assets (refer note 8)		(697.43)	2,865.44
Income tax relating to above item		175.53	(721.18)
	B	(521.90)	2,144.26
Other comprehensive income	A+B	(4,435.89)	607.03
Total comprehensive income for the year		14,176.71	44,200.83
Net profit after tax attributable to			
Owners of the Parent Company		18,612.60	43,593.80
Non-controlling interests		-	-
Other comprehensive income attributable to			
Owners of the Parent Company		(4,435.89)	607.03
Non-controlling interests		-	-
Total comprehensive income attributable to			
Owners of the Parent Company		14,176.71	44,200.83
Non-controlling interests		-	-
Earnings per equity share (face value of INR 10 per equity share)	42		
Basic (INR)		16.92	44.34
Diluted (INR)		16.92	43.27

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated statement of profit and loss referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Place : Gurugram
Date : May 07, 2025

Consolidated Cash Flow Statement

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	23,576.79	58,288.79
Adjustments for:		
Depreciation and amortization	1,557.35	1,291.33
Depreciation of right-of-use assets	1,169.53	974.81
Net loss / (gain) on derecognition of property, plant and equipment	8.68	42.16
Fair value gain on mutual funds	(2,324.30)	(1,246.54)
Unrealized loss / (gain) on fair value changes of derivatives and investments	433.61	462.70
Impairment on financial instruments	52,043.84	15,079.54
Dividend income	(12.50)	-
Net gain on sale of loan portfolio through assignment	(23,332.26)	(27,285.52)
First loss default guarantee (reversal) / expenses	(226.34)	(176.05)
Share based payment to employees	44.66	-
Effective interest rate adjustment for financial instruments	5,950.25	4,508.60
Interest expense for leasing arrangements	260.82	242.97
Net gain on termination of leases	(12.46)	(15.57)
Unrealized exchange fluctuation loss (net)	1,683.96	924.29
Operating profit before working capital changes	60,821.63	53,091.51
Movement in working capital		
(Increase)/decrease in trade receivables	651.04	(305.29)
(Increase)/decrease in loans	(1,35,491.89)	(2,41,458.21)
(Increase)/decrease in other bank balances	20,137.51	956.75
(Increase)/decrease in other financial assets	(418.37)	(1,360.05)
(Increase)/decrease in other non-financial assets	(1,567.73)	(593.50)
Increase/(decrease) in trade and other payables	1,370.17	123.42
Increase/(decrease) in other financial liabilities	5,910.75	(14,438.59)
Increase/(decrease) in provisions	1.10	75.52
Increase/(decrease) in other non-financial liabilities	242.60	562.60
Cash used in operating activities post working capital changes	(48,343.19)	(2,03,345.84)
Income taxes paid (net)	(7,996.96)	(3,543.25)
Net cash used in operating activities (A)	(56,340.15)	(2,06,889.09)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress)	(1,950.35)	(1,280.91)
Proceeds from sale of property, plant and equipment	91.17	70.61
Purchase of intangible assets (including intangible asset under development)	(34.36)	(26.19)
Dividend income	12.50	-
Purchase of investments	(16,25,222.38)	(13,54,254.80)
Sale of investments	16,22,564.49	13,53,071.00
Net cash used in investing activities (B)	(4,538.93)	(2,420.29)
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)	-	33,084.63
Proceeds from debt securities	95,618.13	50,725.06
Repayment of debt securities	(18,605.49)	(57,567.17)
Proceeds from borrowings other than debt securities	4,49,145.74	6,51,207.79
Repayment of borrowings other than debt securities	(4,33,395.49)	(4,47,969.60)
Lease payments	(1,381.97)	(1,146.97)
Proceeds from subordinated liabilities	-	4,801.07
Repayment of subordinated liabilities	-	(7,191.18)
Net cash generated from financing activities (C)	91,380.92	2,25,943.63
Net increase / (decrease) in cash and cash equivalents (A+B+C)	30,501.84	16,634.25
Cash and cash equivalents at the beginning of the year	42,402.73	25,768.48
Cash and cash equivalents at the end of the year	72,904.57	42,402.73

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

Consolidated Cash Flow Statement

For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Notes:		
Cash and cash equivalents (as per note 4 to the financial statements)	72,904.57	42,402.73
Less: Overdraft facility against term deposits	-	-
	72,904.57	42,402.73

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated statement of cash flow referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Place : Gurugram
Date : May 07, 2025

Place : Gurugram
Date : May 07, 2025

Consolidated Statement of Changes in Equity

For the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL (REFER NOTE 26)

As at March 31, 2025

Particulars	Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2024	Changes during the year	Balance as at March 31, 2025
Equity share capital	11,004.32	-	11,004.32	-	11,004.32

As at March 31, 2024

Particulars	Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at April 01, 2023	Changes during the year	Balance as at March 31, 2024
Equity share capital	8,479.63	-	8,479.63	2,524.69	11,004.32

B. OTHER EQUITY (REFER NOTE 27)

Particulars	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	Total attributable to equity holders of the parent	Total non- controlling interest	Total
	Statutory/ Special reserve fund	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings					
Balance as at April 01, 2023	16,573.30	1,13,726.31	29.94	2,777.00	-	19,735.05	613.25	2,927.08	1,54,332.81	-	1,54,332.81
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at April 01, 2023	16,573.30	1,13,726.31	29.94	2,777.00	-	19,735.05	613.25	2,927.08	1,54,332.81	-	1,54,332.81
Profit for the year	-	-	-	-	-	43,593.80	-	-	43,593.80	-	43,593.80
Other comprehensive income (net of tax)	-	-	-	-	-	(5.52)	2,144.26	-	607.03	-	607.03
Issue of equity shares (net of share issue expenses)	-	33,487.02	-	-	-	-	-	(11,708.32)	21,778.70	-	21,778.70
Issue of share warrants (refer note 26 (F))	-	-	-	-	-	-	-	8,781.24	8,781.24	-	8,781.24
Transfer to statutory / special reserves	8,734.73	-	-	-	-	(8,734.73)	-	-	-	-	-
Share issue expense of subsidiary	-	-	-	-	-	(13.07)	-	-	(13.07)	-	(13.07)
Balance as at March 31, 2024	25,308.03	1,47,213.33	29.94	2,777.00	-	54,575.53	2,757.51	-	2,29,080.51	-	2,29,080.51
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at March 31, 2024	25,308.03	1,47,213.33	29.94	2,777.00	-	54,575.53	2,757.51	-	2,29,080.51	-	2,29,080.51

Consolidated Statement of Changes in Equity For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	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	Total attributable to equity holders of the parent	Total non- controlling interest	Total
	Statutory/ Special reserve fund	Securities premium	General reserve	Capital redemption reserve	Share options outstanding account	Retained earnings					
Profit for the year	-	-	-	-	-	18,612.60	-	-	18,612.60	-	18,612.60
Other comprehensive income (net of tax)	-	-	-	-	-	(571.93)	(521.90)	-	(4,435.89)	-	(4,435.89)
Amount transferred to retained earning*	-	-	-	-	-	(2,901.86)	2,901.86	-	-	-	-
Transfer to statutory / special reserves	4,561.15	-	-	-	-	(4,561.15)	-	-	-	-	-
Share based payment to employees	-	-	-	-	44.66	-	-	-	44.66	-	44.66
Share issue expense of subsidiary	-	-	-	-	-	(19.89)	-	-	(19.89)	-	(19.89)
Balance as at March 31, 2025	29,869.18	1,47,213.33	29.94	2,777.00	44.66	65,133.30	(4,021.03)	2,235.61	2,43,281.99	-	2,43,281.99

* During the current year, an amount of INR 2,901.86 Lakhs (net of deferred tax of INR 975.97 Lakhs) (March 31, 2024: INR Nil) has been transferred from Equity instruments through other comprehensive income to Retained Earnings. This amount reflects fair value loss of INR 3,877.83 Lakhs (March 31, 2024: INR Nil) on account of Security Receipts (Prudent Trust 67/22) till March 31, 2025 which has been written off due to expiry of redemption realisation period in terms of applicable RBI Direction.

Statement of material accounting policies and other explanatory notes. 1-3

This consolidated statement of changes in equity referred to in our report of even date.

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Place : Gurugram
Date : May 07, 2025

Satvinder Singh
(Director)
DIN: 00332521
Manoj Agrawal
(Chief Financial Officer)

Summary of Material Accounting Policies and Other Explanatory Information

for the year ended March 31, 2025

1 GROUP OVERVIEW

Satin Creditcare Network Limited ('the Parent Company') (CIN:L65991DL1990PLC041796) 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 5th 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 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.

The Parent Company owns 100% equity shares of Satin Technologies Limited ("STL"). The STL is engaged in business of providing, establishing, promoting consulting services whether information technology enabled or otherwise in India or outside India.

2A 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, 2025 were authorized and approved for issue by the Board of Directors on May 07, 2025.

(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 recognized assets and liabilities that are hedged items in fair value hedges, and otherwise carried at amortized cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

(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.

2B BASIS OF CONSOLIDATION

The consolidated financial statements has comprised financial statements of the Company and its subsidiaries, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are 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 unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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 MATERIAL ACCOUNTING POLICIES

The financial statements have been prepared using the material accounting policies and measurement bases summarized 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 recognized 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 recognized 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:

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 recognized is de-recognized 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-recognized.

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 recognized in profit or loss as incurred.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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 derecognized 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 recognized 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 (amortization method, useful lives and residual value)

Intangible assets are amortized over a period of 3-5 years from the date when the assets are available for use. The estimated useful life (amortization 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 amortization period is revised to reflect the changed pattern, if any.

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 recognized 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.

Amortization of the asset begins when development is complete and the asset is available for use.

e) Revenue recognition

Interest income on loans

The Group recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized 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 amortized cost of a financial liability.

The Group recognizes 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 recognizes interest income on the net amortized 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 recognized when the related loan assets are de-recognized. Interest income is also recognized on carrying value of remaining assets over the outstanding period of such assets.

Rendering of services

Revenue from fixed price contracts and sale of license and related customization and implementation is recognized as performance obligation fulfilled. Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates. The contract cost used in computing the revenues include cost of fulfilling warranty obligations, if any.

Commission income

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

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

Dividend income

Dividend income is recognized 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.

Current tax relating to items recognized outside profit or loss is recognized 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 recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets, if any, are reassessed at each reporting date and are recognized 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 realized 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 recognized outside profit or loss is recognized 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 recognized 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 recognized 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.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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

Defined contribution plans

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

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and last drawn salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after 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) 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 recognized 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 recognized in statement of profit and loss when the compensation becomes receivable.

j) Impairment of financial assets

The Group is recording the allowance for expected credit losses for all loans at amortized 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 summarized 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.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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

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

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

Trade receivables

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

Other financial assets

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

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

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), bank balance and deposits with original maturity upto 3 months 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.

l) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the 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 recognized but disclosed where an inflow of economic benefits is probable.

m) 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.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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 recognizes 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).

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 recognized 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.

n) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognized 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 amortized cost** – a financial asset is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in 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 recognized in OCI. Interest income are recognized in profit or

loss in the same manner as for financial assets measured at amortized 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 recognized 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-recognized (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 amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized 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 recognized 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 the loss it incurs because a specified debtor defaults in payment on due date, 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 of due dates.

Further, the maximum liability is restricted to the cash outflow agreed in the agreement.

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 recognized 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

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

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:

- In the principal market for the asset or liability, or
- 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.

o) 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 (INR), 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.

p) 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.

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 amortized cost that are derecognized 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 amortized 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.

Summary of Material Accounting Policies and Other Explanatory Information For the year ended March 31, 2025 (Contd.)

Significant estimates

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

q) 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:

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(All amounts in INR Lakhs, unless otherwise stated)

4 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	2,506.72	3,917.17
Balances with banks and financial institutions		
- Balance with banks in current accounts	62,345.47	22,746.87
- Deposits for original maturity upto 3 months	8,052.38	15,738.69
	72,904.57	42,402.73

5 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits for original maturity of more than 3 months and upto 12 months	1,616.19	1,084.70
Deposits with original maturity more than 12 months	2,327.91	9,382.90
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees	60,626.44	74,240.77
Earmarked balances with banks *	2.47	2.15
Total	64,573.01	84,710.52

*Balance in current accounts includes balance of INR 2.15 Lakhs (March 31, 2024 : INR 2.15 Lakhs) which is earmarked for unpaid dividend.

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 5):-

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans	27,037.18	29,813.47
Overdraft facilities	22,384.42	20,853.86
Securitized	7,547.57	18,790.49
Derivatives	167.43	155.66
Bank guarantee	692.34	665.11
Security against first loss default guarantee	2,690.98	3,959.69
Security against facilities	106.52	2.49
Total	60,626.44	74,240.77

6 DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	As at March 31, 2025		As at March 31, 2024	
	Notional amount	Fair value	Notional amount	Fair value
Currency and interest swap	1,38,513.64	1,490.24	73,109.97	1,800.00
	1,38,513.64	1,490.24	73,109.97	1,800.00

Included in above are derivative held for risk management purpose as follows:

Undesignated derivatives	1,38,513.64	1,490.24	73,109.97	1,800.00
Total	1,38,513.64	1,490.24	73,109.97	1,800.00

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 amount. The notional amount 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 with derivative instruments are foreign currency risk and interest rate risk.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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.

7 TRADE RECEIVABLES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - unsecured	194.05	863.50
Credit impaired - unsecured	18.76	-
	212.81	863.50
Less: Impairment loss allowance	(19.11)	(18.76)
	193.70	844.74

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	48.34	5.23	0.19	-	-	53.76
(ii) Undisputed trade receivables – credit impaired	-	-	1.00	17.76	-	18.76
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	140.29
As at March 31, 2025	48.34	5.23	1.19	17.76	-	212.81

(i) Undisputed trade receivables – considered good	472.12	2.16	28.89	1.47	-	504.64
(ii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	358.86
As at March 31, 2024	472.12	2.16	28.89	1.47	-	863.50

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.

8 LOANS

Particulars	As at March 31, 2025			As at March 31, 2024		
	At fair value through other comprehensive income	At amortized cost	Total	At fair value through other comprehensive income	At amortized cost	Total
Term loans (also refer note 44)						
Portfolio loans						
Secured	-	51,015.69	51,015.69	-	32,122.87	32,122.87
Unsecured	7,73,878.55	1,14,857.51	8,88,736.06	6,59,652.72	1,53,812.57	8,13,465.29
Housing loans						
Secured	20,384.49	56,664.43	77,048.92	64,117.50	-	64,117.50
Unsecured	-	-	-	-	-	-
Total - Gross	7,94,263.04	2,22,537.63	10,16,800.67	7,23,770.22	1,85,935.44	9,09,705.66
Less: Impairment loss allowance	(23,818.67)	(8,622.79)	(32,441.46)	(13,846.08)	(5,047.14)	(18,893.22)
Total - Net	7,70,444.37	2,13,914.84	9,84,359.21	7,09,924.14	1,80,888.30	8,90,812.44

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Secured by tangible assets (property, plant and equipment including land and building)	1,25,627.50	93,813.23
(ii) Secured by book debts, inventories, margin money and other working capital items	2,437.11	2,427.14
(iii) Unsecured	8,88,736.06	8,13,465.29
Total - Gross	10,16,800.67	9,09,705.66
Less: Impairment loss allowance	(32,441.46)	(18,893.22)
Total - Net	9,84,359.21	8,90,812.44

Particulars	As at March 31, 2025	As at March 31, 2024
Loans in India		
(i) Public sector	-	-
(ii) Others	10,16,800.67	9,09,705.66
Total - Gross	10,16,800.67	9,09,705.66
Less: Impairment loss allowance	(32,441.46)	(18,893.22)
Total - Net	9,84,359.21	8,90,812.44

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

9 INVESTMENTS

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amortized cost	At fair value		Total	Amortized cost	At fair value		Total
		Through other comprehensive income	Through profit and loss			Through other comprehensive income	Through profit and loss	
Equity instruments (unquoted)								
50,000 (March 31, 2024 : 50,000) equity shares of face value of INR 10 each of Alpha Micro Finance Consultants Private Limited#	-	-	-	-	-	-	-	-
31,471 (March 31, 2024 : 31,471) equity shares of face value of INR 10 each of Jay Kay Financial Technologies Private Limited#	-	-	-	-	-	-	80.13	80.13
Equity instruments (quoted)								
42,400 (March 31, 2024 : Nil) equity shares of face value of INR 10 each of Usha Financial Services Limited	-	-	21.43	21.43	-	-	-	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Amortized cost	At fair value		Amortized cost	At fair value	
		Through other comprehensive income	Through profit and loss		Through other comprehensive income	Through profit and loss
Security Receipts (unquoted)						
Nil (March 31, 2024 : 4,50,500) security receipts in Prudent Trust 67/22 (Trust floated by Prudent ARC Limited)	-	-	-	-	2,756.91	-
7,35,250 (March 31, 2024 : 7,35,250) security receipts in Prudent Trust 70/22 (Trust floated by Prudent ARC Limited)	-	1,788.91	-	-	3,563.46	-
3,70,000 (March 31, 2024 : Nil) security receipts in Prudent Trust 115/25 (Trust floated by Prudent ARC Limited)	-	3,700.00	-	-	-	-
Total	-	5,488.91	21.43	5,510.34	6,320.37	80.13

(i) Investments in India	-	5,488.91	21.43	5,510.34	-	6,320.37	80.13	6,400.50
(ii) Investments outside India	-	-	-	-	-	-	-	-
Total	-	5,488.91	21.43	5,510.34	-	6,320.37	80.13	6,400.50
Less: Allowance for Impairment loss	-	-	-	-	-	(1,282.42)	-	(1,282.42)
Total	-	5,488.91	21.43	5,510.34	-	5,037.95	80.13	5,118.08

The Group has not entered in to any credit derivative to mitigate the credit risk (if any).

#Investment has been written off and therefore shown at zero value.

