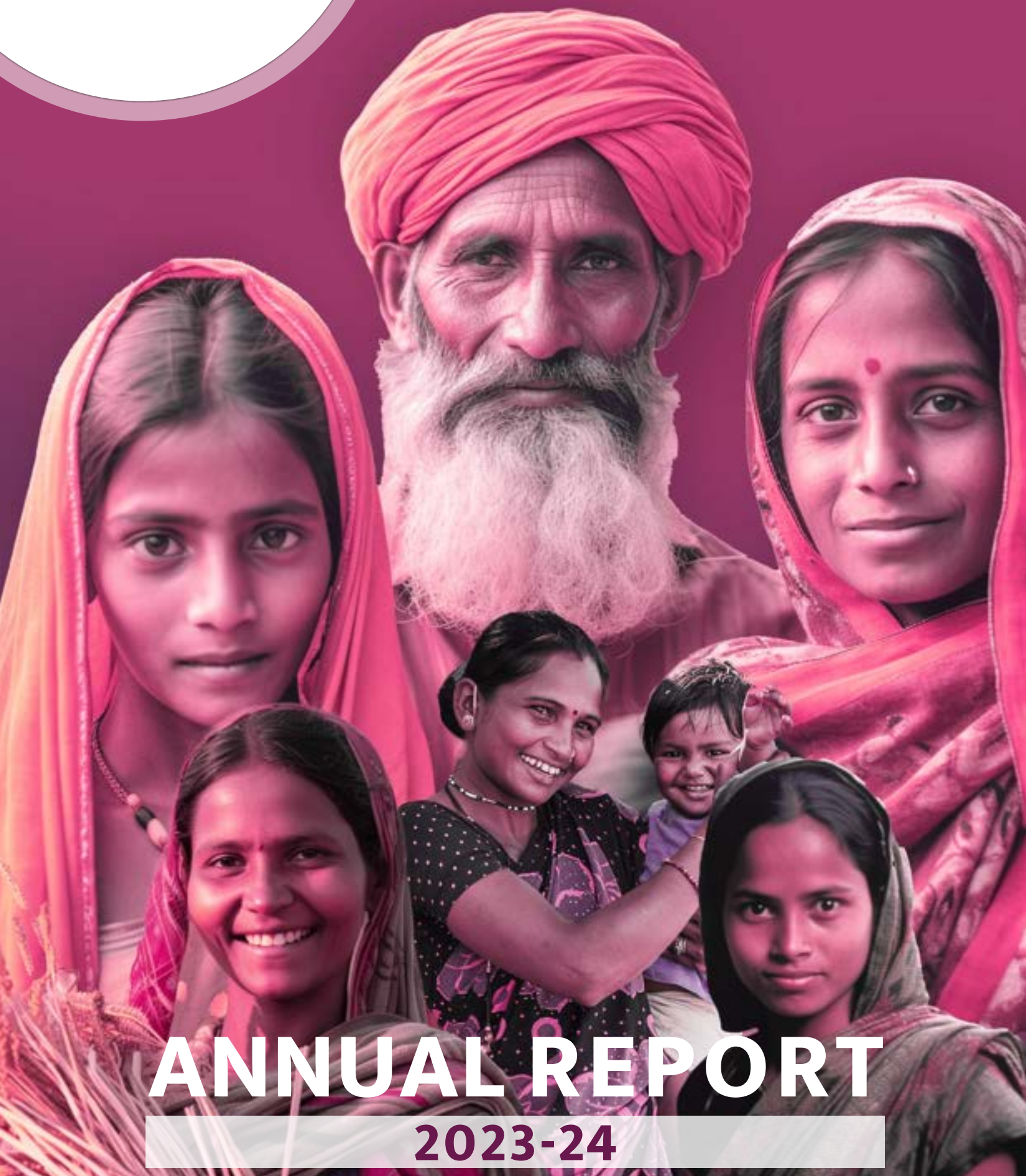




Satin
Housing
Finance Ltd.

THE ANSWER IS HOME



ANNUAL REPORT

2023-24

Empowering Homeownership Dreams



IT'S
750 CHORE
AUM!!!



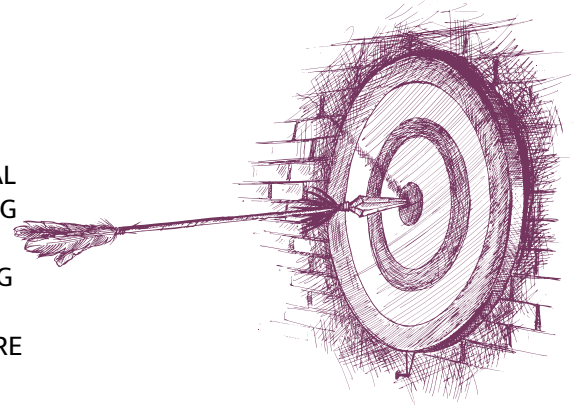


OUR MISSION

TO BECOME INDIA'S TOP AFFORDABLE HOUSING FINANCE COMPANY IN THE PREMIUM RURAL & SEMI-URBAN SEGMENT OVER THE NEXT 5 YEARS, GAINING REPUTE FOR OUR EFFICIENCY, INNOVATION AND DEDICATION TO THE THREE PRINCIPLES OF ORGANIZATIONAL SUCCESS - PEOPLE, PROCESS & TECHNOLOGY (PPT). TO THIS ENDEAVOUR, WE WILL ALSO EMBRACE THE LATEST TECHNOLOGY FOR BOLSTERING OUR FINANCIAL PROWESS & ADOPT THE MOST INNOVATIVE CREDIT SOLUTIONS FOR ASSESSMENT & DISBURSEMENT.

OUR VISION

TO HELP EVERY FAMILY FIND A HOME, BY PROVIDING INCLUSIVE FINANCIAL SOLUTIONS TO ALL SECTIONS OF SOCIETY, PARTNERING & SUPPORTING THEM FROM THE VERY START. WE STRIVE TO EARN THE RESPECT AND ADMIRATION OF CLIENTS, PARTNERS AND EMPLOYEES ALIKE, BY ENSURING THAT ALL PROFESSIONAL RELATIONSHIPS ARE BUILT ON TRUST AND TRANSPARENCY AND THE COMPANY'S CULTURE REFLECTS AN ATMOSPHERE OF GROWTH, OWNERSHIP AND SATISFACTION.



S

A

T

I

N



SEEKING
EXCELLENCE



ACCOUNTABILITY
& OWNERSHIP



TEAMWORK &
COLLABORATION



INTEGRITY



NURTURING
LIVES




MR. HP SINGH
CMD, SATIN

Having witnessed SHFL's remarkable seven-year journey in the affordable housing sector, I am filled with immense pride and optimism about its future. SHFL's impressive performance has firmly set it on the path to becoming a major force in the industry. Its success story is rooted in its firm commitment to empowering individuals, transforming their dreams of homeownership into reality, and overcoming every challenge with strong grit.

This year has been particularly noteworthy for SHFL. The company has achieved an outstanding 50% growth in its Gross Loan Portfolio, underscoring its robust financial performance. Additionally, the company reported a Profit After Tax (PAT) of Rs. 9 Crore, reflecting its solid financial health and sustainable growth trajectory.

The accomplishments achieved by the company are a testament to the strategic vision, operational excellence, and the relentless efforts of the dedicated team at SHFL to build a strong value-based organization. My faith in their capabilities is unwavering, and I am confident that they will persist in their efforts to excel and help millions of Indians in realising their aspiration of owning a home.





MR. AMIT SHARMA
MD & CEO



As I look back at the work we have done together at SHFL, I am filled with immense pride and gratitude. Each one of our stakeholders has played a crucial role in ensuring that our vision of providing homeownership to all becomes a reality. Their dedication and commitment remind me of the way birds meticulously build their nests, piece by piece, with love and support.

Just as birds create their nests with care and precision, each employee at SHFL has contributed their unique skills and unwavering passion to facilitate the dreams of countless families of having a home where families can thrive. We believe in empowering individuals to create their own sanctuaries, fostering communities and transforming lives.

I hold immense gratitude for everyone associated with us for their hard work, resilience, and the spirit of collaboration that you bring to SHFL every day. Together, we are not just financing homes; we are building dreams and shaping a better future for everyone.



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CORPORATE INFORMATION	
BOARD OF DIRECTORS	SECRETARIAL AUDITOR
Mr. Harvinder Pal Singh - Non-Executive Director Mr. Amit Sharma – Managing Director & CEO Dr. Jyoti Ahluwalia- Independent Director Mr. Sanjay Kumar Bhatia - Additional Independent Director	M/s S. Behera & Co. Practicing Company Secretary S-1/3 & 4, 1st Floor, Near Uphaar Cinema, Green Park Ext., New Delhi - 110 016 Email: shesdev@gmail.com
DETAILS OF COMMITTEES OF THE BOARD	BANKERS/ FINANCIAL INSTITUTIONS
Audit Committee Mr. Harvinder Pal Singh Mr. Sanjay Kumar Bhatia Dr. Jyoti Ahluwalia Nomination & Remuneration Committee Mr. Harvinder Pal Singh Mr. Sanjay Kumar Bhatia Dr. Jyoti Ahluwalia Working Committee Mr. Harvinder Pal Singh Mr. Amit Sharma Mr. Sachin Sharma	Bankers HDFC Bank Limited State Bank of India ESAF Small Finance Bank Limited ICICI Bank Limited IDBI Bank Limited The Federal Bank Ltd Capital Small Finance Bank Limited Union Bank of India Financial Institutions National Housing Bank MAS Rural Housing & Mortgage Finance Limited MAS Financial Services Limited Hinduja Housing Finance Limited Sundaram Home Finance Limited Northern Arc Capital Limited Vivriti Capital Limited Satin Creditcare Network Limited Hero Housing Finance Limited STCI Finance Limited NABSAMRUDDHI Finance Limited Netafim Agricultural Financing Agency Private Limited TATA Capital Financial Services Limited LIC Housing Finance Limited TATA Capital Financial Services Limited Cholamandalam Investment and Finance Company Limited Maanaveeya Development & Finance Private Limited Shriram Housing Finance Limited Tourism Finance Corporation of India Limited
CHIEF FINANCIAL OFFICER	REGISTRAR & TRANSFER AGENTS
Mr. Sachin Sharma	Link Intime India Private Limited C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra-400083 Tel: 022 - 4918 6270 Website: www.linkintime.co.in
STATUTORY AUDITOR	
M/s Rajeesh Bhatia & Associates Chartered Accountants 201, 202, 2 nd Floor, A-20, Indraprastha Bhawan, Dr. Mukherjee Nagar, Commercial Complex, Delhi-110009 Email id: info@rajeeshbhatiaassociates.com	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) KFintech, Tower – B, Plot No 31 & 32, Selenuim Building, Financial District, Nanakramguda, Gachibowli, Hyderabad –32. Tel:+91-040-67162222, +91- 040 – 79611000 Website: www.kfintech.com
DEPUTY COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER	
Mr. Brajesh Kumar	