10 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	313.69	260.53
Staff advances	330.54	234.36
Insurance recoverable	368.26	807.44
Other recoverable	2,978.87	2,135.87
Unbilled revenue	1.58	121.04
	3,992.94	3,559.24
Less: Impairment loss allowance	(0.84)	(1.11)
Total	3,992.10	3,558.13

11 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income - tax (net)	1,913.36	1,156.13
	1,913.36	1,156.13

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

12 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Deferred tax assets		
Provision for employee benefits	452.62	220.26
Difference in written down value as per Companies Act and Income Tax Act	243.36	225.59
Unabsorbed business losses and depreciation	-	53.41
Impairment loss allowance and first loss default guarantee	8,366.54	5,206.08
Minimum alternate tax credit entitlement	347.15	372.85
Liability against leases	441.28	394.92
Impairment loss allowance on security receipts	-	322.76
Loss on security receipts through other comprehensive income	1,350.70	1,202.65
Fair valuation of financial instruments through profit and loss	22.16	7.82
Financial liabilities measured at amortized cost	1.70	1.65
Others	0.18	0.18
Total deferred tax assets	11,225.69	8,008.17
(B) Deferred tax liabilities		
Financial assets measured at amortized cost	374.37	452.26
Fair valuation of loan assets	1,557.59	1,539.05
Special reserve u/s 36 (i) (viii) under Income Tax Act	61.14	55.62
Deduction of Impairment loss allowance u/s 36(viia) of Income Tax Act	416.81	-
Right of use assets	407.10	374.70
Deferment of excess interest spread	3,968.10	4,678.44
Total deferred tax liabilities	6,785.11	7,100.07
Net deferred tax assets (A) - (B)	4,440.58	908.10

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

Particulars	As at March 31, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Assets				
Provision for employee benefits	220.26	40.04	192.32	452.62
Difference in written down value as per Companies Act and Income Tax Act	225.59	17.77	-	243.36
Unabsorbed business losses and depreciation	53.41	(53.41)	-	-
Impairment loss allowance and first loss default guarantee	5,206.08	3,160.46	-	8,366.54
Minimum alternate tax credit entitlement	372.85	(25.70)	-	347.15
Liability against leases	394.92	46.36	-	441.28
Impairment loss allowance on security receipts	322.76	(322.76)	-	-
Loss on security receipts through other comprehensive income	1,202.65	-	148.05	1,350.70
Fair valuation of financial instruments through profit and loss	7.82	14.34	-	22.16
Financial liabilities measured at amortized cost	1.65	0.05	-	1.70
Others	0.18	-	-	0.18
Liabilities				
Financial assets measured at amortized cost	(452.26)	77.89	-	(374.37)
Fair valuation of loan assets	(1,539.05)	(194.07)	175.53	(1,557.59)
Special reserve u/s 36 (i) (viii) under Income Tax Act	(55.62)	(5.52)	-	(61.14)
Deduction of Impairment loss allowance u/s 36(viia) of Income Tax Act	-	(416.81)	-	(416.81)
Right of use assets	(374.70)	(32.40)	-	(407.10)
Deferment of excess interest spread	(4,678.44)	710.34	-	(3,968.10)
Total	908.10	3,016.58	515.90	4,440.58

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at April 01, 2023	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2024
Assets				
Provision for employee benefits	223.43	(5.18)	2.01	220.26
Difference in written down value as per Companies Act and Income Tax Act	223.63	1.96	-	225.59
Unabsorbed business losses and depreciation	8,155.06	(8,101.65)	-	53.41
Impairment loss allowance and first loss default guarantee	3,932.47	1,273.61	-	5,206.08
Minimum alternate tax credit entitlement	222.45	150.40	-	372.85
Liability against leases	296.12	98.80	-	394.92
Impairment loss allowance on security receipts	678.04	(355.28)	-	322.76
Loss on Security Receipts through other comprehensive income	687.49	-	515.16	1,202.65
Fair valuation of financial instruments through profit and loss	-	7.82	-	7.82
Financial liabilities measured at amortized cost	2.30	(0.65)	-	1.65
Others	-	0.18	-	0.18
Liabilities				
Financial assets measured at amortized cost	(558.99)	106.73	-	(452.26)
Fair valuation of loan assets	(564.76)	(253.11)	(721.18)	(1,539.05)
Special reserve u/s 36 (i) (viii) under Income Tax Act	(35.94)	(19.68)	-	(55.62)
Right of use assets	(289.88)	(84.82)	-	(374.70)
Deferment of excess interest spread	(4,113.94)	(564.50)	-	(4,678.44)
Total	8,857.48	(7,745.37)	(204.01)	908.10

13 INVESTMENT PROPERTY

Particulars	As at March 31, 2025	As at March 31, 2024
A. Reconciliation of carrying amount (Cost or deemed cost)		
Opening balance	769.52	769.52
Additions during the year	-	-
Total	769.52	769.52
Accumulated depreciation		
Opening balance	137.61	105.26
Additions during the year	30.77	32.35
Total	168.38	137.61
Carrying amount	601.14	631.91
B. Amount recognized in Statement of profit and loss for investment property		
Rental income	29.51	36.81
Less: Depreciation expense	30.77	32.35
Gain / (loss) from investment property	(1.26)	4.46
C. Measurement of fair value		
Investment property	1,382.95	1,158.55
	1,382.95	1,158.55

The Parent Company's investment properties consist of two residential properties in India. The fair values of the properties are INR 1,382.95 Lakhs (March 31, 2024 : INR 1,158.55 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.

**Notes to the Consolidated Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

14 | PROPERTY, PLANT AND EQUIPMENT

Particulars	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
Gross carrying amount											
Balance as at April 01, 2023	1,518.37	4,516.22	2,296.68	80.69	3,341.57	817.30	847.85	1,904.56	312.10	15,635.34	-
Additions	-	-	1,782.07	-	872.41	-	132.79	173.75	101.97	3,062.99	9.21
Adjustment on account of disposals	-	-	(964.45)	-	(737.85)	-	(52.37)	(53.24)	(87.02)	(1,894.93)	-
Balance as at March 31, 2024	1,518.37	4,516.22	3,114.30	80.69	3,476.13	817.30	928.27	2,025.07	327.05	16,803.40	9.21
Additions	-	-	1,769.53	-	1,011.29	-	244.19	385.90	138.92	3,549.83	26.19
Adjustment on account of disposals	-	-	(1,305.07)	-	(454.03)	-	(66.20)	(168.52)	(48.21)	(2,042.03)	(9.21)
Balance as at March 31, 2025	1,518.37	4,516.22	3,578.76	80.69	4,033.39	817.30	1,106.26	2,242.45	417.76	18,311.20	26.19
Accumulated depreciation											
Balance as at April 01, 2023	-	747.33	1,070.27	6.14	2,713.36	290.56	677.34	1,301.32	147.13	6,953.45	-
Depreciation charge for the year	-	184.29	951.53	23.28	576.27	93.74	95.94	174.68	60.68	2,160.42	-
Adjustment on account of disposals	-	-	(658.17)	-	(686.01)	-	(47.70)	(39.06)	(49.18)	(1,480.12)	-
Balance as at March 31, 2024	-	931.62	1,363.63	29.42	2,603.62	384.30	725.58	1,436.94	158.63	7,633.75	-
Depreciation charge for the year	-	174.99	1,153.52	16.01	787.60	75.85	136.71	195.34	80.60	2,620.62	-
Adjustment on account of disposals	-	-	(970.11)	-	(418.60)	-	(60.78)	(144.32)	(22.63)	(1,616.44)	-
Balance as at March 31, 2025	-	1,106.61	1,547.04	45.43	2,972.62	460.15	801.51	1,487.96	216.60	8,637.93	-
Net carrying amount											
Balance as at March 31, 2024	1,518.37	3,584.60	1,750.67	51.27	872.51	433.00	202.69	588.13	168.42	9,169.65	9.21
Balance as at March 31, 2025	1,518.37	3,409.61	2,031.72	35.26	1,060.77	357.15	304.75	754.49	201.16	9,673.27	26.19

Notes:

- (i) For disclosure of contractual commitments to be executed on capital account, refer note 52.
(ii) Vehicles which are taken on finance lease; monthly installments are paid as per agreed terms and conditions.
(iii) Property, plant and equipment have been mortgaged/pledged as security for borrowings, refer note 53.
(iv) Capital work in progress ageing schedule.

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in Progress					
Projects in progress					
As at March 31, 2025	26.19	-	-	-	26.19
As at March 31, 2024	9.21	-	-	-	9.21

**Notes to the Consolidated Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

15 | OTHER INTANGIBLE ASSETS

Particulars	Intangible assets	Total
Gross block		
Balance as at April 01, 2023	1,250.34	1,250.34
Additions		
- Additions – being internally developed	-	-
- Additions – others	26.19	26.19
Disposals	(250.52)	(250.52)
Balance as at March 31, 2024	1,026.01	1,026.01
Additions		
- Additions – being internally developed	-	-
- Additions – others	21.12	21.12
Disposals	(127.98)	(127.98)
Balance as at March 31, 2025	919.15	919.15
Accumulated amortization		
Balance as at April 01, 2023	1,071.17	1,071.17
Amortization charge for the year	72.69	72.69
Adjustment on account of disposal	(207.96)	(207.96)
Balance as at March 31, 2024	935.90	935.90
Amortization charge for the year	75.49	75.49
Adjustment on account of disposal	(127.14)	(127.14)
Balance as at March 31, 2025	884.25	884.25
Net block		
Balance as at March 31, 2024	90.11	90.11
Balance as at March 31, 2025	34.90	34.90
Intangible assets under development		
Particulars	Intangible assets under development	Total
Gross Block		
Balance as at April 01, 2023	-	-
Additions	-	-
Capitalization/ adjustments	-	-
Balance as at March 31, 2024	-	-
Additions	13.24	13.24
Capitalization/ adjustments	-	-
Balance as at March 31, 2025	13.24	13.24
Intangible assets under development for a period of		Amount
Less than 1 year		13.24
1-2 years		-
2-3 years		-
More than 3 years		-
Total		13.24

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

16 OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	4,716.32	3,266.69
Balances with government authorities	225.05	114.64
Capital advance	143.87	-
Gratuity fund asset (refer note 48)	-	155.14
Acquired property (held for sale)*	358.93	137.12
Other assets	229.01	242.62
	5,673.18	3,916.21
Less: Impairment loss allowance	(73.48)	(28.11)
Total	5,599.70	3,888.10

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

Description of item of property	As at March 31, 2025	As at March 31, 2024	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	-	10.47	Ravi Kalindi	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	-	17.26	Purnima Behra	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	17.94	17.94	Sadhna Sharma	No	February 28, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	23.13	23.13	Babita	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	12.89	12.89	Priyanka Yadav	No	February 29, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	-	15.33	Raj Kumar Gupta	No	June 17, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	20.67	20.67	Shri Chand	No	March 31, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	8.62	8.62	Suraj Bhan	No	March 23, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	-	9.17	Tej Singh	No	December 30, 2023	Assets acquired under court order as per SARFAESI Act
Land & Building	1.64	1.64	Sunil Sunil	No	March 31, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	12.14	-	Satveer Singh	No	June 30, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	20.09	-	Ikram	No	December 31, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	21.78	-	Gunjan Lal	No	January 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	8.33	-	Vaveeta Devi	No	January 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	34.27	-	Geeta	No	February 28, 2025	Assets acquired under court order as per SARFAESI Act

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Description of item of property	As at March 31, 2025	As at March 31, 2024	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	28.13	-	Harish Sharma	No	March 11, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	13.80	-	Lokesh Verma	No	March 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	41.50	-	Santosh Kumar Singh	No	September 24, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	8.92	-	Mahadev Champawat	No	January 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	10.59	-	Kuda Ram	No	January 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	3.36	-	Krishan Kumar	No	March 11, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	6.91	-	Krishan Kumar	No	March 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	5.36	-	Yash Walia	No	July 31, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	52.62	-	Surender Yadav	No	September 30, 2024	Assets acquired under court order as per SARFAESI Act
Land & Building	3.80	-	Shorbhi	No	March 31, 2025	Assets acquired under court order as per SARFAESI Act
Land & Building	2.44	-	Sunil Kumar	No	March 31, 2025	Assets acquired under court order as per SARFAESI Act
Total	358.93	137.12				

17 TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	92.15	13.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	271.65	371.74
Total	363.80	385.52

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	-	92.15	-	-	-	92.15
(ii) Others	67.78	197.07	1.72	1.67	3.41	271.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2025	67.78	289.22	1.72	1.67	3.41	363.80

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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	-	13.78	-	-	-	13.78
(ii) Others	241.60	119.65	4.11	2.08	4.30	371.74
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
As at March 31, 2024	241.60	133.43	4.11	2.08	4.30	385.52

18 OTHER PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	27.47	83.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,161.84	1,713.87
Total	3,189.31	1,797.42

19 DEBT SECURITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
External commercial borrowings	26,084.52	-
Non-convertible securities	1,55,975.50	1,03,353.73
Total	1,82,060.02	1,03,353.73
Debt securities in India	1,55,975.50	1,03,353.73
Debt securities outside India	26,084.52	-
Total	1,82,060.02	1,03,353.73

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Terms of repayment	As at March 31, 2025	As at March 31, 2024
Non-convertible securities (secured)				
1	Nil (March 31, 2024: 9,750) @Nil (Previous year: 10.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 5 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 INR 4,874.51 Lakhs (99.99%) on May 6, 2022 and rest INR 0.49 Lakhs (.01%) on May 6, 2024 and frequency of Interest payment is half yearly.	-	0.49
2	Nil (March 31, 2024: 600) @Nil (Previous year: 11.50%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 5,00,000 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 INR 1,500 Lakhs (25%) on April 24, 2023, INR 1,500 Lakhs (25%) on October 24, 2023 rest INR 3,000 Lakhs (50%) on April 23, 2024 and frequency of Interest payment is half yearly.	-	2,999.98
3	18,750 (March 31, 2024: 18,750) @11.10% (Previous year: 11.10%), Secured, Not Guaranteed, Senior, Taxable, Non Cumulative, Rated, Redeemable, Non-Convertible Debentures of face value of INR 10 each (March 31, 2024: INR 10 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 INR 18,748.13 Lakhs (99.99%) on June 05, 2023 and rest INR 1.87 Lakhs (.01%) on June 05, 2025 and frequency of Interest payment is half yearly.	1.88	1.88
4	Nil (March 31, 2024: 5,000), @ Nil (Previous year: 2.00% XIRR), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is April 6, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding principal plus accrued interest/obligations).	Redeemable at premium on October 06, 2024 and frequency of Interest payment is yearly.	-	4,907.85
5	Nil (March 31, 2024: 1,500), @Nil (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is July 28, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 28, 2025 and frequency of Interest payment is monthly.	-	1,475.30

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
6 Nil (March 31, 2024: 2,000), @Nil (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 07, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on March 28, 2025 and frequency of Interest payment is monthly.	-	1,999.38
7 5,382 (March 31, 2024: 5,382), @10.90% (Previous year: 10.90%), Rated, Unlisted, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is June 28, 2023. (Secured by way of hypothecation of loans (and/or other assets) in the form of a fixed charge, whereas the cumulative amount of all assets subject to the hypothecation shall be, at any time, not less than 100% of the outstanding amount).	Redeemable at par INR 5,381.46 Lakhs (99.99%) on May 8, 2025 and rest INR 0.54 Lakhs (.01%) on May 8, 2027 and frequency of Interest payment is semi-annually.	5,312.73	5,279.81
8 2,000 (March 31, 2024: 2,000), @10.95% (Previous year: 10.95%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 21, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on May 21, 2025 and frequency of Interest payment is monthly.	1,992.33	1,953.45
9 3,500 (March 31, 2024: 3,500), @10.90% (Previous year: 10.90%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 24, 2023. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on May 23, 2025 and frequency of Interest payment is annually.	3,492.51	3,440.94
10 680 (March 31, 2024: 680), @12.00% (Previous year : 12.00%), Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 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	6,800.00

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
11 19,250 (March 31, 2024: 19,250) @11.15% (Previous year: 11.15%), Secured, Rated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2024: INR 50,000 each). 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 INR 9,624.03 Lakhs (99.99%) on June 24, 2025 and rest INR 0.96 Lakhs (.01%) on June 24, 2027 and frequency of Interest payment is half yearly.	9,558.28	9,459.01
12 2,000 (March 31, 2024: 2000), @10.85% (Previous year: 10.85%), rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each), The date of allotment is March 04, 2024. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 105% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on August 04, 2025	1,982.58	1,937.15
13 5,000 (March 31, 2024: 5,000), @11.00% (Previous year: 11.00%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is October 13, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on January 13, 2026 and frequency of Interest payment is monthly.	4,998.67	4,996.98
14 2,500 (March 31, 2024: Nil) @10.90% (Previous year: Nil) Senior, Secured, Rated, Listed, Redeemable, Taxable Non-Converable Debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil). The date of allotment was August 30, 2024.	Redeemable in equally 2 tranches on January 30, 2026 and February 27, 2026.	2,468.17	-
15 2,060 (March 31, 2024: 2,060) @11.6880% (Previous year: 11.6880%), Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: 1,00,000 each). 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.	2,052.53	2,043.84
16 750 (March 31, 2024: 750), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 7,50,000 each (March 31, 2024: INR 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 06, 2026 and frequency of Interest payment is half yearly.	5,617.57	7,484.10

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
17 300 (March 31, 2024: 300), @11.7702% (Previous year: 11.7702%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 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.	2,999.21	2,998.37
18 2,500 (March 31, 2024: Nil), @10.85% (Previous year: Nil), rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil), The date of allotment is June 28, 2024. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 105% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on June 26, 2026.	2,449.25	-
19 5,000 (March 31, 2024: 5,000), @10.85% (Previous year: 10.85%), Secured, Rated, Listed, Redeemable, Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is January 12, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amount).	Redeemable at par on July 10, 2026 and frequency of Interest payment is annually.	4,919.15	4,855.83
20 5,000 (March 31, 2024: Nil), @10.50% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil). The date of allotment is July 04, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on January 04, 2027 and frequency of Interest payment is annually.	4,915.80	-
21 2,000 (March 31, 2024: Nil) @11.00% (Previous year: Nil) Senior, Secured, Rated, Listed, Redeemable, Taxable Non-Converable Debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil), The date of allotment was February 14, 2025.	Redeemable in equally 3 tranches on August 14, 2026, November 14, 2026 and February 14, 2027.	1,966.84	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
22 5,000 (March 31, 2024: Nil), @10.25% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil). The date of allotment is August 22, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on August 21, 2026 and frequency of Interest payment is monthly.	4,921.26	-
23 1,999 (March 31, 2024: Nil), @10.80% (Previous year: Nil), rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil), The date of allotment is August 30, 2024. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 105% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on August 30, 2026	1,954.83	-
24 Nil (March 31, 2024: 373), @Nil (Previous year: 11.50%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR Nil each (March 31, 2024: INR 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.	-	3,729.40
25 10,000 (March 31, 2024: 10,000), @13.00% (Previous year: 13.00%), Secured Rated Listed Redeemable Non Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is November 1, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 120% of the value of the outstanding amount).	Redeemable at par on September 11, 2026 and frequency of Interest payment is semi-annually.	9,868.71	9,778.13
26 2,500 (March 31, 2024: Nil), @10.80% (Previous year: Nil), rated, listed, fully paid up, senior, secured, redeemable, taxable, non-convertible debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil), The date of allotment is September 20, 2024. (Secured by way of hypothecation of first ranking, exclusive and continuing charge on book debt which shall be maintained at 105% of principal including interest accrued amount of the debentures outstanding.)	Redeemable at par on September 20, 2026	2,446.51	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
27 7,500 (March 31, 2024: Nil), @10.60% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 80,000 each (March 31, 2024: INR Nil each). The date of allotment is April 23, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding amounts).	Redeemable at par on October 23, 2026 and frequency of Interest payment is quarterly.	5,927.94	-
28 45,650 (March 31, 2024: 45,650), @11.70% (Previous year: 11.70%), Secured, Rated, Unlisted, Redeemable, Non-Convertible Debenture of face value of INR 10,000 each (March 31, 2024: INR 10,000 each). The date of allotment is December 01, 2023. (Secured by way of hypothecation over certain identified book debts/loan receivables of the Company with security cover at least 100% of the outstanding amount under the NCD).	Redeemable at par INR 4,564.54 Lakhs (99.99%) on December 01, 2026 and rest INR 0.45 Lakhs (.01%) on December 01, 2028 and frequency of Interest payment is semi-annually.	4,485.77	4,464.20
29 2,500 (March 31, 2024: 2,500), @12.30% (Previous year: 12.30%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). 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.	2,498.55	2,497.72
30 7,840 (March 31, 2024: 7,840) @11.7160% (Previous year: 11.7160%) Unlisted, Rated, Secured, Redeemable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). 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.	7,799.49	7,778.10
31 1,000 (March 31, 2024: Nil), @11.71% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is April 18, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on April 20, 2027 and frequency of Interest payment is semi-annually.	8,554.09	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
32 7,000 (March 31, 2024: Nil), @10.40% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil each). The date of allotment is May 2, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding Amounts).	Redeemable at par on April 30, 2027 and frequency of Interest payment is quarterly.	6,816.07	-
33 2,683 (March 31, 2024: 2,683), @10.85% (Previous year: 10.85%), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 9, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 09, 2027 and frequency of Interest payment is quarterly.	2,661.66	2,652.38
34 1,417 (March 31, 2024: 1,417), @10.85% (Previous year: 10.85%), Secured Rated Unlisted Redeemable Non Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is August 14, 2023. (Secured by way of hypothecation of Microloan portfolio equal to 100 % of the outstanding loan balance).	Redeemable at par on August 14, 2027 and frequency of Interest payment is quarterly.	1,406.34	1,401.73
35 500 (March 31, 2024: Nil), @8.18% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is September 25, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on September 27, 2027 and frequency of Interest payment is semi-annually. Redeemable at par on July 10, 2026 and frequency of Interest payment is annually.	4,274.59	-
36 2,500 (March 31, 2024: Nil) @8.93% (Previous year: Nil) Senior, Secured, Rated, Listed, Redeemable, Taxable Non-Converable Debentures of face value of INR 1,00,000 each (March 31, 2024: INR Nil) The date of allotment was September 27, 2024.	Redeemable in one tranche on September 27, 2027	2,469.02	-
37 800 (March 31, 2024: Nil), @11.86% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is April 16, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.05 times of the outstanding amounts in respect of the Bonds.).	Redeemable at par on October 16, 2027 and frequency of Interest payment is semi-annually.	6,842.20	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
38 2,000 (March 31, 2024: 2,000), @11.00% (Previous year: 11.00%), Senior, Secured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is June 20, 2023. (Secured by way of hypothecation of Book Debts maintained at all times at 110% of the value of the outstanding amount).	Redeemable at par on December 12, 2027 (subject to call put option is exercised on December 12, 2025) and frequency of Interest payment is semi-annually.	1,992.25	1,952.96
39 650 (March 31, 2024: 650), @12.15% (Previous year: 12.15%), Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 10,00,000 each). 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 semi-annually.	6,478.08	6,464.75
40 33,200 (March 31, 2024: Nil), @10.53% (Previous year: Nil), Secured Rated Listed Redeemable Non-Convertible Debenture of face value of INR 1,00,000 each (March 31, 2024: INR Nil each). The date of allotment is May 24, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of the value of the outstanding Amounts).	Redeemable at par on May 24, 2029 and frequency of Interest payment is semi-annually.	32,721.51	-
41 750 (March 31, 2024: Nil), @8.47% (Previous year: Nil), Secured, Listed, United States Dollars Denominated Non-Convertible Bonds of face value of USD 10,000 each (March 31, 2024: USD Nil). The date of allotment is October 03, 2024. (Secured by way of hypothecation of Book Debts maintained at all times with security cover at 1.1 times of principal amounts in respect of the Bonds.).	Redeemable at par on October 03, 2030 (Call and Put options available on October 04, 2027) and frequency of Interest payment is semi-annually.	6,413.65	-
Total		1,82,060.02	1,03,353.73

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

20 BORROWINGS (OTHER THAN DEBT SECURITIES) (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Term loans		
From banks		
Secured*	3,22,122.04	3,14,727.85
From other parties		
Secured#	1,53,136.90	1,81,465.25
External commercial borrowings		
Secured	98,368.69	60,027.09
Unsecured	12,802.61	12,437.82
Commercial paper (unsecured)	5,692.43	5,130.86
Liability against securitised assets (secured)	67,902.97	77,017.99
Liability against leased assets (unsecured)	2,241.60	1,938.04
Loan repayable on demand (secured)	-	99.95
Total	6,62,267.24	6,52,844.85
Borrowings in India	5,51,095.94	5,80,379.94
Borrowings outside India	1,11,171.30	72,464.91
Total	6,62,267.24	6,52,844.85

*Includes amount guaranteed by directors in their personal capacity of INR 1,92,942.88 Lakhs (March 31, 2024 : INR 1,86,312.04 Lakhs)

#Includes amount guaranteed by directors in their personal capacity of INR 57,691.77 Lakhs (March 31, 2024 : INR 99,414.40 Lakhs)

21 SUBORDINATED LIABILITIES (AT AMORTIZED COST)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-convertible debentures (refer note A)	14,816.50	14,765.04
Term loans from banks	20,000.00	20,000.00
Total	34,816.50	34,765.04
Sub-ordinated liabilities in India	34,816.50	34,765.04
Sub-ordinated liabilities outside India	-	-
Total	34,816.50	34,765.04

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

A. Non convertible debentures (unsecured)

Particulars	Terms of repayment	As at March 31, 2025	As at March 31, 2024
1 20 (March 31, 2024: 20) @14.00% (Previous year: 14.00%) Unsecured listed redeemable nonconvertible debentures of face value of INR 1,00,00,000 each (March 31, 2024: INR 1,00,00,000 each). The date of allotment was December 17, 2019.	Redeemable in equally 4 tranches starting from June 30, 2025 to December 31, 2026.	1,998.75	1,997.64
2 10,010 (March 31, 2024: 10,010), @ 13.14 % (Previous year: 13.14%), Unsecured, Rated, Unlisted, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 50,000 each (March 31, 2024: INR 50,000 each)., The date of allotment is March 24, 2020.	99.99% redeemable at par on April 24, 2025 and rest 0.01% on April 24, 2027 and frequency of Interest payment is semi-annual.	4,979.05	4,965.26
3 300 (March 31, 2024: 300), @15.50% (Previous year: 15.50%), Unsecured, Rated, Listed, Redeemable, Subordinated, Taxable, Transferable, Non-Convertible Debentures of face value of INR 10,00,000 each (March 31, 2024: INR 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.	2,996.20	2,993.84
4 5,000 (March 31, 2024: 5,000), @ 12.75% (Previous year: 12.75%), Subordinated, Unsecured, Rated, Listed, Taxable, Redeemable, Transferable, Non-Convertible Debentures of face value of INR 1,00,000 each (March 31, 2024: INR 1,00,000 each). The date of allotment is March 19, 2024.	Redeemable on July 19, 2029 and frequency of Interest payment is monthly.	4,842.50	4,808.30
Total		14,816.50	14,765.04

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 01, 2023	1,09,643.58	4,42,948.04	37,122.90	1,410.22	5,91,124.74
Cash flows:					
- Repayment	(57,567.17)	(4,47,969.60)	(7,191.18)	(1,146.97)	(5,13,874.92)
- Proceeds from / (repayment of) overdraft facility	-	100.00	-	-	100.00
- Proceeds other than overdraft facility	52,047.00	6,57,273.63	5,000.00	-	7,14,320.63
	(5,520.17)	2,09,404.03	(2,191.18)	(1,146.97)	2,00,545.71
Non-cash:					
- Addition during the year	-	-	-	1,782.07	1,782.07
- Foreign exchange	-	924.29	-	-	924.29
- Amortization of upfront fees and others	552.26	3,924.10	32.24	-	4,508.60
- Deferment of upfront processing fee	(1,321.94)	(5,859.30)	(198.92)	-	(7,380.16)
- Others	-	(434.35)	-	(107.28)	(541.63)
March 31, 2024	1,03,353.73	6,50,906.81	34,765.04	1,938.04	7,90,963.62

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Debt securities	Borrowings (other than debt)	Subordinated liabilities	Liability against leased assets	Total
Cash flows:					
- Repayment	(18,605.49)	(4,33,395.49)	-	(1,381.97)	(4,53,382.95)
- Proceeds from / (repayment of) overdraft facility	-	-	-	-	-
- Proceeds other than overdraft facility	97,225.73	4,53,702.62	-	-	5,50,928.35
	78,620.24	20,307.13	-	(1,381.97)	97,545.40
Non-cash:					
- Addition during the year	-	-	-	1,761.35	1,761.35
- Foreign exchange	575.60	1,108.36	-	-	1,683.96
- Amortization of upfront fees and others	1,118.05	4,780.74	51.46	-	5,950.25
- Deferment of upfront processing fee	(1,607.61)	(4,556.88)	-	-	(6,164.48)
- Others	-	(12,520.51)	-	(75.82)	(12,596.33)
March 31, 2025	1,82,060.02	6,60,025.64	34,816.50	2,241.60	8,79,143.76

Notes:

- 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.
- Vehicles are hypothecated for respective borrowings availed for purchase of respective vehicles.

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2025 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 Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	127	1,036.82	117	788.79	38	14.57	-	-	-	-	1,840.18
	9% to 12%	5,794	2,64,825.59	11,718	1,19,763.21	9,373	12,314.26	1,204	3,572.58	1,808	2,630.42	4,03,106.06
	12.01% to 15%	800	20,384.35	505	10,401.44	250	4,799.43	49	469.08	2	10.42	36,064.72
Quarterly	Below 9.00%	18	836.55	24	1,112.38	17	664.37	16	616.08	59	2,185.06	5,414.44
	9% to 12%	95	59,062.38	68	29,216.10	39	14,461.34	4	2,486.40	3	2,249.75	1,07,475.97
	12.01% to 15%	14	2,832.42	5	871.41	-	-	-	-	-	-	3,703.83
Semi-annually	9% to 12%	22	18,241.07	18	15,292.05	2	3,390.00	2	3,678.69	-	-	40,601.81
	Above 15%	2	1,500.00	2	1,500.00	-	-	-	-	-	-	3,000.00
Annually	9% to 12%	1	8,300.00	-	-	3	11,006.60	3	11,132.88	1	8,300.00	38,739.48
	12.01% to 15%	-	-	-	-	2	6,846.51	-	-	-	-	6,846.51
	Above 15%	3	8,625.00	-	-	-	-	-	-	-	-	8,625.00
Bullet	9% to 12%	11	33,006.84	8	40,241.75	6	11,280.57	3	25,674.88	-	-	1,10,204.04
	12.01% to 15%	6	23,573.77	9	51,580.99	6	19,077.25	-	-	1	5,000.00	99,232.01
	Above 15%	2	26,500.00	1	2,500.00	-	-	-	-	-	-	29,000.00
Total		6,895	4,68,724.79	12,475	2,73,268.12	9,736	83,854.90	1,281	47,630.59	1,874	20,375.65	8,93,854.05

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Terms of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2024 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 Amount
		No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	No. of install-ments	Amount	
Monthly	Below 9.00%	311	78.53	207	59.78	124	44.26	35	18.25	37	12.54	213.35
	9% to 12%	7,354	2,32,071.57	6,238	1,14,453.99	4,967	45,343.95	3,787	4,012.54	5,106	2,743.37	3,98,625.42
	12.01% to 15%	1,434	61,947.97	843	20,948.27	417	5,360.96	217	1,741.93	46	88.82	90,087.96
	Above 15%	24	476.65	25	528.54	-	-	-	-	-	-	1,005.19
Quarterly	Below 9.00%	25	1,332.62	24	1,107.08	24	1,104.06	17	656.05	82	3,028.37	7,228.18
	9% to 12%	61	53,285.20	38	32,230.83	10	5,834.55	4	2,501.22	7	4,377.13	98,228.93
	12.01% to 15%	28	5,413.64	15	3,049.05	5	873.48	-	-	-	-	9,336.17
Semi-annually	Below 9.00%	2	2,671.50	-	-	-	-	-	-	-	-	2,671.50
	9% to 12%	4	1,843.75	2	1,243.75	-	-	-	-	-	-	3,087.50
	12.01% to 15%	1	3,000.00	2	1,000.00	2	1,000.00	-	-	-	-	5,000.00
	Above 15%	-	-	2	1,500.00	2	1,500.00	-	-	-	-	3,000.00
Annually	12.01% to 15%	1	1,875.00	3	8,625.00	-	-	-	-	-	-	10,500.00
Bullet	9% to 12%	8	18,382.94	10	27,507.37	5	22,070.63	4	1.50	2	0.46	67,962.90
	12.01% to 15%	2	10,530.00	7	43,068.15	8	54,093.96	5	4,100.70	1	5,000.00	1,16,792.81
Total		9,255	3,92,909.37	7,416	2,55,321.82	5,564	1,37,225.85	4,069	13,032.19	5,281	15,250.69	8,13,739.92

All the above mentioned repayments disclosed as per the contractual maturities of debt securities, borrowing other than debt securities and subordinate liabilities at gross value.

22 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on debt securities	5,221.52	3,149.39
Interest accrued on borrowings other than debt securities	3,256.38	3,828.92
Interest accrued on subordinated liabilities	852.53	518.94
Payable towards assignment / securitization transactions	4,979.22	2,086.00
First loss default guarantee	513.33	1,514.08
Payable to employees	3,195.70	1,260.53
Security deposit received	49.96	41.39
Insurance payables	100.57	62.84
Unclaimed amount of preference shares	5.44	8.26
Total	18,174.65	12,470.35

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

23 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for tax (net)	-	234.95
Total	-	234.95

24 PROVISIONS (REFER NOTE 48)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity	422.19	22.32
Provision for compensation absences	1,360.58	995.08
Total	1,782.77	1,017.40

25 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Income received in advance	339.61	425.14
Statutory dues payables	1,419.41	1,091.28
Total	1,759.02	1,516.42

26 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
A Authorised				
Equity share capital of face value of INR 10 each				
At the beginning of the year	12,50,00,000	12,500.00	10,50,00,000	10,500.00
Additions during the year	-	-	2,00,00,000	2,000.00
	12,50,00,000	12,500.00	12,50,00,000	12,500.00
B Issued and subscribed				
Equity share capital of face value of INR 10 each				
At the beginning of the year	11,05,95,861	11,059.59	8,53,49,021	8,534.90
Additions during the year	-	-	2,52,46,840	2,524.69
	11,05,95,861	11,059.59	11,05,95,861	11,059.59
C Issued and Paid-up				
Fully paid-up				
Equity share capital of face value of INR 10 each				
At the beginning of the year	11,04,70,965	11,047.10	8,52,24,125	8,522.41
Additions during the year	-	-	2,52,46,840	2,524.69
	11,04,70,965	11,047.10	11,04,70,965	11,047.10
Less: Amount recoverable from Satin Employees Welfare Trust (Equity shares of INR 10/- each allotted to the Satin Employees Welfare Trust)	(4,82,946)	(48.29)	(4,82,946)	(48.29)
	10,99,88,019	10,998.81	10,99,88,019	10,998.81

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Add: Forfeited shares (amount originally paid on 1,24,896 equity shares (March 31, 2024: 1,24,896 equity shares))	-	5.51	-	5.51
	10,99,88,019	11,004.32	10,99,88,019	11,004.32
D Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Balance at the beginning of the year	11,04,70,965	11,047.10	8,52,24,125	8,522.41
Add: Issued during the year	-	-	2,52,46,840	2,524.69
	11,04,70,965	11,047.10	11,04,70,965	11,047.10
E Reconciliation of number of equity shares issued to Satin Employees Welfare Trust outstanding at the beginning and at the end of the year				
Balance at the beginning of the year	4,82,946	48.29	4,82,946	48.29
Add: Addition during the year	-	-	-	-
	4,82,946	48.29	4,82,946	48.29

- F** i) During the year ended March 31, 2024, pursuant to the approval accorded by the Board of Directors of the Parent Company ("the Board"), at its meeting held on October 19, 2023 and the special resolution passed by the shareholders of the Parent Company at the Extra Ordinary General Meeting (EGM) held on November 27, 2023, the Fund Raising Committee of the Board at its meeting held on December 14, 2023 had approved the Qualified Institutions Placement of equity shares of face value of INR 10 each of the Company.

Subsequently, the Fund Raising Committee at its meeting held on December 19, 2023 had approved the allotment of 1,08,36,584 equity shares of face value of INR 10 each to eligible qualified institutional buyers at the issue price of INR 230.70 per equity share (including a premium of INR 220.70 per equity share) aggregating to INR 25,000.00 Lakh.

- ii) During the year ended March 31, 2024, the Parent Company has allotted 1,44,10,256 equity shares of face value of INR 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 INR 10 each at issue price of INR 81.25 per warrant including premium of INR 71.25 per warrant.

G Rights, preferences and restrictions

The Parent Company has only one class of equity shares having face value of INR 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, 2025		As at March 31, 2024	
	Number	%	Number	%
Trishashna Holdings & Investments Private Limited (THIPL)	3,79,14,820	34.32%	3,79,14,820	34.32%
Florintree Ventures LLP	1,23,07,692	11.14%	1,23,07,692	11.14%

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

On June 27, 2019, the Parent Company has allotted 13,43,283 equity shares of INR 10 each on conversion of 13,43,283 Optionally Convertible, Cumulative, Redeemable Preference Shares ("OCCRPS") of face value of INR 10 each fully paid-up to Indusind Bank Limited (entities belonging to non-promoter group).

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

J Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP), refer note to 57.

- K** The information required to be disclosed that enables user of its financial statements to evaluate its objectives, policies and process for managing capital is disclosed in note 45.

L Shareholdings of Promoters

Promoter Name	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Ms Anureet HP Singh	7,27,474	0.66%	7,27,474	0.66%	-
Mr Harbans Singh (deceased)	4,06,402	0.37%	4,06,402	0.37%	-
Mr Satvinder Singh	3,85,703	0.35%	3,85,703	0.35%	-
Ms Neeti Singh	2,04,092	0.19%	2,04,092	0.19%	-
Trishashna Holdings & Investments Private Limited	3,79,14,820	34.32%	3,79,14,820	34.32%	-
Wisteria Holdings & Investments Private Limited	3,22,262	0.29%	3,22,262	0.29%	-
Total	3,99,60,753	36.18%	3,99,60,753	36.18%	-

27 OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Capital redemption reserve	2,777.00	2,777.00
Share options outstanding account	44.66	-
Statutory / special reserve	29,869.18	25,308.03
General reserve	29.94	29.94
Securities premium	1,47,213.33	1,47,213.33
Retained earnings	65,133.30	54,575.53
Other comprehensive income:		
Equity instruments through other comprehensive income	(4,021.03)	(3,580.83)
Changes in fair value of loan assets	2,235.61	2,757.51
Total	2,43,281.99	2,29,080.51

Nature and purpose of other reserve

Capital redemption reserve

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

Share options outstanding account

The reserve is used to recognize the fair value of the options issued to employees of the Group under Parent Company's employee stock option plan.