DEPOSITORIES FOR DEMAT								
National Securities Depository Ltd. (NSDL) 4th Floor, A Wing, Trade World, Kamala Mills Compound, S.B. Marg, Lower Parel, Mumbai - 400 013 Ph. No. : +91 022 24994200 Email id: info@nsdl.co.in Website : www.nsdl.co.in		Central Depository Services (India) Ltd. (CDSL) Marathon Futurex, A-Wing, 25th Floor, N M Joshi Marg, Lower Parel, Mumbai - 400 01 Email id: helpdesk@cdslindia.com Website : www.cdslindia.com						
CONTACT DETAILS		DEBENTURE TRUSTEE						
Satin Housing Finance Limited Registered Office: 505, 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi- 110033 Corporate Office: Plot No. 492, 2nd Floor, B-Wing, Udyog Vihar Phase-III, Gurugram, Haryana-122016 CIN: U65929DL2017PLC316143 Email: compliance@satinhousingfinance.com Tel. No.: 0124-4346200 Website: www.satinhousingfinance.com		Catalyst Trusteeship Limited 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001 Tel. No: +11 43029101 Fax: +91 22 4922 0505 Website: www.catalysttrustee.com						
STOCK EXCHANGE		CREDIT RATINGS						
BSE Ltd. P.J. Towers, Dalal Street, Mumbai - 400 001 Ph. No. +91 022 22721234 Email: corp.comm@bseindia.com Website: www.bseindia.com		<table><tr><th>Nature</th><th>Rating</th></tr><tr><td>Non-Convertible Debentures</td><td>ICRA A-; Stable [A Minus; Outlook: Stable]</td></tr><tr><td>Long term Bank borrowings</td><td>ICRA A-; Stable [A Minus; Outlook: Stable]</td></tr></table>	Nature	Rating	Non-Convertible Debentures	ICRA A-; Stable [A Minus; Outlook: Stable]	Long term Bank borrowings	ICRA A-; Stable [A Minus; Outlook: Stable]
Nature	Rating							
Non-Convertible Debentures	ICRA A-; Stable [A Minus; Outlook: Stable]							
Long term Bank borrowings	ICRA A-; Stable [A Minus; Outlook: Stable]							

About The Company

Satin Housing Finance Limited (SHFL) was incorporated on April 17, 2017 as Public Limited Company under the provisions of the Companies Act, 2013 as a wholly owned subsidiary of Satin Creditcare Network Limited (SCNL). SHFL is registered as Housing Finance Company under the provisions of Section 29A of the National Housing Bank Act, 1987 vide certificate of registration no. 11.0161.17 dated November 14, 2017.

SHFL is engaged in providing long-term finance for purchase, construction, extension & repair of houses for the retail segment, along with loans against residential property. Its innovative and flexible competitively priced loan products are aligned to the unique needs of customers.

SHFL caters mainly to customers belonging to the middle and low income groups in peripherals of urban India, semi urban and rural India. Headquartered in Gurugram (Haryana), SHFL has its registered office in Azadpur (Delhi), with branches in Uttar Pradesh, Rajasthan, Haryana and Delhi.

The company was founded on the belief that the dream of owning a home should be attainable to one and all. Keeping with this vision, Satin Housing Finance brought together financially sound promoters, visionary leadership and a highly experienced management team of home loan professionals, all with a shared endeavour – to help people turn their home ownership aspirations into a reality, with the purchase of an affordable dwelling unit to call their own.

To achieve this, Satin Housing Finance has created and implemented robust procedures and processes for its Credit, Operations and IT departments, alongside establishing extremely strong Corporate Governance systems. The company follows the best ethical practices code in place and their mission of maintaining the highest transparency in all aspects of their business. Satin Housing Finance also stays updated with contemporary technology, employing state-of-the-art software and adopting excellent technological frameworks to ensure smoother processes through digitization and a paperless environment. All these factors serve to ensure that Satin Housing Finance maintains its unbeatable efficiency in customer delivery.

The other driving force behind the company's success is their actual product portfolio – all SHFL offerings stay true to their core organizational values of inclusivity, maintaining a keen focus on thin-file clients and the underserved sections of the society, which form the lower and middle levels of the income pyramid. So along with a host of innovative and flexible home loans that can enable the purchase, construction, extension and repair of affordable dwelling units, Satin Housing Finance also provides Loan Against Property (LAP) products.

With a focused approach to growth and expansion in the affordable housing segment, Satin Housing Finance is set to scale up operations from its current branches in Haryana, Rajasthan, Uttar Pradesh and Delhi followed by a phase-wise approach to deeper penetration in these states expansion into others like Madhya Pradesh, Gujarat, Bihar and parts of Uttar Pradesh.

The Company enjoys the stable credit ratings of A- from ICRA Limited for its long term bank borrowings. These ratings reaffirm the reputation and trust SHFL has earned for its sound financial management and ability to meet financial obligations. SHFL has always maintained strong capital, liquidity, risk and profitability profile amidst pandemic situation to retain the highest credit rating across all types of borrowings.

MESSAGE FROM MD & CEO's Desk



Dear Shareholders,

I am pleased to present our 7th Annual Report of your esteemed company, reflecting on the progress in the financial year gone by. Arriving at a crucial juncture, when the residential real estate sector is experiencing robust demand, backed by strong macroeconomic fundamentals and drivers such as improving affordability, rising urbanization, a low mortgage-to-GDP ratio, favourable demographics and government policies, we, at SHFL remains poised to leverage these opportunities and drive sustainable growth. Looking ahead, the future prospects for the affordable housing finance industry appear promising. According to CareEdge Ratings, Affordable Housing Finance Companies (AHFCs) are set to see a growth of 30 per cent in FY25 building on the growth in the last two years. This underscore the vast potential and opportunities within the sector, especially in the affordable housing segment. As the industry evolves & expands, it is set to play a crucial role in addressing the housing needs of millions and contributing significantly to the nation's overall growth and development.

Ever since the inception of Satin Housing Finance Limited, we have been playing a pivotal role in making home ownership dreams a reality for countless Indians. With our commitment to the vision of 'Every Family Finds a Home', we have dedicated ourselves to providing accessible and affordable housing finance solutions tailored to the diverse needs of our customers.

Our Performance

In FY 2023-24, we made some key changes in our strategies and decisions, while still preserving our values and strong foundation. Our key motive behind all this remains to deliver more and adding more value in delivering an elevated experience to all our customers and in every facet of our working. Our relentless efforts led to recording of a 50% year-on-year growth in our Gross Loan Portfolio which stood at 755.77 crores. Through increase in customer base, your company disbursed loans of Rs. 456 crores, representing a year on year growth of 45%.

SHFL's Total Income during the year ended March 31, 2024 is Rs. 92.31 Crores compared to Rs. 61.87 Crores for the period ended March 31, 2023. The Profit after Tax during the year ended March 31, 2024 stood at Rs. 8.74 Crore. This resulted in ROA of 1.53% and ROE of 5.10%. This progress has been the output of our firm commitment to excellence and dedication to empower individuals and turning their dreams of homeownership into a reality.

Robust Asset Quality Maintained

In our 7-year long journey, your company has strived to maintain a robust asset quality. With strong underwriting processes and efficiency of our team, the company has been able to keep the track record of less than 1% delinquency and zero restructuring intact. The net non-performing asset stood at 0.68%. As we move forward, we will continue to make headways in strong financial management risk mitigation strategies. **There are zero write-off since inception.**

Strong Asset-Liability Management

Asset-Liability Management (ALM) is another key area of focus and we continue to maintain comfortable liquidity position. Considering the current collection trend & liquidity position, the company will comfortably service its outside liabilities in coming years. It gives me immense pride to share with you all that this year; your company has successfully raised debt of Rs. 235 crores, having sufficient liquidity of Rs. 40.13 Crore as of March 31, 2024. Furthermore, the company is having undrawn sanction of Rs. 75 Crore.

Currently, your company has a base of 26 active lenders. The Capital to Risk-Weighted Assets Ratio (CRAR) increased to 48.67% by the end of FY24, up from 46.40% in FY23. Our Tier 1 ratio stood at 45.88% and Tier 2 ratio at 2.79%.

Credit Rating

Building on the positive momentum of FY 2023-24, we have been awarded a new credit rating of ICRA A- with a Stable outlook by domestic rating agency ICRA. This development reflects our robust financial health and stability, positioning us strongly for future growth and success. Our commitment to maintaining financial discipline and operational excellence continues to be acknowledged, further enhancing our reputation in the market.

Strong Governance

Good governance has always been a cornerstone of our Company, and we take pride in our impeccable compliance record. Ensuring strict adherence to all regulations is one of our highest priorities. Our commitment to maintaining zero compliance negligence reflects our dedication to clean administration, fair dealing, and transparency, further enhancing our reputation for excellence.

Outlook

Building on our past achievements and initiatives, your company is strategically positioned to capitalize on emerging opportunities within a growing economy. Our robust foundation and forward-thinking approach ensure we are well-equipped to navigate and thrive in the evolving market landscape. We are committed to further enhancing our operational efficiency and strengthening our market presence. We remain committed to nurturing our partnerships and forging new alliances with reputed banks and financial institutions. We will continue to invest in talented individuals, cutting-edge technology, and advanced analytics to sustain and accelerate our growth trajectory. We are confident that our strategic focus and strong balance sheet, will position us for sustainable growth.

Acknowledgements

I am grateful to our esteemed customers, shareholders, business partners, wider community of stakeholders, and above all, our employees for their commitment to our vision. I look forward to working with each of them to move towards an even better and brighter future for Satin Housing Finance Limited.

Thanking You,
With warm regards,
Amit Sharma
Managing Director & CEO

Progressive Journey

2024

- Crossed INR 750 Crore in Loan Portfolio with Negligible NPAs.
- A- (stable) Rating from ICRA.
- Borrowings of Rs.235.00 Crore in FY 23-24 from Reputed Banks & NBFCs.
- Sanction of Rs.109 Crore from NHB within 7 Years of Operation.

2023

- Crossed INR 500 Crore in Loan Portfolio with Negligible NPA.
- BBB+ Stable Rating from Care & Informerics.
- Zero adverse regulatory observations till date.