Statutory / special reserve

The reserve is created as per the provision of Section 45(IC) of the Reserve Bank of India Act, 1934 and as per the provision of Section 29C of National Housing Bank Act, 1987 read with section 36(1)(viii) of Income Tax Act, 1961. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by the Reserve Bank of India.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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 utilized in accordance with the provisions of the Companies Act, 2013.

Retained earnings

This represents undistributed accumulated earnings of the Group as on the balance sheet date.

Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the fair valuation of equity instruments/ security receipts 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.

28 INTEREST INCOME

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI	On financial assets measured at amortized cost	On financial assets measured classified at FVTPL	On financial assets measured classified at FVOCI
Interest income on portfolio loans	21,408.11	-	1,88,074.96	45,823.49	-	1,23,368.29
Income from housing loans	-	-	8,850.23	-	-	6,501.28
Interest income on deposits	6,437.92	-	-	6,974.61	-	-
Interest income on certificate of deposits, commercial papers and T-bill	-	2,812.94	-	-	1,714.41	-
Interest income on unwinding of assigned portfolio	2,700.65	-	-	3,794.27	-	-
Sub-total	30,546.68	2,812.94	1,96,925.19	56,592.37	1,714.41	1,29,869.57
Total			2,30,284.81			1,88,176.35

29 DIVIDEND INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Dividend income	12.50	-
Total	12.50	-

30 RENTAL INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rental income on building	29.38	40.69
Total	29.38	40.69

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

31 FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service fee and facilitation charges	2,247.28	3,144.58
Income from business correspondent operations*	1,459.20	3,392.18
Total	3,706.48	6,536.76

*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, 2025	For the year ended March 31, 2024
Type of Services or service		
Income from business correspondent operations	1,459.20	3,392.18
Total revenue from contracts with customers	1,459.20	3,392.18
Geographical markets		
India	1,459.20	3,392.18
Outside India	-	-
Total revenue from contracts with customers	1,459.20	3,392.18
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	1,459.20	3,392.18
Total revenue from contracts with customers	1,459.20	3,392.18

Particulars	As at March 31, 2025	As at March 31, 2024
Contract balances		
Trade receivable	17.33	-
Contract Assets	-	-
Contract Liabilities	-	-

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per Contract	1,459.20	3,392.18
Adjustments	-	-
Discount	-	-
Revenue from contract with customers	1,459.20	3,392.18

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

32 NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Net gain on financial instruments measured at fair value through profit and loss		
- Investments		
Fair value gain on mutual funds	2,324.30	1,246.54
Loss on fair valuation of other investments	(123.85)	(31.06)
(B) Others		
- Derivatives	(309.76)	(431.64)
Total	1,890.69	783.84
Fair value changes		
- Realised	2,324.30	1,246.54
- Unrealized	(433.61)	(462.70)
Total	1,890.69	783.84

33 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gain on sale of loan portfolio through assignment	23,332.26	27,285.52
Total	23,332.26	27,285.52

34 OTHER OPERATING INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Commitment and other charges	132.85	455.66
Rendering of services	80.00	-
Total	212.85	455.66

35 OTHER INCOME

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Promotion of financial products	498.67	430.00
Net gain on derecognition of property, plant and equipment	-	14.67
Net gain on termination of leases	12.46	15.57
Interest income on income - tax refund	57.13	116.89
Miscellaneous income	153.68	196.83
Total	721.94	773.96

36 FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings (other than debt securities)	74,793.59	70,049.61
Interest on debt securities	21,076.83	13,308.04
Interest on subordinated liabilities	5,897.19	4,614.95
Interest expense for leasing arrangements	260.82	242.97
Other interest expenses	2,491.83	1,506.53
Bank charges	340.49	380.04
Total	1,04,860.75	90,102.14

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

37 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	On financial assets measured at amortized cost	On financial assets measured at FVTOCI	On financial assets measured at amortized cost	On financial assets measured at FVTOCI
Loans written off	864.69	26,243.05	616.58	9,233.27
Impairment loss allowance on trade receivable and other receivable	(15.60)	-	114.72	-
Impairment loss allowance on housing and other loans	2,588.99	22,362.71	2,624.77	2,490.20
Total	3,438.08	48,605.76	3,356.07	11,723.47

38 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	53,271.21	40,893.36
Contribution to provident and other funds	4,290.36	3,350.00
Share based payment to employees	44.66	-
Staff welfare expenses	1,025.07	548.03
Total	58,631.30	44,791.39

39 DEPRECIATION AND AMORTIZATION

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment	1,451.09	1,186.29
Depreciation on right-of-use assets	1,169.53	974.81
Depreciation on investment property	30.77	32.35
Amortization on intangible assets	75.49	72.69
Total	2,726.88	2,266.14

40 OTHER EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Travelling and conveyance	4,941.27	3,149.41
Legal and professional charges	3,692.75	2,381.30
Insurance	277.26	330.52
Rent	1,522.28	1,291.85
Auditor's fee and expenses*	122.24	108.15
Rates and taxes	105.09	105.60
Repairs and maintenance	870.95	705.03
Director's fees, allowances and expenses	256.77	145.33
Software expenses	124.67	91.27
Corporate social responsibility	299.52	159.48
Net loss on derecognition of property, plant and equipment	8.68	56.83
Printing and stationery	502.58	634.59
Communication costs	483.37	517.91

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Write off against first loss default guarantee	774.42	772.71
First loss default guarantee expenses	(1,000.76)	(948.76)
Website and maintenance charges	31.57	27.97
Advertisement and publicity	917.81	439.10
Cash embezzlement	25.83	38.00
Other administrative expenses	2,537.73	1,818.28
Miscellaneous expenses	1,857.32	1,700.21
Total	18,351.35	13,524.78

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditors	69.42	57.28
Other services	33.48	26.06
Reimbursement of expenses	19.34	24.81
Total	122.24	108.15

During the year ended March 31, 2025, remuneration of INR 9.01 Lakhs is related to erstwhile statutory auditors of Parent Company.

Above excludes fee of INR Nil (previous year: INR 44.83 Lakhs) towards QIP issue which is adjusted against securities premium account.

41 TAX EXPENSE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	8,625.77	6,949.62
Income tax for earlier years	(645.00)	-
Deferred tax (credit)/charge	(3,016.58)	7,745.37
Tax expense reported in the Statement of Profit and Loss	4,964.19	14,694.99

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, 2024: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax expense	23,576.79	58,288.79
Income tax rate	25.168%	25.168%
Expected tax expense	5,933.81	14,670.12
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which is non deductible	418.24	42.28
Tax impact on items exempt under income tax	(823.40)	-
Income tax for earlier years	(645.00)	4.53
Impact of change in tax rates	(523.69)	18.66
Tax on profit elimination	560.78	(55.11)
Others	43.45	14.51
Tax expense	4,964.19	14,694.99

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

42 EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit for the year for basic earnings per share	18,612.60	43,593.80
Dilutive impact of share warrants	-	-
Net profit for the year for diluted earnings per share	18,612.60	43,593.80
Nominal value of equity share (INR)	10	10
Weighted-average number of equity shares for basis earnings per share	10,99,88,019	9,83,12,931
Effect of dilution:		
Share warrants	-	24,32,055
Weighted-average number of equity shares used to compute diluted earnings per share	10,99,88,019	10,07,44,986
Basic earnings per share (INR)	16.92	44.34
Diluted earnings per share (INR)	16.92	43.27

43 FINANCIAL INSTRUMENTS

A Financial assets and liabilities

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

Particulars	Note	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value			
Derivative financial instruments	Note - 6	1,490.24	1,800.00
Loans measured at fair value through other comprehensive income	Note - 8	7,70,444.37	7,09,924.14
Investments measured at			
Fair value through other comprehensive income	Note - 9	5,488.91	5,037.95
Fair value through profit and loss	Note - 9	21.43	80.13
Financial assets measured at amortized cost			
Cash and cash equivalents	Note - 4	72,904.57	42,402.73
Bank balances other cash and cash equivalents	Note - 5	64,573.01	84,710.52
Trade receivables	Note - 7	193.70	844.74
Loans	Note - 8	2,13,914.84	1,80,888.30
Security deposits	Note - 10	313.69	260.53
Other financial assets	Note - 10	3,678.41	3,297.60
Total		11,33,023.17	10,29,246.64
Financial liabilities measured at amortized cost			
Trade payables	Note - 17	363.80	385.52
Other payables	Note - 18	3,189.31	1,797.42
Debt securities (including interest accrued)	Note - 19 and 22	1,87,281.54	1,06,503.12
Borrowings other than debt securities (including interest accrued)	Note - 20 and 22	6,65,523.62	6,56,673.77
Sub-ordinated liabilities (including interest accrued)	Note - 21 and 22	35,669.03	35,283.98
Other financial liabilities	Note - 22	8,844.22	4,973.10
Total		9,00,871.52	8,05,616.91

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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, 2025	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	7,70,444.37	7,70,444.37
Investments at fair value through other comprehensive income				
Security Receipts	-	-	5,488.91	5,488.91
Investments at fair value through profit and loss				
Equity instruments	21.43	-	-	21.43
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,490.24	-	1,490.24

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Loans at fair value through other comprehensive income				
Loans	-	-	7,09,924.14	7,09,924.14
Investments at fair value through other comprehensive income				
Security Receipts	-	-	5,037.95	5,037.95
Investments at fair value through profit and loss				
Equity instruments	-	-	80.13	80.13
Derivative financial assets at fair value through profit and loss				
Currency and interest swaps	-	1,800.00	-	1,800.00

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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- 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 amortized cost

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	72,904.57	72,904.57	42,402.73	42,402.73
Bank balances other than cash and cash equivalents	64,573.01	64,573.01	84,710.52	84,710.52
Trade receivables	193.70	193.70	844.74	844.74
Loans	2,13,914.84	2,17,725.41	1,80,888.30	1,82,477.73
Security deposits	313.69	312.65	260.53	244.58
Other financial assets	3,678.41	3,678.41	3,297.60	3,348.33
Total	3,55,578.22	3,59,387.75	3,12,404.42	3,14,028.63
Financial liabilities				
Trade payables	363.80	363.80	385.52	385.52
Other payables	3,189.31	3,189.31	1,797.42	1,797.42
Debt securities (including interest accrued)	1,87,281.54	1,92,373.52	1,06,503.12	1,10,780.28
Borrowings other than debt securities (including interest accrued)	6,65,523.62	6,68,869.64	6,56,673.77	6,59,053.47
Sub-ordinated liabilities (including interest accrued)	35,669.03	36,254.69	35,283.98	35,592.93
Other financial liabilities	8,844.22	8,844.22	4,973.10	4,211.25
Total	9,00,871.52	9,09,895.18	8,05,616.91	8,11,820.87

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, trade payables, other payable, other financial assets and other financial liabilities 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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

44 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, lending to customers, trade receivables and other financial assets.	Credit limit, ageing analysis, default rate, collection efficiency.	Highly rated bank deposits and diversification of asset base and collaterals taken for assets. Continuous monitoring and follow up.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities	Cash flow forecasts, LCR (HQLA, net outflow), Gap analysis	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 INR	Cash flow forecasting, unhedged open position	Currency and interest rate swaps, no unhedged open overnight position.
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 of 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

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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

Nature	Assets covered	Basis of 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	12 month expected credit loss
Moderate credit risk	Loans, Trade Receivable 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, 2025	As at March 31, 2024
(i) Low credit risk		
Cash and cash equivalents	70,397.85	38,485.56
Bank balances other than cash and cash equivalents	64,573.01	84,710.52
Trade receivables	194.05	845.74
Loans	9,59,481.99	8,74,122.04
Investments	-	6,400.50
Security deposits	313.69	260.53
Other financial assets	3,679.25	3,298.71
(ii) Moderate credit risk		
Loans	17,694.71	11,868.33
Trade receivable	18.76	17.76
Investments	5,510.34	-
(iii) High credit risk		
Loans	39,623.97	23,715.29

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only accepting highly rated deposits from banks and financial institutions across the country.

Trade receivables

Trade receivables measured at 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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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 recognized in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at March 31, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	70,397.85	-	70,397.85
Bank balances other than cash and cash equivalents	64,573.01	-	64,573.01
Trade receivables	212.81	19.11	193.70
Investments	5,510.34	-	5,510.34
Security deposits	313.69	-	313.69
Other financial assets	3,679.25	0.84	3,678.41
As at March 31, 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	38,485.56	-	38,485.56
Bank balances other than cash and cash equivalents	84,710.52	-	84,710.52
Trade receivables	863.50	18.76	844.74
Investments	6,400.50	1,282.42	5,118.08
Security deposits	260.53	-	260.53
Other financial assets	3,298.71	1.11	3,297.60

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR 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
Gross carrying amount as at April 01, 2023	6,21,014.84	4,422.65	20,371.50
Assets originated*	7,27,402.44	5,209.96	3,636.67
Net transfer between stages			
Transfer to stage 1	604.36	(526.78)	(77.58)
Transfer to stage 2	(9,494.30)	9,515.50	(21.20)
Transfer to stage 3	(16,341.40)	(974.75)	17,316.15
Assets derecognized or collected (excluding write offs)	(4,48,825.93)	(4,736.82)	(5,320.31)
Write - offs (including death cases)	(311.32)	(1,041.42)	(12,116.60)
Gross carrying amount as at March 31, 2024	8,74,048.69	11,868.34	23,788.63
Assets originated*	7,71,432.12	5,963.51	8,256.44
Net transfer between stages			
Transfer to stage 1	1,104.29	(1,025.99)	(78.30)
Transfer to stage 2	(16,316.31)	16,339.60	(23.29)
Transfer to stage 3	(53,457.03)	(2,416.13)	55,873.16
Assets derecognized or collected (excluding write offs)	(6,07,854.11)	(10,723.16)	(29,202.32)
Write - offs (including death cases)	(9,475.66)	(2,311.46)	(18,990.35)
Gross carrying amount as at March 31, 2025	9,59,481.99	17,694.71	39,623.97

* 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	
Loss allowance on April 01, 2023	1,414.08	982.54	10,525.69	36.00
Increase of provision due to assets originated during the year	2,021.94	1,552.73	2,236.17	18.16
Net transfer between stages				
Transfer to stage 1	75.87	(44.93)	(30.93)	-
Transfer to stage 2	(44.26)	56.07	(11.81)	-
Transfer to stage 3	(71.33)	(268.56)	339.88	-
Assets derecognized or collected	(406.72)	(465.93)	(5,956.33)	(140.27)
Impact of ECL on exposures transferred between stages during the year	(567.43)	1,063.85	6,492.63	105.98
Loss allowance on March 31, 2024	2,422.15	2,875.77	13,595.30	19.87
Increase of provision due to assets originated during the year	3,601.74	2,380.94	4,809.70	-
Net transfer between stages				
Transfer to stage 1	103.84	(81.06)	(22.78)	-
Transfer to stage 2	(55.56)	64.65	(9.09)	-
Transfer to stage 3	(213.61)	(607.77)	821.38	-
Assets derecognized or collected	(988.41)	(1,786.96)	(10,629.01)	-
Impact of ECL on exposures transferred between stages during the year	(303.43)	2,382.51	14,081.16	0.08
Loss allowance on March 31, 2025	4,566.72	5,228.08	22,646.66	19.95

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

c) Concentration of loans

Particulars	As at March 31, 2025	As at March 31, 2024
Micro finance loans	8,75,284.85	7,91,508.03
Micro, Small and Medium Enterprises (MSME)	74,430.82	62,829.80
Housing finance and other loans	77,988.23	65,516.25
Less: Unamortized processing fee	(10,903.23)	(10,148.42)
Total	10,16,800.67	9,09,705.66

d) Loans secured against collateral

The Group's 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
As at March 31, 2025	
MSME, housing and other loans secured by property, plant and equipment (including land, building and plots)	1,25,627.50
MSME, housing and other loans secured by book debts, inventories, margin money and other working capital items	2,437.11
As at March 31, 2024	
MSME, housing and other loans secured by property, plant and equipment (including land, building and plots)	93,813.23
MSME, housing and other loans secured by book debts, inventories, margin money and other working capital items	2,427.14

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralization 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 possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Group initiate the legal proceedings against the defaulted customers.

B) Liquidity risk

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

The Group maintains flexibility in funding by maintaining availability under committed credit lines. Management of respective Company monitors the 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 has access to the following undrawn borrowing facilities:

As at March 31, 2025	Total facility	Drawn	Undrawn
- Expiring within one year	1,68,600.00	64,200.00	1,04,400.00
- Expiring beyond one year	100.00	-	100.00
Total	1,68,700.00	64,200.00	1,04,500.00

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2024	Total facility	Drawn	Undrawn
- Expiring within one year	97,700.00	3,100.00	94,600.00
- Expiring beyond one year	-	-	-
Total	97,700.00	3,100.00	94,600.00

(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 amortizations.

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

As at March 31, 2025	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	72,908.93	-	-	-	72,908.93
Bank balances other than cash and cash equivalents	51,494.83	14,633.66	960.47	1,300.49	68,389.45
Trade receivables	193.70	-	-	-	193.70
Loans	7,35,941.00	3,91,126.26	80,739.97	84,957.47	12,92,764.70
Investments	1,788.91	-	-	3,721.43	5,510.34
Other financial assets	4,009.09	63.10	45.75	42.95	4,160.89
Derivatives (net settled)					
Derivative financial instruments	1,490.24	-	-	-	1,490.24
Total undiscounted financial assets	8,67,826.70	4,05,823.02	81,746.19	90,022.34	14,45,418.25
Financial liabilities					
Non-derivatives					
Debt Securities (including interest accrued)	86,453.68	63,795.16	52,863.41	18,342.76	2,21,455.01
Borrowings other than debt securities (including interest accrued)	4,29,302.71	2,43,914.83	47,632.15	65,178.52	7,86,028.21
Subordinated liabilities (including interest accrued)	30,001.08	3,416.18	639.32	5,849.27	39,905.85
Trade payables	363.80	-	-	-	363.80
Other payables	3,189.31	-	-	-	3,189.31
Other financial liabilities	8,701.88	-	5.80	-	8,707.68
Total undiscounted financial liabilities	5,58,012.46	3,11,126.17	1,01,140.68	89,370.55	10,59,649.86
Net undiscounted financial assets/(liabilities)	3,09,814.24	94,696.85	(19,394.49)	651.79	3,85,768.39

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial assets					
Non-derivatives					
Cash and cash equivalents	42,418.31	-	-	-	42,418.31
Bank balances other than cash and cash equivalents	75,325.60	12,716.82	11,728.00	683.37	1,00,453.79
Trade receivables	844.74	-	-	-	844.74
Loans	6,32,370.61	2,11,969.78	1,74,267.57	77,976.55	10,96,584.51
Investments	1,641.09	3,396.86	-	80.13	5,118.08
Other financial assets	3,549.47	25.65	18.72	24.22	3,618.06
Derivatives (net settled)					
Derivative financial instruments	1,800.00	-	-	-	1,800.00
Total undiscounted financial assets	7,57,949.82	2,28,109.11	1,86,014.29	78,764.27	12,50,837.49
Financial liabilities					
Non-derivatives					
Debt Securities (including interest accrued)	36,194.40	55,208.07	33,585.14	4,292.47	1,29,280.08
Borrowings other than debt securities (including interest accrued)	4,01,136.36	2,06,509.77	1,11,023.30	37,961.48	7,56,630.91
Subordinated liabilities (including interest accrued)	4,528.49	29,920.42	3,416.18	6,488.59	44,353.68
Trade payables	385.52	-	-	-	385.52
Other payables	1,797.42	-	-	-	1,797.42
Other financial liabilities	3,968.13	-	-	-	3,968.13
Total undiscounted financial liabilities	4,48,010.32	2,91,638.26	1,48,024.62	48,742.54	9,36,415.74
Net undiscounted financial assets/(liabilities)	3,09,939.50	(63,529.15)	37,989.67	30,021.73	3,14,421.75

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, as above, are the amount due and payable only to the extent the contractual terms with borrowers 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 recognized 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, interest 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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Foreign currency risk exposure:

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

Particulars	Currency	As at March 31, 2025	As at March 31, 2024
Financial liabilities			
External commercial borrowings (including interest accrued)	USD	1,09,731.05	63,377.48
	EUR	30,416.20	10,780.56
(Gain)/loss: Derivative contract		(1,490.24)	(1,800.00)

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, 2025	For the year ended March 31, 2024
USD sensitivity*		
INR/USD- increase by 5%	(5,486.55)	(3,168.87)
INR/USD- decrease by 5%	5,486.55	3,168.87
EUR sensitivity*		
INR/EUR- increase by 5%	(1,520.81)	(539.03)
INR/EUR- decrease by 5%	1,520.81	539.03

* 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, 2025, 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, 2025	As at March 31, 2024
Variable rate liabilities		
Debt securities	17,592.27	-
Borrowings other than debt securities	4,58,408.46	4,11,216.43
Subordinated liabilities	21,998.75	20,000.00
Fixed rate liabilities		
Debt securities	1,64,467.75	1,03,353.73
Borrowings other than debt securities	2,03,858.78	2,41,628.42
Subordinated liabilities	12,817.75	14,765.04
Total	8,79,143.76	7,90,963.62

Sensitivity

The profits earned by the Group are sensitive to the change in interest rates on variable rate liabilities. The following table shows the sensitivity of profit/(loss) before tax due to change in interest rates:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest sensitivity*		
Interest rates – increase by 0.50%	(2,237.11)	(1,526.95)
Interest rates – decrease by 0.50%	2,237.11	1,526.95

* Holding all other variables constant.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

ii) Assets

The Group's fixed deposits are carried at amortized 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 before tax

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mutual fund, Certificate of deposits and commercial paper		
Net assets value – increase by 5%	-	-
Net assets value – decrease by 5%	-	-

Impact on profit before tax

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Quoted equity instruments		
Value per share – increase by 5%	1.07	-
Value per share – decrease by 5%	(1.07)	-

45 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, 2025	As at March 31, 2024
Net debt*	7,50,996.61	6,71,347.62
Total equity	2,54,286.31	2,40,084.83
Net debt to equity ratio	2.95	2.80

* 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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

46 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, 2025		As at March 31, 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	72,904.57	-	42,402.73	-
Bank balances other than cash and cash equivalents	49,311.08	15,261.93	62,142.51	22,568.01
Derivative financial instruments	1,490.24	-	1,800.00	-
Trade receivables	193.70	-	844.74	-
Loans	5,64,602.10	4,19,757.11	4,89,683.65	4,01,128.79
Investments	1,788.91	3,721.43	-	5,118.08
Other financial assets	3,867.23	124.87	3,473.86	84.27
	6,94,157.83	4,38,865.34	6,00,347.49	4,28,899.15
Non-financial assets				
Current tax assets (net)	816.84	1,096.52	180.66	975.47
Deferred tax assets (net)	-	4,440.58	-	908.10
Property, plant and equipment	-	9,673.27	-	9,169.65
Capital work-in-progress	-	29.60	-	9.21
Investment Property	-	601.14	-	631.91
Intangible assets under development	-	13.24	-	-
Goodwill	-	3,370.66	-	3,370.66
Other intangible assets	-	34.90	2.36	87.75
Other non-financial assets	4,461.46	1,138.24	3,035.14	852.96
	5,278.30	20,398.15	3,218.16	16,005.71
TOTAL ASSETS	6,99,436.13	4,59,263.49	6,03,565.65	4,44,904.86
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	92.15	-	13.78	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	271.65	-	371.74	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	27.47	-	83.55	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,161.84	-	1,713.87	-
Debt securities	66,473.94	1,15,586.08	23,292.70	80,061.03
Borrowings (other than debt securities)	3,60,528.93	3,01,738.31	3,38,140.53	3,14,704.32
Subordinated liabilities	27,452.81	7,363.69	-	34,765.04
Other financial liabilities	18,174.65	-	10,956.27	1,514.08
	4,76,183.44	4,24,688.08	3,74,572.44	4,31,044.47

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Non-financial liabilities				
Current tax liabilities (net)	-	-	234.95	-
Provisions	406.34	1,376.43	305.63	711.77
Other non-financial liabilities	1,759.02	-	1,516.42	-
	2,165.36	1,376.43	2,057.00	711.77
TOTAL LIABILITIES	4,78,348.80	4,26,064.51	3,76,629.44	4,31,756.24
Net equity	2,21,087.33	33,198.98	2,26,936.21	13,148.62

47 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 in range of 11% to 20% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying loan receivables. Hence, these loan assets are not derecognized 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:

Securitized assets	As at March 31, 2025	As at March 31, 2024
Gross carrying amount of securitised assets	84,653.26	96,984.03
Gross carrying amount of associated liabilities	67,947.55	81,262.33
Carrying value and fair value of securitised assets	81,712.45	93,966.02
Carrying value and fair value of associated liabilities	67,947.55	81,262.33
Net position	13,764.90	12,703.69

48 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, 2025	For the year ended March 31, 2024
Employers contribution to provident and other fund	4,290.36	3,350.00

B Defined benefit plans

Gratuity

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

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

Risks associated with plan provisions

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

i) Amount recognized in the balance sheet is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation	2,728.49	1,707.40
Fair value of plan assets	2,306.30	1,840.22
Net (asset) / obligation recognized in balance sheet as (non-financial assets)/ provisions	422.19	(132.82)

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	434.79	293.14
Interest cost on defined benefit obligation	117.24	112.90
Interest income on plan assets	(120.70)	(110.50)
Net expense in statement of profit and loss	431.33	295.54

Amount recognized in the other comprehensive income:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (loss) recognized during the year	(764.27)	(7.53)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation as at the beginning of year	1,707.40	1,585.86
Current service cost	434.79	293.14
Interest cost	121.56	117.20
Past service cost including curtailment gains/losses	-	-
Benefits paid	(313.80)	(355.65)
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	(23.82)	(28.36)
Actuarial (gain)/loss on arising from change in financial assumption	288.26	23.69
Actuarial (gain)/loss on arising from experience adjustment	514.10	71.52
Present value of defined benefit obligation as at the end of the year	2,728.49	1,707.40

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

Particulars	As at March 31, 2025	As at March 31, 2024
Funds managed by insurers	100%	100%
Total	100%	100%

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at beginning of year	1,840.22	1,612.68
Actual return on plan assets	143.77	182.00
Employer's contribution	636.33	389.73
Benefits paid	(314.02)	(344.19)
Expected return on plan assets	-	-
Actuarial loss/(gain) on plan assets	-	-
Fair value of plan assets at the end of the year	2,306.30	1,840.22

vi) Actuarial assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discounting rate	6.94% - 7.09%	7.12%
Future salary increase	6.00% - 8.00%	4.00% - 8.00%
Retirement age (years)	58-60	58-60
Withdrawal rate		
Up to 30 years	3.00% - 63.15%	25.50% - 55.20%
From 31 to 44 years	2.00% - 38.10%	16.90% - 38.10%
Above 44 years	0.34% - 10.00%	0.40% - 10.00%
Weighted average duration	3.46 - 20.29	3.35 - 3.76

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, 2025	As at March 31, 2024
Impact of the change in discount rate		
Present value of obligation at the end of the year	2,728.49	1,707.40
- Impact due to increase of 0.50 %	(78.25)	(43.18)
- Impact due to decrease of 0.50 %	84.35	46.16
Impact of the change in salary increase		
Present value of obligation at the end of the year	2,728.49	1,707.40
- Impact due to increase of 0.50 %	84.65	47.24
- Impact due to decrease of 0.50 %	(79.16)	(44.53)

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, 2025	As at March 31, 2024
0 to 1 year	805.54	430.17
1 to 2 year	249.17	214.05
2 to 3 year	292.99	144.16
3 to 4 year	161.98	186.38
4 to 5 year	121.84	97.52
5 to 6 year	106.65	70.20
6 year onwards	990.32	564.92
Total	2,728.49	1,707.40

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

- C The Company provides for compensated unutilized earned leaves (UEL) to its employees. The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on voluntary separation. The Company records an obligation for such compensated UEL in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation. A provision of INR 706.99 Lakhs has been created (March 31, 2024: INR 408.75 Lakhs) for the year on the basis of actuarial valuation at the year end and debit to the statement of profit and loss.

49 RELATED PARTY DISCLOSURES

A List of related parties and disclosures

Key Managerial Personnel and their relatives:

Name of directors and key managerial personnel	Designation
Dr. Harvinder Pal Singh	Chairman cum Managing Director
Mr Satvinder Singh	Non-Executive and Non-Independent Director
Mr Sundeep Kumar Mehta (till September 04, 2024)	Non-Executive and Independent Director
Mr Sanjay Kumar Bhatia (till September 04, 2024)	Non-Executive and Independent Director
Mr Anil Kumar Kalra	Non-Executive and Independent Director
Mr Goh Colin (till September 04, 2024)	Non-Executive and Independent Director
Ms Sangeeta Khorana (till September 04, 2024)	Non-Executive and Independent Director
Mr Anil Kaul (w.e.f. January 15, 2024)	Non-Executive and Independent Director
Mr Joydeep Datta Gupta (w.e.f. June 24, 2024)	Non-Executive and Independent Director
Ms Jyoti Davar (w.e.f. July 31, 2024)	Non-Executive and Independent Director
Mr Jugal Kataria	Group Controller
Mr Rakesh Sachdeva (till June 30, 2024)	Chief Financial Officer
Mr Vikas Gupta	Company Secretary and Chief Compliance Officer
Mr Manoj Agrawal (w.e.f. July 01, 2024)	Chief Financial Officer
Mr Manoj Agrawal (w.e.f. August 11, 2023 till June 30, 2024)	Deputy Chief Financial Officer
Satin Housing Finance Limited	
Mr Amit Sharma	Managing Director and Chief Executive Officer
Dr. Harvinder Pal Singh	Director
Mr Sundeep Kumar Mehta (till May 01, 2024)	Director
Mr Anil Kumar Kalra (till May 01, 2024)	Director
Mr Sanjay Kumar Bhatia (w.e.f April 22, 2024)	Director
Dr. Jyoti Ahluwalia	Director
Mr Sachin Sharma	Chief Financial Officer
Ms Vaishali Goyal (w.e.f. April 28, 2022 till May 02, 2024)	Company Secretary
Mr Brajesh Kumar (w.e.f. October 01, 2023)	Company Secretary and Chief Compliance Officer
Satin Finserv Limited	
Mr Bhuvnesh Khanna (w.e.f. January 19, 2024 till January 16, 2025)	Whole-time Director and Chief Executive Officer
Mr Dhiraj Jha (w.e.f. January 17, 2025)	Chief Executive Officer
Dr. Harvinder Pal Singh	Director
Mr Sundeep Kumar Mehta	Independent Director
Ms Jyoti Ahluwalia	Independent Director
Mr Anil Kumar Kalra	Independent Director
Mr.Arjun Bansal	Chief Financial Officer
Mr Varun Shankardass (w.e.f. December 11, 2024)	Relative of Director
Mr Gurvinder Singh (w.e.f. January 20, 2024 till September 11, 2024)	Company Secretary and Chief Compliance Officer
Ms Sangam Jaiswal (w.e.f. January 17, 2025)	Company Secretary and Chief Compliance Officer
Satin Technologies Limited	
Dr. Harvinder Pal Singh	Director
Mr Rupinder Kalia	Managing Director and Chief Executive Officer
Mr Sundeep Kumar Mehta	Director

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

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR 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 March 31, 2025	For the year ended March 31, 2024
Dr. Harvinder Pal Singh	Remuneration	447.98	140.69
	Provident fund and others	30.53	14.39
	Personal guarantees given	75,119.10	67,937.50
	Personal guarantees withdrawn	36,242.42	22,520.91
Dr. Harvinder Pal Singh and Mr Satvinder Singh	Personal guarantees given (jointly)	53,714.64	2,09,031.25
	Personal guarantees withdrawn (jointly)	1,12,179.90	1,06,738.33
Mr Jugal Kataria	Remuneration	209.45	155.99
Mr Rakesh Sachdeva	Remuneration	22.96	80.39
Mr Rakesh Sachdeva	Other long term benefit	4.43	-
Mr Manoj Agrawal	Remuneration	110.10	65.58
Mr Vikas Gupta	Remuneration	46.98	38.14
Mr Dhiraj Jha	Remuneration	14.41	-
Mr Bhuvnesh Khanna	Remuneration	155.57	32.39
Mr Amit Sharma	Remuneration	119.98	114.78
Mr Sachin Sharma	Remuneration	68.98	64.35
Mr Brajesh Kumar	Remuneration	14.50	5.00
Ms Vaishali Goyal	Remuneration	0.58	14.12
Mr Sumit Mukherjee	Remuneration	-	17.60
Mr.Arjun Bansal	Remuneration	45.50	27.80
Ms Sangam Jaiswal	Remuneration	4.36	-
Mr Puneet Jolly	Remuneration	-	12.74
Mr Gurvinder Singh	Remuneration	8.51	3.28
Mr Varun Shankardass	Remuneration	12.26	-
Mr Rupinder Kalia	Remuneration	15.35	-
Mr Satvinder Singh	Commission	14.00	-
Mr Anil Kumar Kalra	Commission	14.00	-
Mr Anil Kaul	Commission	24.00	5.00
Mr Joydeep Datta Gupta	Commission	18.47	-
Ms Jyoti Davar	Commission	16.07	-
Mr Amit Sharma	Advance given and repaid	-	35.00
Mr Sachin Sharma	Advance given and repaid	-	10.00
Mr Satvinder Singh	Sitting fees	8.50	6.05
Mr Sundeep Kumar Mehta	Sitting fees	8.10	10.65
Ms Sangeeta Khorana	Sitting fees	2.75	5.15
Mr Goh Colin	Sitting fees	3.80	6.75
Mr Sanjay Kumar Bhatia	Sitting fees	5.55	7.85
Ms Jyoti Ahluwalia	Sitting fees	2.90	1.00
Mr Anil Kumar Kalra	Sitting fees	12.80	7.95
Mr Joydeep Datta Gupta	Sitting fees	6.40	-
Ms Jyoti Davar	Sitting fees	5.10	-
Mr Anil Kaul	Sitting fees	6.80	1.25
Satin Neo Dimensions Private Limited	Interest income	-	9.44
	Inter corporate loan received back	-	97.48

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

C Key management personnel compensation includes the following expenses:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	1,340.17	787.24
Post employment benefits	332.39	28.02
Other long-term benefits	42.44	(1.09)
Share based payment	18.21	-

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

Name of related party	Nature of balance	As at March 31, 2025	As at March 31, 2024
Dr. Harvinder Pal Singh	Personal guarantees against borrowings^	96,921.76	73,548.29
Dr. Harvinder Pal Singh and Mr Satvinder Singh	Personal guarantees (jointly) against borrowings^	1,53,712.89	2,12,178.15
Dr. Harvinder Pal Singh	Remuneration	64.32	-
Mr Jugal Kataria	Remuneration	22.00	-
Mr Manoj Agrawal	Remuneration	9.00	-
Mr Vikas Gupta	Remuneration	7.00	-
Mr Anil Kaul	Commission	1.80	1.80
Mr Anil Kumar Kalra	Commission	1.80	-
Mr Satvinder Singh	Commission	1.80	-
Mr Joydeep Datta Gupta	Commission	1.80	-
Ms Jyoti Davar	Commission	1.80	-
Mr Sundeep Kumar Mehta	Sitting fees	0.14	-
Mr Goh Colin	Sitting fees	-	0.69

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

50 LEASES DISCLOSURE AS LESSEE

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

March 31, 2025

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	688	1 Months- 59 Months	17.9 months	637	-	-	688
Vehicles	1	22 months	22 months	1	1	-	1

March 31, 2024

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	625	1 Months- 59 Months	18.5 months	573	-	-	625
Vehicles	1	34 months	34 months	1	1	-	1

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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

Right-of use assets	Carrying amount as on April 01, 2024	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2025
Office building	1,750.67	1,769.53	1,153.52	334.96	2,031.72
Vehicles	51.27	-	16.01	-	35.26

Right-of use assets	Carrying amount as on April 01, 2023	Additions	Depreciation	Derecognition	Carrying amount as on March 31, 2024
Office building	1,226.41	1,782.07	951.53	306.28	1,750.67
Vehicles	74.55	-	23.28	-	51.27

Note: The right-of-use assets are included in the same line item as where the corresponding underlying assets would be presented if they were owned.

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

Particulars	As at March 31, 2025	As at March 31, 2024
Current	1,046.67	918.44
Non-current	1,194.93	1,019.60
Total	2,241.60	1,938.04

- 4 At March 31, 2025 the Group had not committed to leases which had not commenced.

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

As at March 31, 2025

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,239.27	758.96	395.30	187.22
Finance charges	192.60	95.73	39.15	11.67
Net present values	1,046.67	663.23	356.15	175.55

As at March 31, 2024

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years
Lease payments	1,154.16	717.96	357.87	490.91
Finance charges	235.71	311.96	151.71	83.48
Net present values	918.45	406.00	206.16	407.43

- 6 The Group has elected not to recognize 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 recognized as lease liabilities and are expensed as incurred.

- 7 The Group had cash outflows for leases of INR 1,381.97 Lakhs in March 31, 2025 (March 31, 2024: INR 1,146.97 Lakhs).