2022

- Zero Adverse Regulatory Observations
- Crossed INR 300 Crore in Loan Portfolio with Nil NPA

2021

- Good Supervisory Rating from NHB
- Crossed INR 200 Crore in Loan Portfolio

2020

- Received NHB refinance under lift scheme
- Entered into a DA Transaction

2019

- Crossed INR 100 Crore in Loan Portfolio & Crossed 1000 Live Customers
- Listed on BSE through NCD's of INR 20 crore

2018








- Commenced Operations & Received First Borrowing

2017

- Obtained the Licence from National Housing Bank



Accolades & Achievements

-  "A-" Stable rating from ICRA.
-  AUM of Rs. 750 cr.+ with negligible NPAs.
-  Nil Write off and Zero restructuring since inception.
-  Multiple DA Transactions with highly reputed NBFCs
-  Zero non-compliance observation from any regulator.
-  Sanction of Rs.109 Crore from National Housing Bank within in 7 years of operation.
-  Term loans from reputed banks like SBI, ICICI, HDFC, IDBI, Union, Federal & FIs of Rs. 235 Crore in FY 24.



Board of Directors



MR. HP SINGH
Non-Executive Director

A law graduate and fellow of The Institute of Chartered Accountants of India since 1984, Mr. HP Singh has over three decades of microfinance experience to his credit & is responsible for pioneering the unique concept of daily collection of repayments of loans.

Aside being an expert in lending, particularly in the microfinance field, Mr. Singh also has a wealth of experience across auditing, accounts, project financing, advisory services and company law matters. It is his financial engineering acumen, honed over almost thirty years of experience that has helped SCNL achieve its success in operational strategy and efficiency.

Mr. Singh also 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. Mr. Singh has been an inspiration right from the very beginning when the company came into being in 1990, till today where he continues to be actively involved in the company's day-to-day operations. Under his leadership, SCNL has evolved into a leading microfinance institution in India, holding a strong national presence and serving millions of rural households with a diverse range of offerings including microfinance, MSME and affordable housing loans.



MR. AMIT SHARMA
Managing Director &
Chief Executive Officer

Sitting at the helm of Satin Housing Finance Limited is Mr. Amit Sharma, who brings to the table over 20 years of priceless experience across NBFCs and the financial services sector, both in domestic and global markets.

An ICSI-qualified Company Secretary (CS), Mr. Sharma holds a B.Com (Hons.) & a LLB degree from Delhi University, as well as a DIFC (Dubai) Certification. Before joining the Satin family, Mr. Sharma worked at the Religare Group, P.N.Vijay Financial Services, Abhipra Capital Ltd and the Association of National Exchange Members of India, among others. He also held several key positions in various large corporate houses, the most recent being Chief Business Officer (CBO) for LAS & Agri-Commodity Funding & Commercial Vehicle Finance at Karvy Financial Services Limited for 5 years. Here, he was instrumental in starting, conceptualizing & developing the Home Loans business, playing a pivotal role in building up the Loan Against Shares and Agri-Commodities (LAS), Commercial Vehicle Finance, Loan Against Property- SME (Cross-sell) and Structured Financing departments.

Mr. Sharma's general areas of specialization & in-depth knowledge of myriad business facets is truly inspiring, covering the likes of Retail & Institutional Lending, Investment Banking, Fund Raising, Treasury, Capital Markets, Legal, International Syndication Structures, Operations, Products, Risk Management, Private Equity, Retail and Institutional Business (Mergers & Acquisitions), Sales & Marketing and to top it all off, building and scaling up businesses.



Board of Directors



DR. JYOTI AHLUWALIA
Independent Director

Dr. Ahluwalia is a Ph.D. holder and Master's in Commerce from University of Allahabad. She also holds degree of Chartered Financial Analyst from Institute of Chartered Financial Analysts of India. Dr. Ahluwalia currently works as an Assistant Professor of Data Analytics and Machine Learning at Sushant University.

Prior to her current role, she has worked as Finance Professor at ICFAI Business School, Gurugram for more than 7 years and taught courses in Finance, Analytics, Strategy, Financial Management, Mergers & Acquisitions, Financial Business Analytics. She is also certified by HDFC Bank as a Banking Faculty in HDFC Train and Trainer Program.

In addition, she has cleared six actuarial papers and has held various important roles in corporates such as Actuarial Analysts at Milliman India (Actuaries and Consultants), Syndicated Research Analyst at Corporate Executive Board. With her contribution in a two day MDP workshop on Personal Financing Planning, she has received the "Best Summer Internship Programme Award 2015".



MR. SANJAY KUMAR BHATIA
Independent Director

A Chartered Accountant and Commerce graduate of Delhi University, Mr. Bhatia has over 35 years of rich experience across leading corporates, start-ups and BAU environments, having worked in both sales management and strategy formation. At present, he is Senior Director – Community Development at Antara Senior Living Limited and is responsible for the development of the upcoming communities for progressive seniors, the formulation of long-term strategy and tactical execution and general management. He also provides consultancy on income tax, corporate tax and corporate law matters to various organizations. In his past career, he has served as Vice President and Head of Strategic Initiatives (Revenue) at Max Life Insurance and worked at companies such as Max New York Life, Vikas Motors Limited, Dinker Portfolio Private Limited, DMA of Citibank N.A. and GE Countrywide.



Management Team

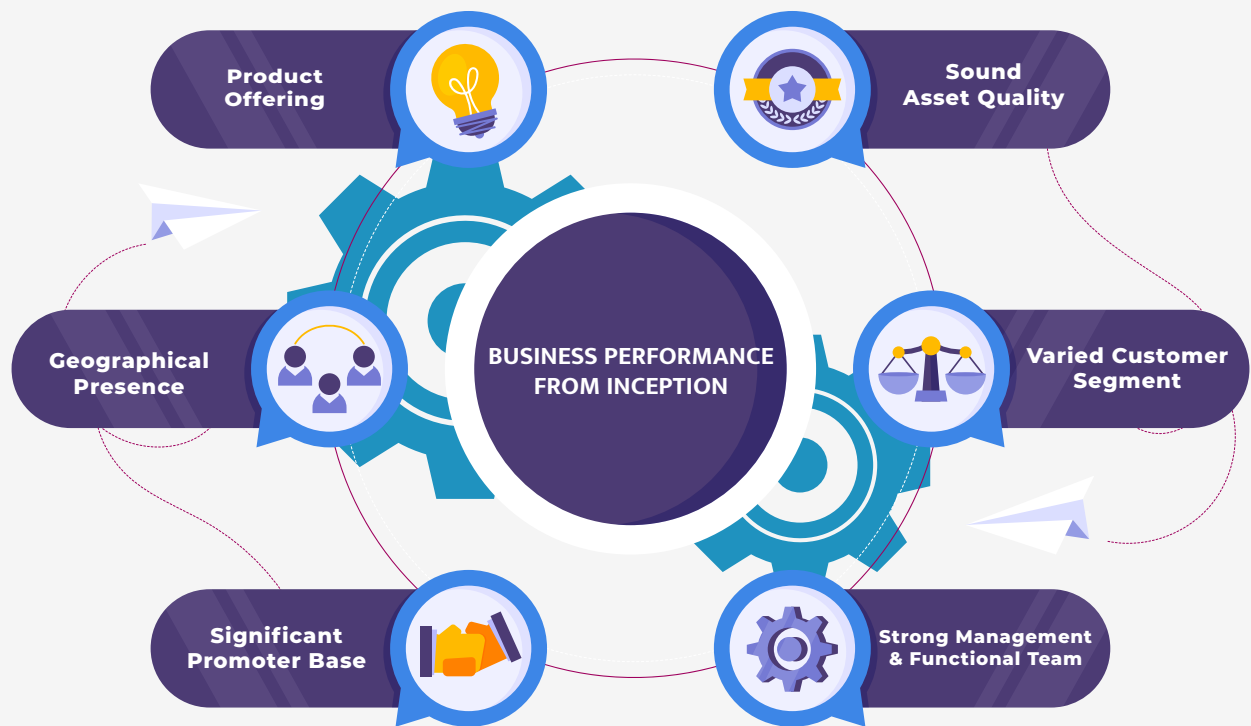


MR. SACHIN SHARMA
Chief Financial Officer

With an illustrious career spanning more than 17 years behind him, Mr. Sachin Sharma is a career banker with a difference – his rich experience across the Banking & Financial Services industries has also witnessed his ability to oscillate between micro and macro-level thinking. Since receiving his LLB qualification and MBA in Finance, Mr. Sharma has moved on to hold various critical and strategic positions, both functional and senior level ones, at the likes of Deutsch Post-Bank Home Finance Ltd, Habitat Housing and ART Affordable Housing.

Mr. Sharma has garnered admiration in all his professional roles, involving rollout in start-up companies, fund raising, treasury operations management, accounts, internal control and statutory compliance. His core proven strength lies in the delivery of decision matrices, through Planning, Controlling, Taxation and Audits, as well as the institution of Financial Systems. Further, he has also demonstrated highly effective usage of Corporate Governance tools in his proactive support of Business and Treasury management.

Investment Story



Product Offerings





Home Purchase



Home Construction



Home Extension



Home Improvement

A. Affordable Housing

The Company continued its commitment towards supporting the government's flagship scheme, 'Housing for All' and pursued efforts towards lending to the Salaried, Self Employed (Professional and Non-Professional) (SEP and SENP), Low Income Group (LIG) and Middle Income Group (MIG) segments for amount upto INR 45 Lakhs. The Company continued its focus on lending to credit worthy home loan customers across all income segments and accounts 66.8% of the total loan portfolio during the year.

B. Urban Lap

The Company continued its focus on urban housing, providing loans to salaried, SENP, SEP, LIG, Partnership firms and Companies for properties situated in urban areas. Urban Housing loans accounted for approximately 26.4% of total loans disbursed during the year.

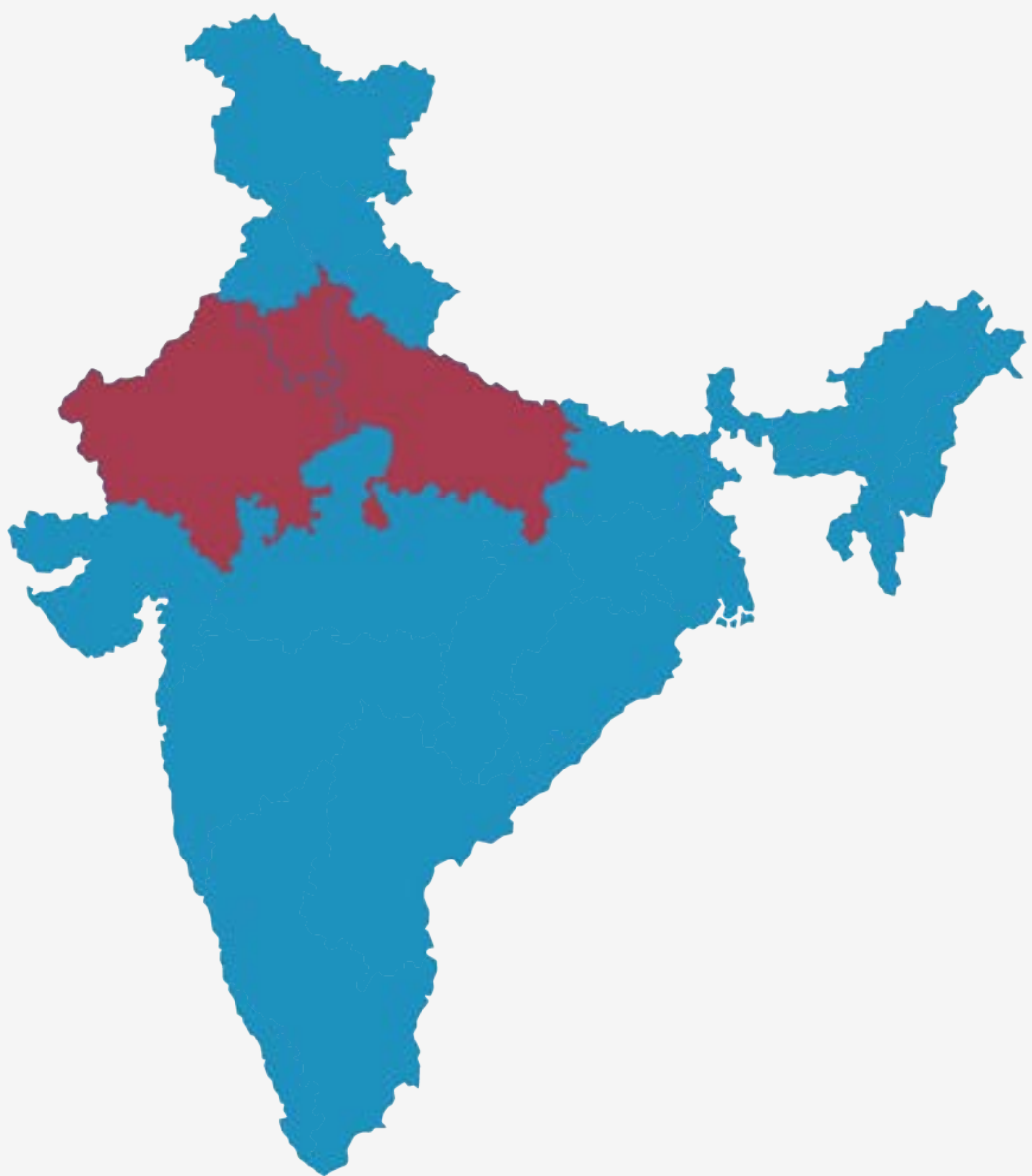
C. Micro Housing and Loan Against Property (LAP)

The Company provides loan to the borrowers for the purpose of using their Land/Dwelling unit for increasing their Income Earning Abilities for purely business purpose segmented into Salaried, Self Employed (Professional and Non-Professional) (SEP and SENP), Low Income Group (LIG) and Middle Income Group (MIG). This accounts for 6.8% of the total loan disbursed during the year.

LENDING PROCESS IN SNAP



Geographical Presence



Total Branches	Total State
36	4

Rajasthan	Haryana	Delhi	Uttar Pradesh
15	09	02	10

*Above map is not on scale.

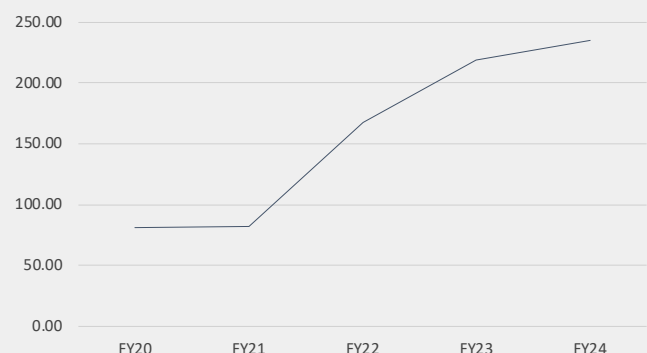
Key Financial Indicators

Lending Base

Cost of Fund

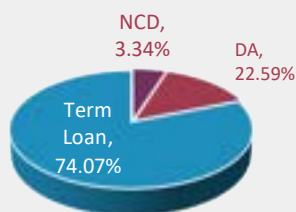


Additional Borrowing

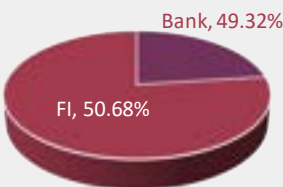


Liability Profile

By Product



By Profile



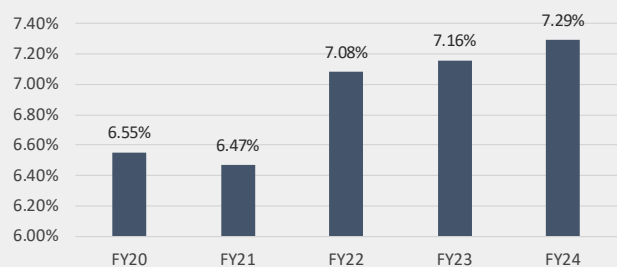
Top 10 Lender's Base

Lender name	% of Share
National Housing Bank Limited	14.78%
State Bank of India	11.38%
LIC Housing Finance Limited	8.80%
NABSAMRUDDHI Finance Limited	6.05%
Capital Small Finance Bank	5.39%
ESAF Small Finance Bank Ltd	5.06%
MAS Financials Services Limited	4.98%
Investment Fund for Developing Countries (IFU)	4.31%
IDBI Bank Limited	4.31%
Maanaveeya Development & Finance Private Limited	3.92%
Total	68.99%