The following are the amounts recognized in profit or loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expense of right-of-use assets	1,169.53	974.81
Interest expense on lease liabilities	260.82	242.97
Expense relating to short-term leases (included in other expenses)	1,522.28	1,291.85
Total amount recognized in profit or loss	2,952.63	2,509.63

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.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

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, 2025	For the year ended March 31, 2024
Short term leases	709.38	749.89

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, 2025	As at March 31, 2024
Minimum lease receipts:		
- within one year	110.87	73.48
- Later than one year but not later than two years	121.91	161.03
- Later than two years	219.52	-

51 SEGMENT INFORMATION

The operations of the Group companies falls under "financing activities" majorly, which is considered to be reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. Satin Technologies Limited (STL), a newly incorporated wholly owned subsidiary, does not have reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. 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.

52 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contract remaining to be executed on capital account and not provided for	452.85	-
The Group has undrawn exposure towards borrowers	2,023.27	3,975.50
Claims against the Company not acknowledged as debt:		
- Litigation matters with respect to direct taxes	225.99	225.99
- Litigation matters with respect to indirect taxes	9.00	203.60

The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgement is required to determine both probability and the estimated amount. The Group reviews these provisions periodically and adjust these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and update information. The Group believes that the amount or estimable range of reasonably possible loss, will not, either individually or aggregate, have a material adverse effect on its business, financial position, results of the Group, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2025.

Disputed claims against the Group, including claims raised by the tax authorities and which are pending with appeal / court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallizes..

**Notes to the Consolidated Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

53 ASSETS PLEDGED/HYPOTHECATED AS SECURITY

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

Particulars	As at March 31, 2025	As at March 31, 2024
Loan assets	9,05,914.69	7,84,511.16
Vehicles*	141.33	140.41
Total assets pledged as security	9,06,056.02	7,84,651.57

*This excludes right of use asset of INR 35.26 Lakhs (March 31, 2024 : INR 51.27 Lakhs).

54 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. For the year ended on March 31, 2025, MCA has not notified any new standards or amendments to the existing standards which are applicable from April 01, 2025.

55 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, 2025	As at March 31, 2024	
Satin Housing Finance Limited	India	INR	100.00%	100.00%	Financing
Satin Finserv Limited	India	INR	100.00%	100.00%	Financing
Satin Technologies Limited	India	INR	100.00%	NA	Information Technology enabled services

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, 2025 and March 31, 2024.

56 ADDITIONAL INFORMATION IN PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity in the group	Net assets (total assets less total liabilities)		Share in profit or (loss) after tax		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
Parent Company								
Satin Creditcare Network Limited	111.81%	2,84,327.80	116.35%	21,656.23	92.59%	(4,107.36)	123.79%	17,548.87
Indian subsidiaries								
Satin Housing Finance Limited	11.05%	28,089.69	2.17%	404.26	7.42%	(328.93)	0.53%	75.33
Satin Finserv Limited	7.48%	19,024.74	4.00%	745.28	(0.01%)	0.40	5.26%	745.68
Satin Technologies Limited	0.08%	205.88	0.03%	5.88	0.00%	-	0.04%	5.88
Elimination	(30.42%)	(77,361.80)	(22.55%)	(4,199.05)	0.00%	-	(29.62%)	(4,199.05)
Total	100.00%	2,54,286.31	100.00%	18,612.60	100.00%	(4,435.89)	100.00%	14,176.71

**Notes to the Consolidated Financial Statements
For the year ended March 31, 2025 (Contd.)**

(All amounts in INR Lakhs, unless otherwise stated)

57 EMPLOYEE STOCK OPTION PLAN / SCHEME (ESOP/ ESOS)

Pursuant to the approval accorded by Shareholders of Satin Creditcare Network Limited ("the Parent Company") at their Annual General Meeting held on July 6, 2017, the Nomination and Remuneration Committee of the Company formulated a new scheme 'Satin Employee Stock Option Scheme 2017' (ESOS 2017) in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (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) of the Group Company, 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 Group 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 under Satin Employee Stock Option Scheme 2017 (ESOS 2017).

Earlier, the Parent Company had implemented ESOP schemes in 2010, namely Satin ESOP 2010 and Satin ESOP II 2010. These schemes were subsequently repealed pursuant to the Shareholders' Resolution dated July 6, 2017, and the outstanding options under these schemes were transferred to the Satin ESOS 2017.

The ESOP pool under the ESOS 2017 has 4,82,946 Options and Satin Employee Welfare Trust holds 4,82,946 shares (including the impact of Right Issue) in its Demat account during the year ended March 31, 2025.

As on 31 March 2025, under ESOS 2017 the options granted are 85,000 and the balance available ESOS pool for future grant is 3,97,946 options.

- a) Details of grant and exercise of active options are as follows:

Particulars	Grant – 3 of ESOS 2017
No. of options granted	85,000
Date of grant of options	June 24, 2024
No. of employee to whom such options were granted	10
Financial year (F.Y.)	2024-25
No. of employees who have exercised the option	Nil
No. of options exercised	Nil

- b) The Parent Company has provided following share based options to employees of the Group:

Particulars	ESOS 2017
Date of board meeting, where ESOP/ ESOS were approved	May 26, 2017
Date of shareholders' approval	July 06, 2017
Date of committee meeting where grant of options were approved	June 24, 2024
Date of grant	June 24, 2024
No. of options granted	85,000
Method of settlement	Settlement in Equity Shares
Vesting conditions	The actual vesting of options will depend on continuation to hold the services being provided to the Group at the time of exercise of options and such other conditions as mentioned in the ESOS Scheme, 2017.
Vesting period	Grant 3 of ESOS 2017 All the options granted will be vested at the end of 1 year from grant date
Exercise period	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

Details of Vesting and Exercise of Options (Grant 3 of ESOS 2017):

Vesting Date	Vested options	No of options exercised
June 24, 2025	-	-

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

i) Reconciliation of outstanding share options:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Grant-3 ESOS Scheme 2017		Grant-3 ESOS Scheme 2017	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding options at the beginning of the year	-	-	-	-
Granted during the year	85,000	222.38	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding options at the end of the year	85,000	222.38	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years) of the option exercisable	1.23	222.38	-	-

ii) Weighted-average exercise prices and weighted-average fair values of options:

Weighted-average exercise prices: INR 222.38 per option

Weighted-average fair values of options: INR 67.59 per option

The detail of exercise price for stock option at the end of the financial year 2024-25 is:

Series	Range of exercise price (in INR)	No. of options outstanding for Exercise	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (in INR)	Remarks
Grant-3 ESOS Scheme 2017	222.38/- per option	-	1.23	-	NA

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:

Scheme Name	Grant 3 ESOS 2017
Date of grant	June 24, 2024
Fair value of option on the date of grant (in INR)	67.59
Exercise price (in INR)	222.38
Expected volatility (%)	41.34%
Expected option life (weighted average)	1.50
Expected dividends yield	-
Risk free interest rate (%)	6.83%

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 Group has INR 169.84 Lakhs (March 31, 2024: INR 169.74 Lakhs) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
- v) During the year ended March 31, 2025, the Group has recognized an expense of INR 44.66 Lakhs (March 31, 2024: INR Nil) towards share based payment expenses in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements For the year ended March 31, 2025 (Contd.)

(All amounts in INR Lakhs, unless otherwise stated)

58 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
Phonographic Performance Limited	Business Promotion Expense	0.75	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.

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

For **J C Bhalla & Co.**
Chartered Accountants
Firm's Registration No. 001111N

Rajesh Sethi
Partner
Membership Number: 085669

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

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

Anil Kumar Kalra
(Chairman Audit Committee cum Director)
DIN: 07361739

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

Satvinder Singh
(Director)
DIN: 00332521

Manoj Agrawal
(Chief Financial Officer)

Place : Gurugram
Date : May 07, 2025

Place : Gurugram
Date : May 07, 2025

**SATIN CREDITCARE NETWORK LIMITED**

CIN: L65991DL1990PLC041796

Regd. Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi-110033**Corporate Office:** Plot No. 492, Udyog Vihar, Phase – III, Gurugram – 122016, Haryana, India

Phone: 0124-4715400

Website: www.satincreditcare.com**Email Id:** secretarial@satincreditcare.com**NOTICE**

NOTICE is hereby given that the 35th (Thirty-fifth) Annual General Meeting (“**AGM**”) of Members of **Satin Creditcare Network Limited (“the Company”)** will be held on Thursday, August 7, 2025 at 11.00 A.M. (IST) through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”), to transact the following businesses:

ORDINARY BUSINESS:**1. Adoption of Financial Statements and Reports of the Board of Directors and Auditors**

To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 and Reports of the Board of Directors of the Company and Auditors thereon.

2. Re-Appointment of Director

To appoint a Director in place of **Mr. Satvinder Singh (DIN: 00332521)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:**3. Appointment of Secretarial Auditors**

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 204 and all other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, as amended and in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force) and based on recommendation of Audit Committee and Board of Directors, M/s DPV & Associates LLP (Firm Registration No. L2021HR009500), having a valid Peer Review Certificate, be and are hereby appointed as Secretarial Auditors of the Company for a continuous period of 5 (five) consecutive years commencing from

April 1, 2025 till March 31, 2030, at such remuneration as may be determined by the Board of Directors, on recommendation of the Audit Committee, in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, and to take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

4. Appointment of Mr. Ashok Kumar Sharma (DIN: 05276443) as Non-Executive & Independent Director of the Company.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152, 160, 197, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with Rules framed thereunder (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force) and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI LODR Regulations**”), Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 and Articles of Association of the Company and Nomination & Remuneration Policy, based on recommendation of the Nomination and Remuneration Committee and the Board of Directors (“**Board**”), **Mr. Ashok Kumar Sharma (DIN: 05276443)**, who was appointed as an Additional Director (Non-Executive & Independent) w.e.f. June 27, 2025 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act & Rules framed thereunder and Regulation 16(1)(b) of SEBI LODR Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for office of a Director and subject to such necessary approval(s), consent(s) or permission(s), as may be required, be and is hereby

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 INR Lakhs)

S.No.	1	2	3
Name of subsidiary	Satin Housing Finance Limited	Satin Finserv Limited	Satin Technologies Limited
The date since when subsidiary was acquired	April 17, 2017	August 10, 2018	August 13, 2024
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	15,193.47	15,755.79	200.00
Other equity	12,896.22	3,268.95	5.88
Total assets excluding investment	85,718.56	64,195.20	408.62
Total Liabilities	57,628.87	45,170.46	202.74
Investments	Nil	Nil	Nil
Revenue	11,514.73	12,661.71	84.62
Profit /(loss) before taxation	540.74	1,058.30	8.79
Tax expenses	136.48	313.02	2.91
Profit /(loss) after taxation	404.26	745.28	5.88
Other comprehensive income	(328.93)	0.41	-
Total comprehensive income	75.33	745.69	5.88
Proposed dividend	Nil	Nil	Nil
Extent of shareholding (in percentage)	100%	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 - N.A.

Notice (Contd.)

appointed as Non-Executive & Independent Director of the Company, not liable to retire by rotation, on such terms and conditions, including remuneration by way of commission for an amount of INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable as prescribed under the Act, for a period of 3 (three) consecutive years w.e.f. June 27, 2025 till June 26, 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution including delegation of all or any of its powers to any Committee of Directors with power to further delegate to any other Officer(s)/Authorized Representative(s) of the Company, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of Members or otherwise to the end and intent that Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. Appointment of Mr. Anupam Kunal Gangaher (DIN: 11172548) as Non-Executive & Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152, 160, 197, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**) read with Rules framed thereunder (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force) and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**"SEBI LODR Regulations"**), Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 and Articles of Association of the Company and Nomination & Remuneration Policy, based on recommendation of Nomination and Remuneration Committee and Board of Directors (**"Board"**), **Mr. Anupam Kunal Gangaher (DIN:11172548)**, who was appointed as an Additional Director (Non-Executive & Independent) w.e.f. June 27, 2025 and who has submitted declaration that he meets the criteria of independence under Section 149(6) of the Act & Rules framed thereunder and Regulation 16(1) (b) of SEBI LODR Regulations and in respect of whom the Company has received a notice in writing from a

Member under Section 160(1) of the Act proposing his candidature for office of a Director and subject to such necessary approval(s), consent(s) or permission(s), as may be required, be and is hereby appointed as Non-Executive & Independent Director of the Company, not liable to retire by rotation, on such terms and conditions, including remuneration by way of commission for an amount of INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable as prescribed under the Act, for a period of 3 (three) consecutive years w.e.f. June 27, 2025 till June 26, 2028 (both days inclusive).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution including delegation of all or any of its powers to any Committee of Directors with power to further delegate to any other Officer(s)/Authorized Representative(s) of the Company, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of Members or otherwise to the end and intent that Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

6. Re-appointment of Dr. Harvinder Pal Singh (DIN: 00333754) as Chairman cum Managing Director of the Company

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**), Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association and Nomination and Remuneration Policy of the Company and all applicable regulations or guidelines, if any, as amended from time to time and subject to such necessary approval(s), consent(s) or permission(s), as may be required and based on recommendation of Audit Committee and Nomination

Notice (Contd.)

and Remuneration Committee and Board of Directors of the Company (**"Board"**), consent of Members of the Company be and is hereby accorded to re-appoint Dr. Harvinder Pal Singh (DIN: 00333754) as Chairman cum Managing Director of the Company for a further term of 5 (five) consecutive years w.e.f. October 1, 2025 to September 30, 2030, on such terms and conditions (including remuneration) as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year during the tenure of his appointment, the Company has no profit or its profit are inadequate, remuneration as set out in the Explanatory Statement, shall be the minimum remuneration payable to Dr. Harvinder Pal Singh, subject to requirements of applicable laws and Regulations, as amended from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution including delegation of all or any of its powers to any Committee of Directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of Members or otherwise to the end and intent that Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

7. Issuance of Non-Convertible Debentures (NCDs), in one or more series/tranches on private placement basis.

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of special resolution passed at 34th Annual General Meeting of Members of the Company held on August 9, 2024 and pursuant to provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**) read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s), or enactment(s) or re-enactment(s) thereof, for the time being in force), the rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by

the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India (**"RBI"**), Securities and Exchange Board of India (**"SEBI"**), including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, master circular issued by SEBI bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on *"Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper"*, the Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 issued by the RBI, each as amended, modified, or restated from time to time, and all other rules, regulations, guidelines, notifications, clarifications and circulars, if any, issued by any statutory/regulatory authority, as may be applicable and Memorandum of Association and Articles of Association of the Company and subject to such consents, approvals, permissions and sanctions of the concerned statutory and regulatory authorities, if any and to the extent necessary, consent of Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the **"Board"** which term shall include any committee constituted / to be constituted by the Board to exercise its powers including the powers conferred under this resolution) to issue, and to offer and/or give invitation(s) to any category of investors, eligible to invest in the NCDs (including qualified institutional buyers) as may be determined by the Board to subscribe to, non-convertible debentures ((a) listed or unlisted (to the extent permitted under applicable law), (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others (as may be determined, including without limitation, market linked debentures and perpetual debt instruments)) (**"NCDs"**) on a private placement basis, in 1 (one) or more series or tranches, from time to time, for a period of 1 (one) year from the date of passing of this resolution, provided that the outstanding principal amounts of all such NCDs at any time during the aforesaid period of 1 (one) year shall not collectively exceed an overall limit of up to INR 5,000 Crore (Indian Rupees Five Thousand Crore Only) (**"Limit"**), which Limit shall be subject to overall borrowing limits of the Company, as approved by the Members of the Company from time to time under Section 180(1)(c) of the Act, on such terms and conditions including the price, coupon, premium/

Notice (Contd.)

discount, tenor, etc. and at such times whether at par/premium/discount, as may be determined by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to determine the terms of issue of NCDs including but not limited to determining size, issue price, coupon, premium/discount, timing, tenure, listing (if required), creation of security, utilization of the issue proceeds, appointment of debenture trustee(s), registrar and transfer agent, legal counsel and other agency(ies), and to do all necessary acts and things and to execute all deeds, documents, instruments, papers and writings as may be required and to settle all questions, difficulties or doubts that may arise in this regard in its sole and absolute discretion as deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred herein to any committee authorized by the Board or any Director(s) or Executive(s)/Officer(s) of the Company."

8. APPROVAL OF BORROWING POWERS OF THE COMPANY

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of special resolution passed at 29th Annual General Meeting of Members of the Company held on July 6, 2019 and pursuant to provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 ("Act") & Rules framed thereunder, as amended from time to time, and in accordance to applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (including any statutory modification(s) or enactment(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company, consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall include any committee constituted / to be constituted by the Board to exercise its powers including the powers conferred under this resolution), to raise or borrow from time to time such sum or sums as they may deem appropriate in one or more tranches for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business)

will exceed the paid-up share capital, free reserves and securities premium of the Company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed INR 15,000 Crore (Indian Rupees Fifteen Thousand Crore only) at any time.

RESOLVED FURTHER THAT the Board be and is hereby authorized, for and on behalf of the Company, to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary to give effect to the above resolution."

9. CREATION OF CHARGES ON MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of special resolution passed at 29th Annual General Meeting of the Members of the Company held on July 6, 2019 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") & Rules framed thereunder and in accordance to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (including any statutory modification(s) or enactment (s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company, consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall include any committee constituted / to be constituted by the Board to exercise its powers including the powers conferred under this resolution) to pledge, mortgage and/or charge on all or any part of Movable or Immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any Movable or Immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of

Notice (Contd.)

the Company does not exceed INR 15,000 Crore (Indian Rupees Fifteen Thousand Crore Only) at any time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize, settle and execute such

Place: Gurugram

Date: June 27, 2025

NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 ("**the Act**") in respect of the special businesses as specified above is annexed hereto.

Information pursuant to provisions of Regulation 36(3) and 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") for Item Nos. 2 to 6, is annexed as **Annexure-1** to this notice.

2. The Ministry of Corporate Affairs ("**MCA**") had issued General Circulars bearing Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 28/2020 dated August 17, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, and latest being General Circular No. 09/2024 dated September 19, 2024 (*hereinafter collectively referred to as* "**MCA Circulars**") and any other circulars / updates/ thereto, if any, issued by the Ministry of Corporate Affairs read with Circular number SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/PoD- 2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD- 2/P/CIR/2023/167 dated October 7, 2023, latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 and other circulars, if any, issued in this regard by Securities and Exchange Board of India ("**SEBI**") (*hereinafter collectively referred to as* "**SEBI Circulars**"), companies are permitted to conduct the Annual General Meeting which are due in the year 2025 through Video Conferencing / Other Audio Visual Means ("**VC**" / "**OAVM**") without the physical presence of Members at a common venue on or before September

documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary to give effect to the above resolution."

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Sd/-
(**Vikas Gupta**)

Company Secretary & Chief Compliance Officer
Membership No. ACS24281

30, 2025, in compliance with provisions of the Act, SEBI LODR Regulations, MCA Circulars and SEBI Circulars. Hence, in accordance with provisions of the Act, SEBI LODR Regulations, MCA Circulars and SEBI Circulars, the Annual General Meeting ("**AGM**") of Members of the Company is scheduled to be held through VC /OAVM facility on Thursday, August 7, 2025 at 11.00 A.M. (IST). Hence, Members can attend and participate in the 35th AGM through VC / OAVM only. In accordance with Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India ("**ICSI**") read with guidance/ clarification dated April 15, 2020, the proceedings of AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed venue of the AGM. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and also available at the Company's website www.satincreditcare.com.