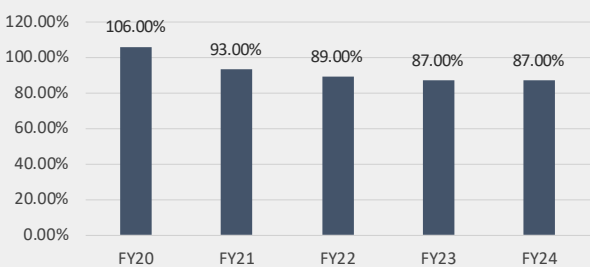
Key Financial Indicators

Financial Highlights

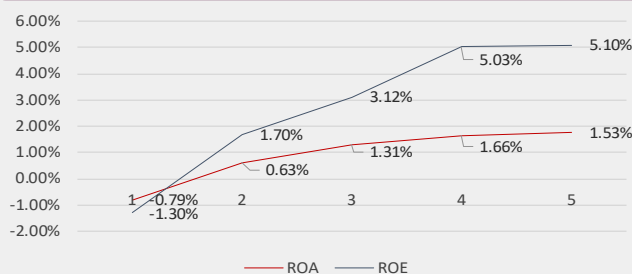
NIM



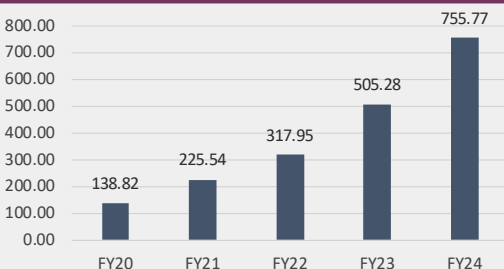
Cost of Income %



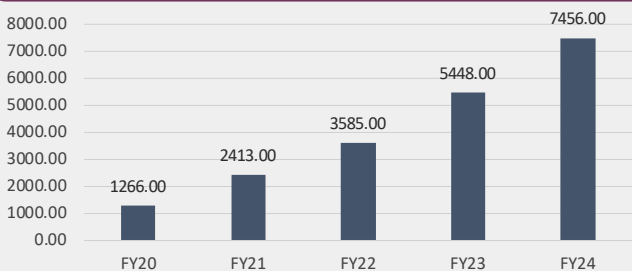
Increasing ROA & ROE



AUM Growth



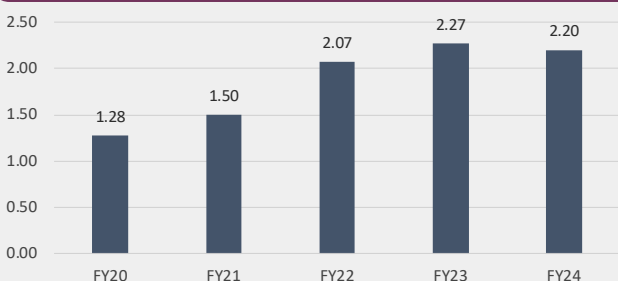
No of Active Client



Capital Adequacy Ratio

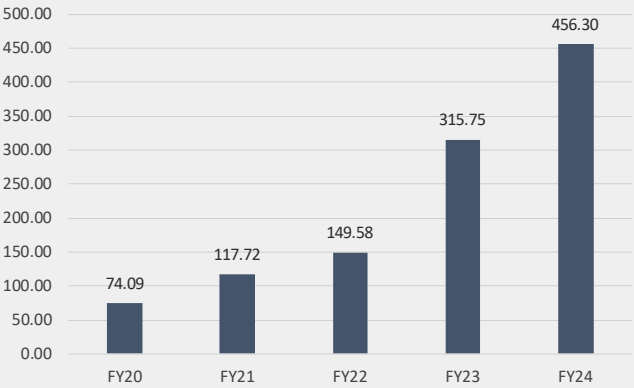


Debt-Equity Ratio

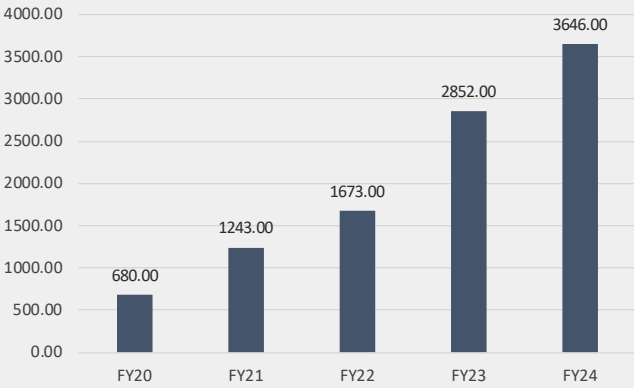


Business Trend

Increasing Disbursement

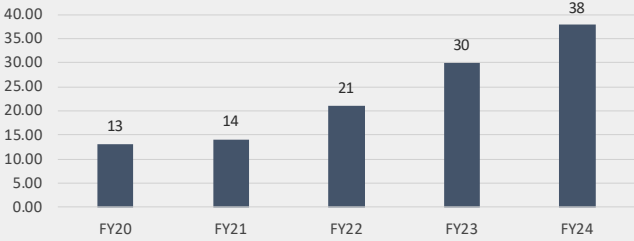


Focus on new customer acquisition

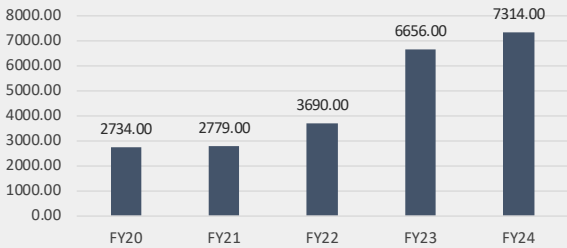


Operation Metrics

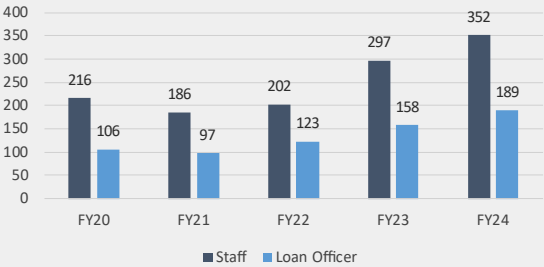
Branches



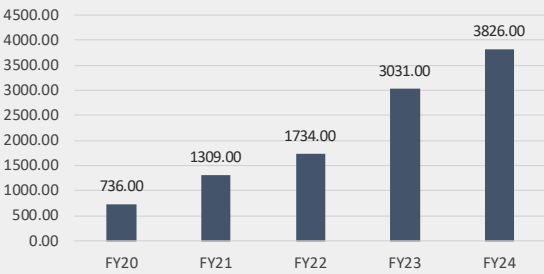
Number of Logins



Staff & Loan Officer



Number of Sanctions





Directors' Report

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 7th Annual Report on the business and operations of Satin Housing Finance Limited ("The Company/SHFL") along with the Audited Financial Statements for the financial year ending March 31, 2024.

1. COMPANY INCORPORATION & NATIONAL HOUSING BANK REGISTRATION

Your Company was incorporated on April 17, 2017 under the Companies Act, 2013 as Public Limited Company and holds the Certificate of Registration (COR) as Housing Finance Company (not holding/accepting of Public deposits) issued by National Housing Bank (NHB) on November 14, 2017 to carry on activities of housing finance business under Section 29A of the National Housing Bank Act, 1987.

2. OBJECTIVE

With financially sound promoters, visionary leadership and a highly experienced team of home loan professionals, your company will provide clients with home loans to fulfill their dreams of owning an affordable dwelling unit. Your Company strongly holds that the dream of home ownership should be all-inclusive & believe in following the principle of highest transparency in business. The Company professionally managed Housing Finance Company (HFC) engaged in the business of providing long-term housing loans and Loan Against Property to customers to the Middle and Low Income Groups in peripherals of urban India, semi-urban and rural India.

During the reporting year, the Company has availed refinance facilities from the NHB and Term Loan/ credit facilities from other eminent lenders like State Bank of India, HDFC Bank Limited, MAS Rural Housing & Mortgage Finance Limited, LIC Housing Finance Limited, Federal Bank Limited etc. Lenders and financial institutions have shown faith on your Company and extended the liquidity support. Your Company during the reporting year has successful done five direct assignment transactions with three different financial institutions.

3. REGISTERED & CORPORATE OFFICE

The registered office is situated at 505, 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi-110033 and the corporate office at Plot No. 492, 2nd Floor, B-Wing, Udyog Vihar Phase-III, Gurugram, Haryana-122016.

4. BRANCH OFFICES

Your Company has following 36 branches in 4 States/Union Territory as on March 31, 2024. All the branches opened are fully operation.

States / Union Territory	Name of Branches	Total Number of Branches
Haryana	Gurugram, Rewari, Faridabad, Kaithal, Narnaul, Panipat, Karnal, Rohtak, and Yamunanagar	9
Uttar Pradesh	Hapur, Agra, Aligarh, Bulandshahr, Mathura, Ghaziabad, Kanpur, Lucknow, Moradabad, and Loni	10

Rajasthan	Ajmer, Alwar, Beawar, Bhilwara, Borunda, Jaipur, Jodhpur, Kotputali, Phalodi, Sikar, Udaipur, Bajaynagar, Rajgarh, Khatushyam Ji, and Shahpura	15
NCT of Delhi	Janakpuri and Shahdara	2
Total		36

5. FINANCIAL HIGHLIGHTS

The key highlights of the financial statement are as under:

(Amount in Lakhs)

Particulars	For the Year from 01 April, 2023 to 31 March 2024	For the Year from 01 April, 2022 to 31 March 2023
Income from Operations	8,798.48	6,097.11
Other Income	432.82	90.10
Total Income	9,231.30	6187.21
Less: Expenses	8,062.50	5403.03
Profit / (Loss) before tax	1,168.80	784.18
Add/ (Less): Tax expenses	294.37	191.82
Net Profit / (Loss) after Tax	874.43	592.36
Other Comprehensive Income	616.72	(153.66)
Total Comprehensive Income	1,491.15	438.70
Earnings per share (Basic)	0.74	0.57
Earnings per Share(Diluted)	0.74	0.57

6. OPERATING AND FINANCIAL PERFORMANCE

Your Company's net worth stood at Rs. 205.56 Crore for the year ended March 31, 2024. As of that date, the regulatory Capital to Risk Assets Ratio (CRAR) was 49.15%. Your Company's total income during the year ended March 31, 2024 is Rs. 92.31 Crore as compared to the previous period ended March 31, 2023 is Rs. 61.87 Crore and net profit after tax during the year ended March 31, 2024 is Rs. 8.74 Crore as compared to the previous period ended March 31, 2023 amounting to Rs. 5.92 Crore.

7. DISBURSEMENT & AUM

Your Company still managed to do fine balance of growth and risk management, our AUM on March 31, 2024 is Rs. 755.77 Crore as compared to Rs. 505.28 Crore as of March 31, 2023, signifying the tremendous growth in a year. Your Company has been credit driven organisation and is very cautious in sanctions & disbursements of loans. The Company follows the principle of quality over quantity and cash flow based on strict credit assessment of customers.

8. ASSETS QUALITY

Your company since its inception is a very conservative company. We have put a lot of emphasis on credit quality and customer selections. Your company is a credit driven organization viz-a-viz number driven organization. During the year under review, your Company has Net Non-Performing Assets (NPA) as on March 31, 2024 amounting to Rs. 4.30 Crore i.e. 0.68% of the total portfolio. The company has a very good portfolio mix of salaried and SENP customers and

have followed the fundamental theme of making it a pure housing finance company wherein our Portfolio is having 61.09% Home Loans.

9. CHANGE IN NATURE OF BUSINESS

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

10. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company that occurred between the end of the financial year to which this financial statement relates and the date of this report.

There has been no change in the nature of business of your Company.

11. PARTICULARS OF LOAN, INVESTMENT OR GUARANTEE

The Company being a Housing Finance Company registered with National Housing Bank primarily engaged in the business of housing finance is exempted from the provisions of Section 186 of the Companies Act, 2013. The details of particulars of loans, guarantees or investments that are required to be provided as per Section 134(3)(g) of the Companies Act, 2013, are given in note no. 34 of the Financial Statements.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any subsidiary, joint venture and associate company at any time during the year ended March 31, 2024. Thus, the requirement of attaching form AOC-1 is not applicable.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, there is no materially significant related party transaction with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interest of the Company at large. The necessary disclosures regarding the related party transactions are given in the notes to accounts. In line with the requirements of the Act, the Company has formulated the RPT Policy which is also available on the Company's website at [Related Party Transaction Policy](#).

All Related Party Transactions are placed before the Audit Committee for approval as per the Related Party Transactions Policy of the Company as approved by the Board. Further, details of all transactions with related parties are provided in the accompanying financial statements of the Company.

Particulars of Contracts or Arrangements with related parties referred to in Section 188(1) is given in Form AOC- 2 as "Annexure – 1".

14. BOARD MEETINGS

The Board met Nine (9) times during the financial year ended March 31, 2024 viz. on April 22, 2023, July 21, 2023, September 18, 2023, September 29, 2023, October 23, 2023, December 14,

2023, December 29, 2023, January 19, 2024 and March 21, 2024. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The attendance of Directors who attended Board Meetings held during the year under review are as follows:

Name	Nature of Directorship	Attendance
Mr. Harvinder Pal Singh	Non-Executive Director	9
Mr. Anil Kumar Kalra	Independent Director	9
Mr. Sundeep Kumar Mehta	Independent Director	9
Mr. Amit Sharma	Managing Director & Chief Executive Officer	9
Dr. Jyoti Ahluwalia	Independent Director	9

15. COMMITTEES

The Company has various committees constituted in accordance with the provisions of Companies Act, 2013, RBI/NHB Guidelines, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of number of Committee Meetings are provided in Corporate Governance Report which forms part of the Annual Report as “Annexure-2”.

16. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

A. Change in Directorate and KMP:

During the year under review, there was no change in the composition of the Board of Directors. The Board of Directors in their meeting held on September 29, 2023, appointed Mr. Brajesh Kumar as KMP w.e.f. October 01, 2023 as follows:

S. No.	Name of the Director/KMP	Designation	Appointment/ Cessation	Date of change in interest
1.	Mr. Brajesh Kumar	Deputy Company Secretary & Chief Compliance Officer	Appointment	October 01, 2023

Additionally, Mr. Anil Kumar Kalra and Mr. Sundeep Kumar Mehta ceased to be Independent Director of the Company w.e.f. May 1, 2024 consequent to end of second term of 5 years as an Independent Directors.

The appointment of Mr. Sanjay Kumar Bhatia, is to be proposed as Additional Independent Director in the Board Meeting to be held on April 22, 2024.

Ms. Vaishali Goyal has tendered her resignation from the post of Company Secretary & Compliance Officer on March 11, 2024.

B. Director liable for rotation:

Pursuant to Section 152 of the Companies Act, 2013, Mr. Harvinder Pal Singh (DIN:00333754), Promoter and Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment offers himself for reappointment post recommendation by the Board of Directors.

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Companies Act, 2013 (“Act”) with adequate number of Members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The directors are persons of eminence in areas such as business, industry, finance, law, administration, research, etc., and bring with them experience / skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

None of the Directors of your company is disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and RBI/NHB norms.

All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

Each of the Independent Director, at the first Meeting of the Board in which he/she participated has given a declaration that he/she meets the criteria of independence as provided under Section 149 of the Company Act, 2013.

Additionally, Mr. Anil Kumar Kalra and Mr. Sundeep Kumar Mehta ceased to be Independent Director of the Company *w.e.f.* May 1, 2024 consequent to end of second term of 5 years as an Independent Directors. The Board of Directors of the Company has placed on record its appreciation for the valuable contributions and guidance provided by Mr. Anil Kalra and Mr. Sundeep Mehta during their tenure. In light of their cessation, they also cease to be the Member of Audit Committee and Nomination and Remuneration Committee of the Board.

Therefore, in order to meet the minimum requirement of the provision of Section 149 read with Rule 4 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the appointment of Mr. Sanjay Kumar Bhatia, is to be proposed as Additional Independent Director in the Board Meeting to be held on April 22, 2024.

The details of Board of Directors as on March 31, 2024 is as follows:

S. No.	Name of Director	Designation
1.	Mr. Amit Sharma	Managing Director & CEO
2.	Mr. Harvinder Pal Singh	Non-Executive Director
3.	Mr. Sundeep Kumar Mehta	Independent Director
4.	Mr. Anil Kumar Kalra	Independent Director
5.	Dr. Jyoti Ahluwalia	Independent Director

Your Board wish to place on record its sincere appreciation for the significant contributions made by these Directors on the Board and on its various committees.

As on March 31, 2024, the Company has the following Key Managerial Personnel:

S. No.	Name of Director	Designation
1.	Mr. Amit Sharma	Managing Director & CEO
2.	Mr. Sachin Sharma	Chief Financial Officer
3.	Ms. Vaishali Goyal	Company Secretary and Compliance Officer
4.	Mr. Brajesh Kumar	Deputy Company Secretary & Chief Compliance Officer

17. DEPOSITS

Your Company is registered with National Housing Bank as a Non-Deposit taking Housing Finance Company. During the year under review, the Company has not accepted any public deposits. The Board of Directors, in compliance with RBI/NHB directions, has passed the resolution on April 22, 2023 that the Company had not accepted the deposit in the previous Financial Year 2023-24 and further declared that the Company shall not accept any deposits from the public in the Financial Year 2024-25 without the prior permission of the RBI/NHB.

18. DEBENTURES

During the year under review, the Company has not raised money through debentures. As on March 31, 2024, the outstanding principal of Non-Convertible Debentures (NCDs) stood at Rs. 20 Crore. The NCDs issued by the Company are listed on wholesale Debt Market segment of the BSE Limited. Credit Rating assigned to the NCDs is mentioned in Corporate Governance Report as “**Annexure-2**”.

During the financial year under review, the interest on NCDs issued on private placement basis were paid by the Company on their respective due dates and there were no instances of interest amount not claimed by the investors or not paid by the Company. Your Company being Housing Finance Company (HFC) is exempted from the requirement of creating Debenture Redemption Reserve (DRR) on privately placed debentures. Therefore, no DRR has been created for the Debentures issued by your Company on private placement basis. Disclosure under Master Direction- Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 for Non-Convertible Debentures:

- i. The total number of Non-Convertible Debentures, which have not been claimed by the investors or not paid by the Company after the date on which the Non-Convertible Debentures became due for redemption: **Nil**
- ii. The total amount in respect of such Debentures remaining unclaimed or unpaid beyond the date of such Debentures become due for redemption: **Nil**

19. VIGIL MECHANISM/WHISTLE POLICY

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 read with Section 177(9) of the Act (as amended from time to time), the Company has framed Vigil Mechanism / Whistle Blower Policy (“Policy”) to deal with instances of unethical practices, fraud and mismanagement or gross misconduct with regards to business operations, if any that can lead to financial loss or reputational risk to the organization. The Company take strong exception to

any untoward business practices and encourages its stakeholders to make disclosures whether they are Directors, permanent/contractual employees, customers, contractors, vendors, suppliers, customers or any other person having an association with the Company. This enable directors and employees to report genuine concerns or grievances, significant deviations from key management policies and reports any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior / conduct, etc.

The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information. The policy details of the same are explained in the Corporate Governance Report as “**Annexure-2**”.

During the year under review, your Board in their Meeting held on April 22, 2024 considered and approved the appointment of Ms. Komal Sharma as Whistle Blower of the Company. The Policy framed by the Company is in compliance with the requirements of the Act and same is available on the website of the Company at [Vigil Mechanism / Whistle Blower Policy](#).

During the financial year 2023-24, no complaint pertaining to the Company has been received under the whistle blower mechanism.

20. CORPORATE GOVERNANCE

Corporate Governance is about upholding the highest standards of integrity, transparency, and accountability. The Company’s governance standards are initiated by senior management, and percolate down across the organization. To ensure the same, all the decisions are taken in a fair and transparent manner, well within an ethical framework. The organizational governance structure, practices and processes are actively monitored and revised periodically to reflect the best ethical practice.

SHFL is subject to the regulations of the Reserve Bank of India (“RBI”)/National Housing Bank (“NHB”), Securities and Exchange Board of India (“SEBI”) and the Companies Act 2013. The Corporate Governance structures and practices are predominantly impacted by the respective regulations of these ruling bodies.

The Corporate Governance Report as per RBI Circular dated April 19, 2022, on "Disclosures in Financial Statements - Notes to Accounts of NBFCs," read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is enclosed as “**Annexure-2**” to this report.

21. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have submitted the declaration of independence, pursuant to provisions of the Section 149(7) of the Act, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and are not disqualified from continuing as Independent Directors of the Company. Independent Director appointed in the Company during the period under review possess integrity, relevant expertise and experience in the opinion of the Board as required under the applicable provisions of the Companies Act, 2013.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 (Act) that he/she meets the criteria of independence laid down in the Act and SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015 as amended.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise. All the Independent Directors of the Company have registered their names with the data bank created for Independent Directors.

The details on the number of board/committee Meetings held are provided in the Report of the Directors on Corporate Governance, which forms part of this report.

22. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act 2013, the Annual Return as on March 31, 2024 is available on the website of the Company at [Annual Return](#).

23. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the board of directors, to the best of their knowledge and ability, confirm that:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanations relating to material departure.
2. That Board has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit and loss of the Company for that period.
3. That Board has taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. That Board has prepared the annual accounts on a going concern basis and;
5. That the Board had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

24. DIVIDEND

As your Company has business expansion plans for the next financial year i.e. FY 2024-25, your Directors do not recommend any dividend for the period under review.

25. RESERVES

(i) Statutory Reserve in terms of Section 29C of the National Housing Bank Act, 1987

Reserve Fund is created as per the Section 29C of the National Housing Bank Act, 1987, which requires every housing finance company to create a reserve fund and transfer therein sum not less than twenty percent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

In this regard, during the year, the Company transferred Rs. 1.75 Crore (including the transfer to Special Reserve created to avail the deduction as per the provisions of Section 36(1)(viii) of the Income Tax Act, 1961) to the reserves.

(ii) **Debenture Redemption Reserve**

The Company was not required to create any debenture redemption reserve during the year.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Annex IV of the Master Direction-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021, a detailed discussion on the Company's competitive position and its financial performance are given in the Management Discussion and Analysis Report, which has been appended as "**Annexure-3**" to this Report.

27. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the provisions of CSR was applicable to the Company. Your Company formulated the CSR Policy in its Board Meeting held on October 23, 2023, which lays down the action plan for defining how CSR is to be implemented and complies with the Schedule VII of the Companies Act, 2013.

Your Company embarked on its maiden Corporate Social Responsibility (CSR) initiative by allocating CSR funds to the S. Amar Singh Educational Charitable Trust amounting to Rs. 9.48 Lakhs. This trust is dedicated to assisting underprivileged students through educational programs. The initiatives undertaken by the trust are in accordance with Schedule VII of the Companies Act, 2013, with a focus on promoting education, including special education, vocational skill development to enhance employment opportunities, and projects aimed at improving livelihoods. The target beneficiaries include children, women, the elderly, and individuals with disabilities.

Your Company has a vision to drive 'holistic empowerment' of the community and carries CSR initiatives through partnering with a trust/foundation, qualified to undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 (includes amendments thereto). Sustainability and social responsibility are an integral element of corporate strategy of the Company.

As we reflect on the past year, we are proud of the progress we have made in advancing our CSR agenda. However, we recognize that there is always more work to be done, and we remain committed to continuously improving and expanding our CSR efforts in the years to come.

In our dedication, your company has allocated funds of Rs. 9.48 Lakhs towards CSR initiatives for the F.Y. 2023-24 which has utilized to provide education to the students.

The Board adopted CSR Policy and approved CSR Projects are available at [CSR Policy](#) & [Approved CSR Projects](#) respectively.

The Annual Report on CSR under Section 135 of the Companies Act, 2013 read with Rules made thereunder, is annexed as **Annexure-4** to this Report.

28. STATUTORY AUDITORS

At the Company's 6th Annual General Meeting held on 16 June, 2023, M/s. Rajeev Bhatia & Associates, Chartered Accountants (ICAI Registration No. 021776N), Delhi, were re-appointed as Statutory Auditors of the Company for the term of three consecutive years up to the conclusion of Ninth Annual General Meeting of the Company.

Further, as per the provisions of Section 139 and Section 141 of the Companies Act, 2013, the Company has received a certificate from the Statutory Auditors to the effect that they are not disqualified from re-appointment as a Auditors of the Company.

Additionally, pursuant to the provisions of the Master Direction-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021, Partners of the Audit Firm need to be rotated at every three years. The rotated partner is Mr. Jatin Goel, Chartered Accountant bearing Membership no. 553420 starting from third quarter of financial year of 2021-22 and onwards.

Furthermore, in accordance with the Companies Amendment Act, 2017 enforced on May 07, 2018 by Ministry of Corporate Affairs, the appointment of statutory auditors is not required to be ratified at every Annual General Meeting.

29. STATUTORY AUDITORS REPORT

Your Company has received Audit Report from M/s Rajeev Bhatia & Associates, Chartered Accountants which is unmodified, i.e., it does not contain any qualification, reservation, adverse remark or disclaimer in their Audit Report on the Financial Statements for the Financial Year 2023-24 and the Report is self-explanatory. The said Auditors' Reports for the Financial Year ended March 31, 2024 on the Financial Statements of the Company forms part of this Annual Report.

30. INTERNAL AUDITOR

The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of Company's Internal controls, including its systems, processes and compliance with applicable regulations and procedures. The Company's internal financial control over financial reporting 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.

Mr. Ravinder Sharma was appointed as Internal Auditor of the Company w.e.f. July 26, 2022, who performed the Internal Audit for the year ended March 31, 2024 and Internal Audit reports received on a quarterly basis were placed before the Audit Committee and subsequently to the Board.

31. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time), the Board of Directors has appointed M/s. S. Behera & Co., Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the FY 2023-24. The Secretarial Audit Report

in the prescribed form MR-3 for the financial year ended March 31, 2024 is appended as “Annexure-5” to this Annual Report. There is no adverse remark, qualifications or reservation in the Secretarial Audit Report and it is self-explanatory.