3. Pursuant to provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to MCA Circulars and SEBI Circulars, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this AGM Notice.
4. Institutional Investors / Corporate Members (i.e., other than individuals, HUF, NRI etc.) intending to appoint their authorised representative(s) pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM and to vote through remote e-Voting or e- Voting during the AGM are requested to send a certified copy of the Board Resolution / Power of Attorney / Authority Letter etc. to the Scrutinizer by e-mail at rajeev@rajeevbbhatiaassociates.com with

Notice (Contd.)

- a copy marked to helpdesk.evoting@cdslindia.com Institutional Investors / Corporate Members (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under the "e-Voting" tab in their login.
5. The Company has fixed **Thursday, July 31, 2025** as the '**Cut-off Date**' for determining eligibility of Members who will be eligible to attend and vote at the Meeting. Members of the Company whose names appear on the Register of Members/list of Beneficial Owners, as received from the Depositories i.e. National Securities Depository Limited ("**NSDL**") / Central Depository Services (India) Limited ("**CDSL**") as on Cut-Off Date shall be entitled to vote on the resolutions set forth in this Notice.
 6. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
 - a) **For shares held in electronic form:** to their Depository Participants (DPs);
 - b) **For shares held in physical form:** to the Company / Company's Registrar and Share Transfer Agents, M/s MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) ("**RTA**") in prescribed Form ISR-1 and other forms pursuant to Securities and Exchange Board of India ("**SEBI**") Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters to the members about which folios are incomplete for furnishing the required details under aforesaid SEBI Circular. Members may also refer to Frequently Asked Questions ("**FAQs**") under "**Updation of KYC Details & Compulsory Issue of Shares in Dematerialized Form**" under Investor FAQ on Company's website <https://satincare.com/investor-relations-satin-creditcare/#Other>.
 7. As per Regulation 40 of SEBI LODR Regulations and SEBI Notification dated January 24, 2022, securities of listed companies can be transferred only in dematerialized form. Further, pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, it has been mandated that

the listed companies, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of security certificates/folios and transmission of securities, shall be effected only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to convert their shareholdings to dematerialized form by submitting a duly filled and signed Form ISR – 4, the format of which is available under "**Updation of KYC Details & Compulsory Issue of Shares in Dematerialized Form**" under Investor FAQ on Company's website <https://satincare.com/investor-relations-satin-creditcare/#Other>. Members can contact the RTA at delhi@in.mpms.mufig.com for assistance in this regard.

Effective April 1, 2024, SEBI has mandated that the Members, who hold shares in physical mode and whose folios are not updated with any of the KYC details viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature, shall be eligible to get dividend interest or redemption in respect of such folios only in electronic mode.

However, SEBI vide its Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, removed freezing of Demat Account for non-submission of "Choice of Nomination" for receipt of payment of corporate benefits and service of physical folios. Although, such Members are requested to submit the aforesaid requisite information/documents at the earliest with RTA of the Company at delhi@in.mpms.mufig.com. The relevant documents for same may be accessed from the Company's website at: <https://satincare.com/investor-relations-satin-creditcare/#Other>.

In this regard, the Company has sent intimation/reminder through postal service to Members (holding shares in physical form), to update their KYC details along with "**Choice of Nomination**" with RTA.

8. If a Member desires to opt out or cancellation / variation in the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://satincare.com/investor-relations-satin-creditcare/#Other>.

Notice (Contd.)

Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf.

9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Request for consolidation of share certificates shall be processed in dematerialized form.
10. Notice of 35th AGM along with interated Annual Report for the financial year 2024-25 are being sent through electronic mode to all Members of the Company, whose names appear on the Register of Members / record(s) of Depositories as on **Friday, July 4, 2025**. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
11. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ADDRESSES:**

In accordance with the guidelines issued under the MCA Circulars and SEBI Circulars, in relation to owing the difficulties involved in dispatching of physical copies of the financial statements (including Directors' Report, Auditor's Report or other Statutory Reports) including other Statutory statements/documents including the Notice of 35th AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s), unless any Member has requested for a physical copy of the same.

Additionally, pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2024/218 dated December 12, 2024 the Company shall dispatch a "**Letter**" with web-link and exact path to access full Annual Report for the financial year 2024-25 to Members and holder of non-convertible securities, who have not registered their email address with the RTA. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.satincare.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Central Depository Services (India) Limited ("**CDSL**") www.evotingindia.com

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act, certificate from the Secretarial Auditors of the Company certifying that the ESOP Scheme have been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all the documents referred to in the Notice and Explanatory Statements, shall be available for inspection at the Registered Office and Corporate Office of the Company on all working days between 11:00 A.M. to 1:00 P.M. from the date of circulation of this Notice and up to the date of this 35th AGM. Members seeking to inspect such documents can send an e-mail to secretarial@satincare.com.
13. We urge Members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your DPs.
14. Members holding Equity Shares as on cut-off date shall have one vote per share as shown against their holding.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. The Board of Directors of the Company has appointed Mr. Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) of M/s Rajeev Bhatia & Associates, as Scrutinizer to scrutinize the voting at Annual General Meeting and to conduct remote e-voting process in a fair and transparent manner. Mr. Bhatia has communicated his willingness to be appointed and will be available for same purpose.
17. The Company is providing e-voting facility to its Members to enable them to cast their votes electronically on the resolutions included in this Notice. The Company has appointed Central Depository Services (India) Limited ("**CDSL/Agency**") for providing and supervising e-voting services, so as to enable the Members to cast their votes electronically instead of physical mode.

Notice (Contd.)

18. SEBI vide its Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023 has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated August 11, 2023 which was further updated on December 28, 2023. Pursuant to Master Circular, investors shall first take up a grievance with the Company directly, and escalate the same through the SCORES Portal and if still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through ODR Portal at <https://smartodr.in/login>. Link of ODR Portal is also available on the homepage of Company's website at <https://www.satincreditcare.com/investor-relations-satin-creditcare/#Other>.

19. **CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

- Pursuant to provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR Regulations 2015, as amended, and MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has availed services from with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a Member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. **Thursday, July 31, 2025**, can join the AGM through the VC/OAVM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without

restriction on account of first come first served basis.

- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- Pursuant to MCA Circulars and SEBI Circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- In line with MCA Circulars and SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.satincreditcare.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e- voting system during the AGM) i.e. www.evotingindia.com.
- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with the MCA Circulars and SEBI Circulars.

THE INSTRUCTIONS OF MEMBERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual Members holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of Members holding shares in physical mode and non-individual Members in demat mode.

- The remote e-voting period begins on **Monday, August 4, 2025 (9:00 A.M. IST)** and ends on **Wednesday, August 6, 2025 (5:00 P.M. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date i.e. **Thursday, July 31, 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Members who have already voted prior to the AGM date would not be entitled to vote during the AGM.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, and

Notice (Contd.)

Regulation 44 of SEBI LODR Regulations, listed entities are required to provide remote e-voting facility to its Members, in respect of all Members' resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Members.

In order to increase the efficiency of the voting process,

- In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile numbers and email IDs in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circulars, Login method for e-Voting and joining virtual meetings **for Individual Members holding securities in Demat mode CDSL/NSDL** is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi tab. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & new System Myeasi Tab and then click on registration option or can directly access through the following link https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members holding securities in demat mode with NSDL	If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to

Notice (Contd.)

Type of Members	Login Method
	see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Members'/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Members (holding securities in demat mode) login through their Depository Participants (DP)	1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2) After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password options available at abovementioned websites.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of Members holding shares in physical mode and non-individual Members in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical Members and Members other than individual holding in Demat form.**

- The Members should log on to the e-voting website www.evotingindia.com.
- Click on "Members" module.
- Now enter your User ID as per below:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next, enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

Notice (Contd.)

- If you are a first-time user follow the steps given below:

For Physical Members and other than individual Members holding shares in Demat

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- After entering these details appropriately, click on "SUBMIT" tab.

- Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- Click on the "EVS" for the relevant **Satin Creditcare Network Limited** on which you choose to vote.

- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- If a demat account holder has forgotten the login password then enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Additional Facility for Non – Individual Members and Custodians – For Remote Voting only.**

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Custodian / Corporate Members" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rajeev@rajeevbhatiaassociates.com and secretarial@satincreditcare.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Notice (Contd.)

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVEN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further, Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance i.e. on or before July 25, 2025 mentioning their name, demat account number/folio number, email id, mobile number at secretarial@satincare.com. The Members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@satincare.com. These queries will be replied by the Company suitably by email / during the meeting.
- Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and otherwise are not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

Place: Gurugram
Date: June 27, 2025

- If any vote casted by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

- For Physical Members** - please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) by email to secretarial@satincare.com / swapann@in.mpm.mu.
- For Demat Members** please update your email id & mobile no. with your respective Depository Participant (DP).
- For Individual Demat Members** – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Assistant Vice President, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.

The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.satincare.com and on the website of CDSL www.evotingindia.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the Stock Exchanges.

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Sd/-
(**Vikas Gupta**)

Company Secretary & Chief Compliance Officer
Membership No. ACS24281

Notice (Contd.)

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

The following statement sets out all material facts relating to the Business(es) mentioned in the Notice.

ITEM NO. 3

Pursuant to provisions of Section 204 of the Companies Act, 2013 ("Act") and rules framed thereunder, every listed company is required to annex with its Board's Report, a secretarial audit report, issued by a Practicing Company Secretary. In this regard, the Board of Directors ("Board") of the Company at its meeting held on June 24, 2024 had appointed M/s S. Behera & Co., as Secretarial Auditors of the Company for the Financial Year 2024-25. However, M/s S. Behera & Co., had expressed its unwillingness to continue as Secretarial Auditor of the Company due to other professional pre-occupations, necessitating the appointment of new Secretarial Auditors.

In view of above and pursuant to provisions of newly amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and based on recommendation of Audit Committee and subject to approval of Members at ensuing Annual General Meeting, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence among others, the Board at its meeting held on May 7 2025, approved appointment of M/s. DPV & Associates LLP, Peer-Reviewed Practicing Company Secretaries Firm, as Secretarial Auditors of the Company, for a term of 5 (five) consecutive years viz. commencing from April 1, 2025, to March 31, 2030, at a remuneration of INR 1.75 Lakhs for financial year 2025-26 plus out of pocket expenses, if any, incurred during the course of audit. The remuneration for subsequent financial years during the tenure of its appointment, shall be decided by the Board, on recommendation of Audit Committee, in consultation with the Secretarial Auditors.

M/s DPV & Associates LLP was established by Mr. Devesh Vasisht, Fellow Member of Institute of Company Secretaries of India and having experience of over 17 years with wide and extensive experience in Secretarial Audit, Corporate Governance Services, IPO advisory & Due Diligence, Legal Drafting, Opinions, Corporate Restructuring, Related Party Transactions, Handling the Technical Scrutiny and Inspection, Compounding, Advising clients on SEBI & Stock Exchange related matters.

M/s DPV & Associates LLP have provided their written consent to act as Secretarial Auditors of the Company and submitted necessary peer review certificate and other requisite disclosures/declarations in accordance with

provisions of Regulation 24A of the SEBI LODR Regulations, 2015 and Section 204 of the Act and rules framed thereunder. The services to be rendered by M/s DPV & Associates LLP as Secretarial Auditors is within the purview of the said Regulation read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

None of the Directors and/or Key Managerial Personnel and/or their respective relatives are concerned or interested financially or otherwise, in this resolution.

The Board recommends the resolution as set out in Item No. 3 of the accompanying Notice for the approval of the Members by way of an Ordinary Resolution.

ITEM NO. 4

Based on recommendation of Nomination and Remuneration Committee ("NRC"), subject to the approval of Members of the Company, the Board of Directors of the Company ("Board") at its meeting held on June 27, 2025, appointed **Mr. Ashok Kumar Sharma (DIN: 05276443)** as an Additional Director (Non-Executive & Independent), for a period of 3 (three) consecutive years w.e.f. June 27, 2025 till June 26, 2028, on such terms and conditions, including remuneration, by way of commission, for an amount of INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable under Section 197(5) of the Act and that during the said tenure, Mr. Ashok Kumar Sharma shall not be liable to retire by rotation.

The Company has received all statutory declarations/disclosures from Mr. Ashok Kumar Sharma including:

- Consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014;
- Intimation in Form DIR 8 confirming that he is not disqualified under sub-section (2) of Section 164 of the Act;
- Notice of interest or concern a Director has in other companies, bodies corporate, firms, or associations of individuals, including shareholding details in Form MBP-1 under Section 184 of the Act;
- Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").
- Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 that he has not been debarred from accessing capital market or disqualified/restrained from holding or being appointed or continuing as Director by SEBI/ Ministry of Corporate Affairs or any such statutory authority;

Notice (Contd.)

- (vi) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as Non-Executive & Independent Director of the Company without any external influence as required under Regulation 25(8) of the SEBI LODR Regulations; and
- (vii) Declaration w.r.t. 'Fit and Proper Criteria' prescribed by the Reserve Bank of India (RBI) in accordance with the "Master Direction -Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023.

Further, the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for office of Director.

The Board is of opinion that Mr. Ashok Kumar Sharma's academic background, experience, knowledge and expertise are aligned to the role and capabilities identified by NRC and that he is eligible for appointment as a Non-Executive & Independent Director. Accordingly, approval of Members is being sought to appoint Mr. Ashok Kumar Sharma (DIN: 05276443) as Non- Executive & Independent Director of the Company, for a period of 3 (three) consecutive years w.e.f. effect from June 27, 2025 till June 26, 2028.

Details of his profile, qualification, experience, expertise and the information pursuant to Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard-2 on General Meetings issued by institute of Company Secretaries of India are disclosed herein below.

None of other Directors/ Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution, except the appointee.

The Board recommends the resolution as mentioned at item no. 4 above for approval of Members of the Company, by way of Special Resolution.

ITEM NO. 5

Based on recommendation of Nomination and Remuneration Committee ("NRC"), subject to the approval of Members of the Company, the Board of Directors of the Company ("Board") at its meeting held on June 27, 2025, appointed **Mr. Anupam Kunal Gangaher (DIN: 11172548)** as an Additional Director (Non-Executive & Independent), for a period of 3 (three) consecutive years w.e.f. June 27, 2025 till June 26, 2028 on such terms and conditions, including remuneration, by way of commission, for an amount of INR 24,00,000 (Indian Rupees Twenty Four Lakhs only) per annum, in addition to the sitting fees payable under Section

197(5) of the Act and that during the said tenure, Mr. Anupam Kunal Gangaher, shall not be liable to retire by rotation.

The Company has received all statutory declarations/ disclosures from Mr. Anupam Kunal Gangaher including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014;
- (ii) Intimation in Form DIR 8 confirming that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) Notice of interest or concern a Director has in other companies, bodies corporate, firms, or associations of individuals, including shareholding details in Form MBP-1 under Section 184 of the Act;
- (iv) Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("SEBI LODR Regulations");
- (v) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 that he has not been debarred from accessing capital market or disqualified/restrained from holding or being appointed or continuing as Director by SEBI/ Ministry of Corporate Affairs or any such statutory authority;
- (vi) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as Non-Executive & Independent Director of the Company without any external influence as required under Regulation 25(8) of the SEBI LODR Regulations; and
- (vii) Declaration w.r.t. 'Fit and Proper Criteria' prescribed by the Reserve Bank of India (RBI) in accordance with the "Master Direction -Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023.

Further, the Company has received a notice in writing under Section 160(1) of the Act from a Member, proposing his candidature for office of Director.

The Board is of opinion that Mr. Anupam Kunal Gangaher's academic background, experience, knowledge and expertise are aligned to the role and capabilities identified by NRC and that he is eligible for appointment as a Non-Executive & Independent Director. Accordingly, approval of Members is being sought to appoint Mr. Anupam Kunal Gangaher (DIN: 11172548) as Non- Executive & Independent Director of the

Notice (Contd.)

Company, for a period of 3 (three) consecutive years w.e.f. June 27, 2025 till June 26, 2028.

Details of his profile, qualification, experience, expertise and information pursuant to Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard-2 on General Meetings issued by institute of Company Secretaries of India are disclosed herein below.

None of other Directors/ Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution, except the appointee.

The Board recommends the resolution as mentioned at item no. 5 above for approval of Members of the Company by way of Special Resolution.

ITEM NO. 6

The Members of the Company had, at 30th Annual General Meeting ("AGM") held on August 5, 2020, approved re-appointment of Dr. Harvinder Pal Singh, as Chairman cum Managing Director of the Company for a period of 5 (five) consecutive years commencing from October 1, 2020 till September 30, 2025.

Additionally, based on recommendation of Nomination and Remuneration Committee and Board of Directors of the Company and pursuant to applicable laws and regulations, Members of the Company at 34th AGM held on August 9, 2024, approved revision in remuneration of Dr. Harvinder Pal Singh, Chairman cum Managing Director, from INR 9.99 Lakhs per month to INR 26.80 Lakhs per month excluding Variable Pay of 20% of basic salary, which would be based on performance of the Company and subject to approval of Nomination and Remuneration Committee and Board effective from April 1, 2024 till completion of his tenure i.e. upto September 30, 2025 with all other existing terms and conditions remain unchanged.

Notably, under the leadership and proactive approach of Dr. Harvinder Pal Singh, the Company had delivered a well-rounded performance amidst the industry wide challenges, which includes growth in AUM, maintaining healthy asset quality, controlling credit costs and improving operational efficiencies. additionally, the Company remained consistently profitable throughout the year which is a commendable achievement. Under his guidance, the Company has witnessed remarkable growth and expansion and he has been instrumental in driving the Company's growth.

Moreover, the current term of Dr. Harvinder Pal Singh is ending on September 30, 2025 and pursuant to Nomination & Remuneration Policy of the Company and all applicable regulations or guidelines issued by Reserve Bank of India or any governmental/statutory authorities from time to time and subject to all other applicable provisions,

regulatory approval(s) or sanction(s) or consent(s) as may be necessary and subject to approval of Members of the Company, on recommendation of Nomination and Remuneration Committee and Audit Committee, the Board at its meeting held on June 27, 2025, approved re-appointment of Dr. Harvinder Pal Singh as the Chairman cum Managing Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years w.e.f. October 1, 2025 upto September 30, 2030 on the following terms and conditions including remuneration, mentioned herein below:

- a. **Salary:** INR 29,48,000 per month excluding Variable Pay of upto 20% of basic salary which will be paid based on the performance of the Company and decided by Board of Directors on the recommendation of Nomination and Remuneration Committee.
- b. **Perquisites:** The value of perquisites under Category 'B' and Category 'C' shall be computed/treated in terms of the provisions of Section 197 read with Schedule V and other applicable provisions, if any, of the Act read with rules framed thereunder, as amended from time to time:

CATEGORY A**1. Medical Benefits**

Reimbursement of expenses actually incurred for self and family, the total cost of which should not exceed one month's salary per year.