32. FRAUD REPORTED BY THE AUDITORS OF THE COMPANY

The Auditors of the Company have not reported any fraud to the Audit Committee or/and the Board as required to be disclosed under Section 143(12) read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

33. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of directors (SS-1) and general Meetings (SS-2).

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder. The policy provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. The Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programmes.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received, if any, regarding sexual harassment.

During the year under review, the Board of Directors in their meeting held on September 18, 2023 re-constituted the composition of Internal Committee. The Committee now comprises of Mr. Amit Sharma, Managing Director & CEO, Mr. Sachin Sharma, CFO, Mrs. Komal Sharma, Zonal Head-CRM and Ms. Ameet Kaur, External Member.

All employees (permanent, contractual, temporary, trainees) are covered under the Policy. There was no complaint received from any employee during the year ended March 31, 2024.

35. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any stock options to the employees. However, in accordance with applicable rules, Satin Creditcare Network Limited, holding company has granted options to Mr. Amit Sharma, Managing Director and Chief Executive Officer and Mr. Sachin Sharma, Chief Financial Officer being eligible employees under Satin Employee Stock Option Scheme, 2017.

36. SHARE CAPITAL

1. Increase in authorized share capital:

For expanding the business operations, the Company during the period under review underwent following changes in the authorized share capital of the Company:

S. No.	Increase		General Meeting		Date of the Meeting
	From	To			
1.	Rs. 114 Crore	Rs. 123 Crore	Extra-Ordinary Meeting (EGM)	General	September 19, 2023
2.	Rs. 123 Crore	Rs. 130 Crore	Extra-Ordinary Meeting (EGM)	General	January 22, 2024

2. Right Issue:

Post increase in authorized share capital, the Working Committee of the Board allotted shares to the Holding Company for respective Right Issue offers during the year under review at face value of Rs. 10 each share and premium of Rs. 20.8 & Rs. 20.84 each share respectively, details of which is as follows:

S. No.	Name of the Shareholder	Number of shares allotted	Total amount paid (Rs.)	Date of Allotment
1.	Satin Creditcare Network Limited	81,16,880	24,99,99,904/-	September 25, 2023
2.	Satin Creditcare Network Limited	81,06,350	24,99,99,834/-	January 31, 2024

37. DEMATERIALIZATION OF SHARES

The Ministry of Corporate Affairs vide notification dated September 10, 2018 has mandated every unlisted public company to issue the securities only in dematerialised form and facilitate dematerialization of all its existing securities in accordance with provisions of the Depositories Act, 1996 and regulations made there under. Accordingly, the Company has provided facility to dematerialize shares held by the shareholders in physical form.

As on March 31, 2024, out of the Company's total Paid-Up Equity Share Capital comprising of 12,96,23,230 Equity Shares out of which 6 equity shares held by 6 nominee shareholders are in physical form. In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail the facility of dematerialization.

38. RISK MANAGEMENT POLICY

The housing finance sector requires robust risk management practices, particularly in the affordable financing segment, where customers lack loan history and sufficient documentation to verify their income. This underscores the importance of comprehensive risk management for business success.

The Company emphasizes prudent lending practices and has established a strong risk management framework leveraging technology and analytics. Risk mitigation measures include credit history verification from credit bureaus, personal verification of customer residences or business premises, technical and legal assessments, and conservative loan-to-value ratios, along with property insurance coverage. To oversee these efforts, SHFL has instituted a Risk Management Committee and a Risk Management Policy to identify, assess, and mitigate significant risks.

In response to evolving risks, the Company has enhanced its systems to detect emerging threats, assess their impact, and implement protective measures. Continuous mitigating actions are applied to address risks across business units and functions. To formalize these efforts, the Company has adopted 'Assets and Liability Management Guidelines' and 'Risk Management Policy', focusing on identifying, assessing, and controlling risks deemed significant by the Board.

The Risk Management Committee periodically reviews the status of identified risks, offering critical evaluation and guidance to ensure its business is well-positioned to navigate potential risks successfully. Below are some key business risks it addresses through its risk management processes.

Type of Risks	Definition	Mitigation
Credit Risk	Credit risk is the potential deterioration of a company's asset quality due to uncertainty regarding the borrower's ability to repay loans	<ul style="list-style-type: none"> The Company has a strict credit sanction process in place, and it continuously monitors post disbursement to ensure a timely repayment
Operational Risk	Operational risk refers to the potential loss resulting from inadequate or failed internal processes, people, and systems, or from external events. It is a significant risk faced by financial institutions that can adversely impact their reputation, financial performance, and customers	<ul style="list-style-type: none"> The responsibility for managing the various operational risks will lie with the Head of the Operations, relevant functional departmental heads (such as HR, F&A, Administration etc.), Line Managers and Head of Risk Management. The Company has implemented robust internal control systems, clear demarcations for duties, access, authorisation, and reconciliation procedures. Regular monitoring of procedures is done to maintain high standards across business processes. Staff education and assessment processes such as internal audit and risk containment units are in place. These measures help maintain clear communication, monitor changes, and control business transaction risk.

Liquidity Risk	Liquidity risk is the possibility of insufficient cash assets or equivalent to meet urgent cash requirements	<ul style="list-style-type: none"> The Company has sufficient cash reserves to meet unexpected cash requirements
Market Risk	Market risk arises from changes in the market scenario, which could increase the value of liabilities or devalue assets	<ul style="list-style-type: none"> The Company's exposure to market risk is limited to changing interest rates. It monitors this risk by frequently evaluating the maturity profile and stress testing to ensure adequate mitigation.
Interest Rate Risk	Interest rate risk is the potential loss resulting from fluctuations in interest rates that can impact an organisation's financial performance and value	<ul style="list-style-type: none"> The Company closely monitors and analyses interest rate trends to anticipate changes and take timely action to mitigate interest rate risk.

In compliance with RBI's circular dated 22 October 2020, which revised the regulatory framework for Housing Finance Companies (HFCs), non-deposit taking HFCs with assets exceeding Rs. 100 Crore are required to manage liquidity risks, including adherence to gap limits. The Board has endorsed a Liquidity Risk Management framework covering strategies, internal controls, maturity profiling, liquidity coverage ratios, and high-quality liquid assets.

39. INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (ICAAP)

Over the years, the NBFCs has undergone considerable evolution in terms of size, complexity, and interconnectedness within the financial sector. Many entities have grown and become systemically significant and there is a need to align the regulatory framework for NBFCs keeping in view their changing risk profile; RBI introduced a "Scale Based Regulation (SBR) vide their circular RBI/2021-22/112 DOR.CRE.REC.No 60/03.10.001/2021-22 dated October 22, 2021".

As per the guidelines issued by RBI, "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs", Satin Housing Finance Limited is performing a thorough internal assessment of the need for capital. The objective of implementing Internal Capital Adequacy Assessment Process (ICAAP) as outlined in RBI's SBR guideline is as under:

"The objective of ICAAP is to ensure availability of adequate capital to support all risks in business as also to encourage NBFCs to develop and use better internal risk management techniques for monitoring and managing their risks."

In view of the above, the Company has formulated this policy on Internal Capital Adequacy Assessment Process (ICAAP) to set in place the basic framework for designing and implementing the internal capital adequacy assessment process.

The New Capital Adequacy Framework guidelines are intended to set minimum standards for appropriate Risk Management and Capital Adequacy, with a view to limiting excessive risk taking and ensuring adoption of sound risk management practices by Banks.

These guidelines outline the Basel III framework, which was issued for the commercial banks, but as per the Scale Based Regulation, the ICAAP implementation for NBFCs shall be on similar lines as prescribed for commercial banks.

In this regard, the Company appointed the independent consulting firm, KPMG, which assessed and quantified the materiality assessment of potential risks associated with the Company as particularly defined in the Basel III framework. Based on the inputs received from the Company, the ICAAP report for the period ended March 31, 2024 was presented to the Risk Management Committee and the Board of Directors.

40. PERFORMANCE EVALUATION

Pursuant to the provisions of section 134(3)(p) of the Act and Schedule IV of the Act, the Board has carried out the annual performance evaluation of the Board as a whole, various Committees of the Board and of the individual Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Further, Section 178(2) requires that the Nomination and Remuneration Committee (NRC) of the Board do the evaluation of each Director of the Board. NRC reviewed the performance of the Individual Directors on the basis of the criteria such as Transparency, Performance, etc. In a separate Meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive & Non-Executive Directors.

The same was discussed in the Board Meeting, at which the performance of the Board, its Committee(s) and Individual Directors were also discussed.

41. NATIONAL HOUSING BANK (NHB)/ RESERVE BANK OF INDIA (RBI) GUIDELINES

The Company has implemented / complied with the following new directions / notifications / circulars issued by the RBI/NHB:

1. Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy;
2. Nomination and Remuneration Policy in accordance with RBI Guidelines on Compensation of Key Managerial Personnel (KMPs) and Senior Management in NBFCs" under the Scale Based Regulatory (SBR) framework
3. Vigil Mechanism/Whistle Blower Policy

In this regards, the Company has complied with the provisions by National Housing Bank (NHB) and the Reserve Bank of India (RBI) and has been in compliance with the various circulars, notifications and guidelines issued by RBI and NHB from time to time. The circulars and the notifications issued by RBI/NHB are also placed before the Audit Committee / Board of Directors at regular intervals to update the Committee/ Board Members on the compliance of the same

Prudential Norms for Housing Finance Companies

Reserve Bank of India (RBI) regulates the HFCs and issues guidelines on income recognition, asset classifications, accounting for investments, provisions of Loan to Value (LTV) ratio, provisioning, provisioning for bad and doubtful debts, capital adequacy, accounting and disclosure policies, fair practice code, Internal Guidelines on Corporate Governance, Related Party

Transactions and asset liability management. The Company is in compliance with applicable prudential norms and guidelines.

Customer Education Literature for awareness over the Prudential Norms related to SMA/NPA has been placed over the website of the Company and can be viewed over [Customer Awareness Literature](#).

42. PARTICULARS OF EMPLOYEES

There are no employee drawing remuneration in excess of limits as laid down under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014. The form and amount of director's remuneration will be recommended by the NRC to the Board for approval within the maximum amount permissible under the law. Employee directors will not be paid for Board Membership in addition to their regular employee compensation. The NRC will conduct a review of director compensation on periodic basis to ensure directors of the company are compensated effectively in a manner consistent with the strategy of the Company, and to further ensure that the Company will be able to attract, retain and reward those who contribute to the success of the Company.