2. Leave Travel Concession

For self, wife & dependent children once in a year as per the rules of the Company. This is further subject to maximum of one -month salary which shall be payable every year.

3. Club Fees

Club subscription fees for membership of maximum two clubs. This will, however, not include admission fees and life membership fees. This will be further subject to a ceiling of INR 5,000 (Indian Rupees Five Thousand only) per year.

4. Provident Fund

Participation in a recognized Provident Fund as per rules of the Company and in terms of applicable laws as amended from time to time.

CATEGORY B

1. Gratuity payable as per rules of the Company and in terms of applicable laws as amended from time to time.
2. Encashment of Leave as per rules of the Company and in terms of applicable laws as amended from time to time.

Notice (Contd.)

CATEGORY C

1. Car with driver and telephone facilities at residence for official purpose.

The Company has received all statutory declarations/disclosures from Dr. Harvinder Pal Singh including:

- (i) Consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014;
- (ii) Intimation in Form DIR 8 confirming that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) Notice of interest or concern a Director has in other companies, bodies corporate, firms, or associations of individuals, including shareholding details in Form MBP-1 under Section 184 of the Act;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018 that he has not been debarred from accessing capital market or disqualified/restrained from holding or being appointed or continuing as Director by SEBI/Ministry of Corporate Affairs or any such statutory authority.

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of his appointment, the Company has no profits or its profits are inadequate, the Company will pay remuneration as specified hereinabove, subject to requirements of applicable provisions as contained in the Act, SEBI Regulations and/or RBI Regulations, as amended from time to time.

The disclosures prescribed under Regulation 36(3) of SEBI LODR Regulations read with provisions of the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are provided in **Annexure-1** of the Notice.

Except Dr. Harvinder Pal Singh and Mr. Satvinder Singh (brother of Dr. Harvinder Pal Singh) and their relatives, none of other Directors and/or Key Managerial Personnel of the

Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution as mentioned at item no. 6 above for approval of the Members by way of a Special Resolution.

ITEM NO. 7

Pursuant to provisions of Section 42 of the Companies Act, 2013 ("**Act**") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("**Prospectus and Allotment Rules**") which provides that in case of an offer or invitation to subscribe to securities, the Company shall obtain prior approval of its Members of the Company by means of a special resolution. Rule 14 of the Prospectus and Allotment Rules further prescribes that it shall be sufficient to obtain such an approval only once in a year for all the offers or invitations for such NCDs issued during a period of 1 (one) year from the date of passing of the aforementioned special resolution.

In order to augment resources for on-lending by the Company, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes, and for any other purposes, the Company may invite subscription for NCDs ((a) listed or unlisted (to the extent permitted under applicable law), (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others, as may be agreed) to be issued by the Company, in 1 (one) or more series/tranches on private placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any committee constituted / to be constituted by the Board to exercise its powers including the powers conferred under this resolution) on the basis of various factors including the interest rate/effective yield determined, based on market conditions prevailing at the time of the issue(s).

Pursuant to Rule 14(1) of the Prospectus and Allotment Rules, the following disclosures are being made by the Company to the Members:

Notice (Contd.)

Particulars of the offer including date of passing Board Resolution	The third proviso to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules"), prescribes that where the proposed amount to be raised through offer or invitation of NCDs exceeds the limit prescribed under Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient if a company passes a special resolution once in a year for all the offers or invitations to be made for such NCDs to be issued during the year. In view of this, pursuant to this resolution under Section 42 of the Act, the specific terms of each offer/issue of NCDs ((a) listed or unlisted (to the extent permitted under applicable law), (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) any others, as may be agreed) shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant board resolution and/or committee resolution shall be mentioned/disclosed in the private placement offer cum application letter for each offer/issue of the NCDs. The particulars of each offer shall be determined by the Board from time to time.
Kind of securities offered and the price at which the security is being offered	Non-convertible debt securities/NCDs. The non-convertible debt securities/NCDs will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	Not applicable, as the securities proposed to be issued (in a single issue or multiple issues/tranches) are non-convertible debt securities/NCDs which will be issued either at par or at premium or at a discount to face value in accordance with terms to be decided by the Board, in discussions with the relevant investor(s).
Name and address of valuer who performed valuation	Not applicable as the securities proposed to be issued (in a single issue or multiple issues/tranches) are non-convertible debt securities/NCDs.
Amount which the Company intends to raise by way of securities	The specific terms of each offer/issue of NCDs shall be decided from time to time, for a period of 1 (one) year from the date of the aforementioned resolution, provided that the principal amounts of all such NCDs at any time issued during such period of 1 (one) year from the date of passing of the aforementioned special resolution shall not exceed in the aggregate, the limit specified in the resolution under Section 42 of the Act, i.e. up to INR 5,000 Crore (Indian Rupees Five Thousand Crore only), which limit shall be subject to the overall borrowing limits of the Company, as approved by the Members of the Company from time to time under Section 180(1)(c) of the Act.
Material terms of raising of securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principal terms of assets charged as securities	The material/specific terms of each offer/issue of NCDs and the other information being sought herein shall be decided by the Board from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in the respective transaction documents (including the private placement offer and application letter) executed in respect of each offer/issue of NCDs.

Accordingly, consent of Members of the Company is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to issue such NCDs for a period of 1 (one) year from the date of the aforementioned resolution on private placement basis up to the aggregate principal amounts of INR 5,000 Crore (Indian Rupees Five Thousand Crore only), which limit shall be subject to the overall borrowing limits of the Company, as approved by Members of the Company from time to time under Section 180(1)(c) of the Act.

Notice (Contd.)

None of the Directors/ Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the resolution as mentioned at item no. 7 above for approval of Members by way of Special Resolution.

ITEM NO. 8 & 9

Pursuant to provisions of Sections 180(1)(c) and 180(1) (a) of the Companies Act, 2013 ("**Act**") read with rules framed thereunder and in terms of Articles of Association of the Company, as amended, Members of the Company at 29th Annual General Meeting ("**AGM**") of the Company held on July 06, 2019, authorized the Board of Directors of the Company ("**Board**") viz. *to raise or borrow from time to time such sum or sums as they may deem appropriate in one or more tranches for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the paid up share capital, free reserves and securities premium of the Company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board shall not exceed INR 15,000 Crore (Indian Rupees Fifteen Thousand Crore only) at any time and to offer and create charge on the movable or immovable which can be pledged, mortgage and/or charged and the whole or part of the undertaking of the Company*

of every nature and kind whatsoever and/or creating a fixed or floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company, in favour of the Banks, Financial Institutions, any other lenders or debenture trustees for the purpose of securing the borrowing(s) of the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed INR 15,000 Crore (Indian Rupees Fifteen Thousand Crore Only) at any time, respectively.

However, pursuant to amended Articles of Association of the Company and in accordance to amendments introduced in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time, it is proposed to realign & supersede the earlier resolution(s) passed in this regard, keeping the limits unchanged as approved by Members of the Company at 29th Annual General Meeting held on July 06, 2019.

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

The Board recommends the resolutions as mentioned at item no. 8 & 9 above for approval of Members by way of Special Resolution.

By order of the Board of Directors
For **Satin Creditcare Network Limited**

Place: Gurugram
Date: June 27, 2025

Sd/-
(Vikas Gupta)
Company Secretary & Chief Compliance Officer
Membership No. ACS24281

Annexure-1 to the Notice

Details of director seeking appointment/ re-appointment at the Annual General Meeting in accordance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 (SS 2) issued by the Institute of Company Secretaries of India:

Name of the Director	Mr. Satvinder Singh	Mr. Ashok Kumar Sharma	Mr. Anupam Kunal Gangahar	Dr. Harvinder Pal Singh
DIN	00332521	05276443	11172548	00333754
Date of first Appointment on the Board of the Company	October 16, 1990	June 27, 2025	June 27, 2025	October 16, 1990
Age	59 Years	63 Years	65 years	64 Years
Qualification	Mr. Satvinder Singh has a post graduate diploma in Business Management from Institute of Management Technology, Ghaziabad.	Mr. Ashok Kumar Sharma is a First- Class graduate in Economic and Military Science, Kurukshetra University and holds post graduate diploma in Insurance Management: Pondicherry University and diploma in General Management, IGNOU, New Delhi.	Mr. Anupam Kunal Gangahar is a graduate in Science (Bachelor of Science) Delhi University and qualified as a Chartered Accountant from Institute of Chartered Accountants of India.	Dr. Harvinder Pal Singh is a Law graduate and fellow Member of The Institute of Chartered Accountants of India since 1984. He participated in Harvard Business School's Accion Program and a leadership program at Wharton Business School as well as the leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011.
Brief Profile/ Nature of Expertise	Mr. Satvinder Singh hold extensive consumer marketing and finance experience and has developed new methods of credit appraisal and marketing for SCNL as Company Director. Associated with SCNL since its inception in 1990, Mr. Singh also acted as Managing Director between September 1995 and February 2011.	Mr. Ashok Kumar Sharma is a graduate in economics and military science from Kurukshetra University and holds post graduate diploma in Insurance Management from Pondicherry University. He has also qualified the "Masterclass for Directors" leading to award of "Certified Corporate Directorship" by Institute of Directors. He has attended many executive training programmes/seminars in India and	Mr. Anupam Kunal Gangahar is a graduate in science (Bachelor of science) Delhi University and qualified as a Chartered Accountant from the Institute of Chartered Accountants of India ("ICAI") in the year 1984 and since then he has been in Practice in the individual capacity as a proprietor of firm A.K. Gangahar & Co. He holds rich experience of more than 40 years in diverse areas including auditing, accounting, taxation, financial advisory	A law graduate and a fellow Member of The Institute of Chartered Accountants of India since 1984, Dr. Singh brings over four decades of experience in financial services and is a veteran in financial inclusion and innovation. In addition to his expertise in lending, particularly in the microfinance sector, Dr. Singh stands out not only for his financial acumen but also for his remarkable ability to inspire

Annexure-1 to the Notice (Contd.)

Name of the Director	Mr. Satvinder Singh	Mr. Ashok Kumar Sharma	Mr. Anupam Kunal Gangahar	Dr. Harvinder Pal Singh
		abroad. He worked across diverse set of roles in varied fields viz. Insurance, Banking, Capital Market, LIC IPO, Customer Relationship Management, Claim Settlement and Private Equity Asset Management, engaging with a variety of stakeholders and scores of customers in varied fields and different geographies in the Country. He has served for more than three decades in various areas such as banking, SEBI regulated venture capital fund, insurance, regulations, supervision, payment and settlement systems, credit information or consumer protection. He was associated with IDBI Bank in advisory roles from October 2022 to March 2024. He worked with LIC group for more than 39 years and retired as an Executive Director (one level below the Board). He was Director & CEO of LICHL Asset Management Company Ltd. for more than 4 years and has been on the Board of at least 8 other Companies latest being TIDEL Park Ltd. Chennai and thereafter, joined LIC IPO as an Advisor. He also held position of Regional Manager (Customer Relationship Management) directly handling customer related service in LIC and he had a long stint in spearheading marketing activities in LIC and headed one of the largest Zones of LIC as Zonal Manager In-charge.	services of both Indian and Multinational entities engaged in various sectors including manufacturing, trading, hospitality, exports, financial services, software consultancy etc. Additionally, he has extensive experience in handling direct and indirect taxation matters in various statutory departments for various large, medium corporate and non-corporate clients. He has great knowledge on transfer pricing and issues relating to non-residents and provides consultancy to various high-profile clients. He continues to provide his visionary leadership, guiding businesses through market shifts and technical advancements.	and mentor future leaders. His motivational leadership style, combined with a keen ability to drive organizational growth, has consistently empowered teams to achieve excellence. Adept at navigating crises with a calm, solution-oriented approach, he has been instrumental in SCNL's the Company emergence as one of India's leading NBFC-MFIs, holding a strong national presence and serving millions of rural households. With a sharp strategic vision and a deep commitment to inclusive growth, Dr. Singh has led the transformative expansion of Satin beyond traditional microfinance. Under his leadership, the Company has diversified into affordable housing, MSME lending and most recently, technology-enabled solutions through its subsidiaries. By laying the foundation for the Satin Group, he has not only broadened the Company's operational horizon but also deepened its inclusive reach. Dr. Singh is a part of the industry forum, the Federation of Indian Chambers of Commerce and Industry (FICCI), where he lends his expertise as a Banking and Financial Institution Committee member.

Annexure-1 to the Notice (Contd.)

Name of the Director	Mr. Satvinder Singh	Mr. Ashok Kumar Sharma	Mr. Anupam Kunal Gangahar	Dr. Harvinder Pal Singh
				As the former Chair of Sa-Dhan, he contributed significantly to the sector's growth and development over his two-year tenure. Dr. Singh has also been appointed as Trade Commissioner for the Indian ASEAN Trade Council, where he oversees the Council's efforts to enhance trade and economic cooperation between India and the ASEAN region. Dr. Singh has participated in Harvard Business School's Accion Program on Strategic Leadership for Microfinance in 2009, as well as the leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011. Dr. Singh has been an inspiration right from the very beginning when the Company came into being in 1990, until today where he continues to be actively involved in the Company's day-to-day operations. Dr. Singh has been conferred with the degree of Doctor of Philosophy – Microfinance (Honoris Causa) by GNA University, a prestigious privately-owned institution based in Punjab, India. This distinguished recognition was awarded following a recommendation from the University's Governing Body in acknowledgment of his remarkable contributions to the field of microfinance and his steadfast commitment to driving social and economic empowerment.

Annexure-1 to the Notice (Contd.)

Name of the Director	Mr. Satvinder Singh	Mr. Ashok Kumar Sharma	Mr. Anupam Kunal Gangahar	Dr. Harvinder Pal Singh
Terms and conditions of re-appointment	As per the resolution at item no. 2 of the Notice convening this meeting.	As per the resolution at item no. 4 of the Notice convening this meeting.	As per the resolution at item no. 5 of the Notice convening this meeting.	As per the resolution at item no. 6 of the Notice convening this meeting thereto.
Remuneration last drawn/sought to be paid	Refer to Report on Corporate Governance.	Non-Executive & Independent Directors shall be paid remuneration in form of commission and sitting fees for attending meetings of the Board of Directors and its Committees in accordance to provisions of the Act and rules framed thereunder.	Non-Executive & Independent Directors shall be paid remuneration in form of commission and sitting fees for attending meetings of the Board of Directors and its Committees in accordance to provisions of the Act and rules framed thereunder.	Refer to Report on Corporate Governance.
Names of other companies in which the person also holds the directorship as at March 31, 2025	1. Satin Neo Dimensions Private Limited; 2. Wisteria Holdings & Investments Private Limited	Nil	Nil	1. Trishashna Holdings & Investments Private Limited; 2. Tomorrow's One Capital Pte. Limited; 3. Prestellar Ventures Fund I Pte Limited; 4. Satin Creditcare Foundation; 5. Satin Housing Finance Limited; 6. Satin Finserv Limited; and 7. Satin Technologies Limited.
Resignation, if any, from listed entities in past 3 (three) years	Nil	Nil	Nil	Nil
Names of companies in which the person also holds the Membership/Chairmanship of Committees of the Board as at March 31, 2025	Chairmanship: 1. Satin Creditcare Network Limited • Stakeholders Relationship Committee Memberships: 1. Satin Creditcare Network Limited; • Audit Committee • Risk Management Committee • IT Strategy Committee	Nil	Nil	Chairmanship: 1. Satin Creditcare Network Limited; • Corporate Social Responsibility and ESG Committee; • Working Committee; • Asset Liability Management Committee; • NCD Public Issuance Committee; and • Willful Defaulters Review Committee.

Annexure-1 to the Notice (Contd.)

Name of the Director	Mr. Satvinder Singh	Mr. Ashok Kumar Sharma	Mr. Anupam Kunal Gangahar	Dr. Harvinder Pal Singh
	• Corporate Responsibility and ESG Committee • Working Committee			Memberships: 1. Satin Creditcare Network Limited; • Nomination and Remuneration Committee; • Stakeholders' Relationship Committee; • IT Strategy Committee; 2. Satin Finserv Limited; • Audit Committee; • Risk Management Committee; • Nomination and Remuneration Committee; • Working Committee; • Asset Liability Management Committee; • IT Strategy Committee; • Willful Defaulter Review Committee; 3. Satin Housing Finance Limited; • Audit Committee; • Nomination and Remuneration Committee; • IT Strategy Committee; • Willful Defaulters Review Committee; and • Working Committee.
Shareholding in Satin Creditcare Network Limited	3,85,703 Equity Shares	Nil	Nil	Nil
Relationship between directors inter-se	Mr. Satvinder Singh is brother of Dr. Harvinder Pal Singh, Promoter, Chairman cum Managing Director of the Company. He is not related with any other Director or Key Managerial Personnel of the Company	Not related to any of the Directors or their relatives.	Not related to any of the Directors or their relatives.	Dr. Harvinder Pal Singh is brother of Mr. Satvinder Singh, Promoter, Non-Executive and Non-Independent Director of the Company. He is not related with any other Director or Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the Financial Year – 2024-25	8 out of 9 Meetings.	Not applicable.	Not applicable.	8 out of 9 Meetings.

Annexure-2 to the Notice

Details of Auditors seeking appointment / re-appointment as Secretarial Auditors at the Annual General Meeting in accordance with Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given herein below:

Name of the Proposed Secretarial Auditor	M/s DPV & Associates LLP
Proposed fees payable to the Secretarial Auditor(s)	Remuneration of INR 1.75 Lakhs for the financial year 2025-26 plus reimbursement of out of pocket expenses, if any, incurred during the course of audit. Remuneration for rest of tenure of appointment, as may be mutually agreed between the Board of Directors and Auditors from time to time.
Terms of Appointment	5 (Five) consecutive years (from April 1, 2025 to March 31, 2030)
Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	The proposed fee will not materially vary from the fee paid to M/s S. Behera & Co., outgoing Secretarial Auditors.
Basis of recommendation for appointment including the details in relation to and credentials of the Secretarial Auditor proposed to be appointed	Basis of Recommendation: The Board of Directors of the Company, based on the recommendations of the Audit Committee, at its meeting held on May 7, 2025, had approved appointment of M/s. DPV & Associates LLP (ICSI Firm Registration No. L2021HR009500), Peer Reviewed Company Secretary Firm, as Secretarial Auditors of the Company for the period of 5 (Five) years from April 1, 2025 to March 31, 2030, subject to approval of Members at ensuing Annual General Meeting. Credentials: M/s DPV & Associates LLP was established by Mr. Devesh Vasisht, Fellow Member of Institute of Company Secretaries of India and having experience of over 17 years with wide and extensive experience in Secretarial Audit, Corporate Governance Services, IPO advisory & Due Diligence, Legal Drafting, Opinions, Corporate Restructuring, Related Party Transactions, Handling the Technical Scrutiny and Inspection, Compounding, Advising clients on SEBI & Stock Exchange related matters.

Notes



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