43. NOMINATION AND REMUNERATION POLICY

The Board of Directors and Nomination and Remuneration Committee of the Company formulated policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management in pursuance of the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of Section 178 of the Companies Act, 2013 and RBI Guidelines on Compensation of Key Managerial Personnel (KMPs) and Senior Management in NBFCs" under the Scale Based Regulatory (SBR) framework

This policy act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Policy framed by the Company is in compliance with the requirements of the Act and RBI/NHB guidelines and same is available on the website of the Company at [Nomination and Remuneration / Compensation Policy](#).

The Company has "Fit & Proper" policy in place for ascertaining the fit & proper criteria to be adopted at the time of appointment of directors and on continuing basis, pursuant to RBI Master Directions and NHB guidelines.

In case of revision in remuneration of KMP post their appointment, the proposed revision is to be placed before the NRC for its approval/ratification, as the case maybe. The remuneration proposed will be consistent with the strategy of the company and in line with the comparable market and internal remuneration benchmarks.

During the year under review, the Board of Directors on the basis of recommendation by the Nomination and Remuneration Committee in their Meeting held on March 21, 2024 considered and approved the amendment in Nomination and Remuneration Policy in line with the minimum requirements set out in RBI Guidelines on Compensation of Key Managerial Personnel (KMPs) and Senior Management in NBFCs" under the Scale Based Regulatory (SBR) framework.

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

During the period under review, there were no significant or material orders were passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

45. COST RECORDS & COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

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

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption are not applicable to the Company and hence not been provided.

<u>S. No.</u>	<u>Particulars</u>	<u>Details</u>
(A)	Conservation of energy- <ul style="list-style-type: none">i. the steps taken or impact on conservation of energy;ii. the steps taken by the company for utilising alternate sources of energy;iii. the capital investment on energy conservation equipments.	NIL
(B)	Technology absorption- <ul style="list-style-type: none">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)-<ul style="list-style-type: none">a. the details of technology imported;b. the year of import;c. whether the technology been fully absorbed;	NIL

	<p>d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</p> <p>iv. the expenditure incurred on Research and Development.</p>	
(C)	Foreign exchange earnings and Outgo	NIL

47. DISCLOSURES UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your 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. Further, there is no details required to be reported with regard 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 your Company has not done any settlement with any Bank or Financial Institutions since its inception.

48. HUMAN RESOURCE DEVELOPMENT

The Company regards its employees as its most valuable assets. With a team consisting of young, capable, experienced, and dedicated individuals, along with support from both in-house and external professionals specializing in various fields, the Company is propelled towards improved operational and financial standing. Each employee is deeply committed to the Company and embodies a strong sense of ownership. Embracing a leadership principle that prioritizes influence over authority-based management, the Company fosters a cohesive environment where all employees are united as one family with a shared mission.

The Company's partnership-oriented human resource policy goes beyond conventional compensation and performance reviews. It evaluates employees' work tenure and provides inputs that shape an enduring and fruitful career.

a. Training and Development Programmes:

SHFL conducts various training programmes for its employees. These programmes aim to nurture employees into leadership positions and cover specialised functions such as lending operations, KYC and AML, underwriting, POSH, and information technology.

b. Employee Health and Safety

SHFL prioritises the well-being of its employees, particularly during challenging times. SHFL provided GTL and GPA insurance for all employees to provide additional support.

49. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies at all branch offices of the Company and its Subsidiaries.

Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

Overall, the Management are responsible for ensuring the Company has implemented robust systems and frameworks of internal financial controls to provide reasonable assurance regarding the adequacy and operating effectiveness of controls concerning reporting, operational, and compliance risks. Based on the information provided, no material breakdown in the function of these controls, procedures, or systems occurred during the year under review. There have been no significant changes in SHFL's internal financial controls during the year that materially affected, or are reasonably likely to materially affect, its internal financial controls.

50. LENDERS

Our lenders have full faith in us and have been instrumental in our growth. We take this opportunity to thank them and look forward to continuous support. During the year under review, we very proudly state that NHB reposed confidence in us and we received new refinance assistance amounting of Rs. 30 Crore and till the date of this report, the total sanctioned limit with NHB is Rs, 79 Crore. We look forward to such faith and carry a great amount of respect for our lenders.

51. CAUTIONARY STATEMENT

This document contains forward-looking statements and information. Such statements are based on our current expectations and certain assumptions. Therefore, they are subject to certain risks and uncertainties. Should one or more of these risks or uncertainties materialise, or if underlying assumptions prove incorrect, actual results may vary. The Company does not intend to assume any obligation to update or revise these forward-looking statements in light of developments that differ from those anticipated.

52. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere gratitude and appreciation for the support and co-operation received from Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India, BSE Limited, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's Bankers who have extended their valuable sustained support and encouragement during the year under review.

The Board also places on record its sincere appreciation for the commitment and hard work put in by the Management and the employees in these trying times.

**For and on behalf of the Board of
Satin Housing Finance Limited**

**Place: Gurugram
Date: April 22, 2024**

**Mr. Harvinder Pal Singh
DIN: 00333754
Director**

**Mr. Amit Sharma
DIN: 08050304
Managing Director & CEO**

Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Satin Creditcare Network Limited (Holding Company)	Corporate Guarantee by Holding Company in favour of State Bank of India against the loan availed by Company	One-time payment	Corporate Guarantee fee of Rs. 54,81,926.00	January 19, 2024	Nil
2	Satin Creditcare Network Limited (Holding Company)	Renewal of Lease Agreement for Corporate Office of the Company i.e. B Wing, 2nd Floor, Plot No.	11 Months	Lease Rent of Rs. 6,050 per month per seat inclusive of all expenses for 52 seats including cabin(s) and	-	Nil

		492, Udyog Vihar, Phase-III, Gurugram, Haryana – 122016		Meeting room(s)		
3	Satin Creditcare Network Limited (Holding Company)	Corporate Guarantee by Holding Company in favour of National Housing Bank against the loan availed by Company	One-time payment	Corporate Guarantee fee of Rs. 54,81,218.00	April 22, 2024	Nil

**For and on behalf of the Board of
Satin Housing Finance Limited**

**Place: Gurugram
Date: April 22, 2024**

**Mr. Harvinder Pal Singh
DIN: 00333754
Director**

**Mr. Amit Sharma
DIN: 08050304
Managing Director & CEO**

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

We are committed to maintaining the highest levels of integrity, corporate governance and regulatory compliance. These parameters form the bedrock of our corporate governance policy. We have proactively upheld good governance practices and are constantly striving to enhance our standards. Our Board of Directors are responsible for setting the course for and evaluating the Company's performance about the corporate governance. The parameters of evaluation include compliance, internal control, risk management, information and cybersecurity, customer service and social and environmental responsibility.

Corporate Governance has always been an integral element of the Company and believes in sustainable corporate growth that emanates from the top management down through the organization to the various stakeholders which is reflected in its sound financial system and enhanced market reputation. This promotes the responsible consideration of all stakeholders, while also holding decision-makers appropriately accountable. In line with the philosophy, that good governance is an evolving discipline, governance structures, practices and processes are actively monitored and revised from time-to time to reflect the best ethical practice. SHFL is subject to the regulations of the RBI ('Reserve Bank of India') and SEBI ('Securities and Exchange Board of India').

Corporate Governance in the Company goes beyond the fundamentals of the legislative and regulatory compliance. The management strives to entrench an enterprise-wide culture of good corporate governance. With an aim to ensure the same, all the decisions are taken in a fair, transparent manner and within an ethical framework. The Company has an active, experienced and a well-informed Board. Through the governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by encompassing best practices to support effective and ethical leadership, sustainability and good corporate citizenship

The Corporate Governance structures and practices are predominantly impacted by the respective regulations of these ruling bodies. The Company has a well-developed system of compliance in place and the quarterly compliance certificate on a quarterly basis confirming the compliances w.r.t. relevant laws, rules and regulations being taken from all departments of the Company. The quarterly compliance certificates obtained from the departments of the Company are placed before the Board for its consideration. Further, an annual review of the compliance of the Fair Practices Code and functioning of the Grievance Redressal Mechanism also being conducted. All the desired committees had been constituted as per the applicable provisions and the Company is complying with the guidelines. The Company undertaken its activities in compliance with the Internal Guidelines on Corporate Governance. The Company followed the prudential norms on Income Recognition, Assets Classification, Provision Norms, Disclosures, Writing Off or waiver of Interest, Due Diligence, Recovery Procedures, Record Retention, and

Technical Write Off as per the RBI/NHB Directions. The Committees of the Company met at regular intervals to discuss the matters entrusted with the respective committees.

Your Company is also complying with the disclosures in accordance with Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs issued by RBI vide reference number RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 and RBI circular on Disclosures in Financial Statements- Notes to Accounts of NBFCs issued vide reference number RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 w.r.t. Corporate Governance as applicable on the Company being “NBFC-Middle Layer (ML)”.

BOARD OF DIRECTORS

The Board comprises of adequate number of Members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The present composition broadly meets this objective. The directors are persons of eminence in areas such as business, industry, finance, law, administration, research, etc., and bring with them experience / skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality.

A brief profile of the Board of directors is available on the website of the Company at [Board of Directors](#).

a) Composition and category of the Board of Directors

The Company is managed and controlled through a professional body of Board of Directors, which comprises of an optimum combination of Executive and Non- Executive Directors. The strength of Board of Directors as on March 31, 2024 is 5 (Five) out of which 3 (Three) are Independent and 2 (Two) are Non-Independent Directors (including one Managing Director & CEO and one Non-Executive Director). The Company’s Board consists of eminent persons with considerable professional expertise and experience. The Independent Directors do not have any pecuniary relationship or transactions with the Company, Promoters and Management, which may affect independence or judgment of the Directors in any manner.

The dates for the Board Meetings are fixed after taking into account the convenience of all the Directors and sufficient notice, in terms of applicable laws, is given to all of them. All the agenda papers for the Board and Committee Meetings are disseminated electronically on a real-time basis via e-mail to all the Directors at least seven days in advance from the date of Board Meetings and Committee Meetings. During the year under review, few shorter notice Meetings also convened as per the consent of all Board Members. At the Board Meetings, the Executive Director(s) and Senior Management make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory environment, compliance, investors’ perceptions etc. All the information required for decision making are incorporated in the agenda. The Board reviews the performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the Company on all its decisions periodically.

Furthermore, towards digitization, the Company use 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 phone based application.

Video conferencing or other audio visual facilities are used to facilitate Directors who are unable to attend the Meetings physically.

None of the Directors on the Board holds directorships in more than ten public companies and the composition of the Board of Directors of the Company is in conformity with the provisions of the Companies Act, 2013 and also in terms of guidelines as issued by Reserve Bank of India. Further, none of the Directors holds any shares and/or convertible instruments in the Company.

(b) Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting

Name of the Director	DIN	Designation	No. of Board Meetings during the year 2023-24		Whether Attended the last AGM
			Held during their tenure	Attended	
Mr. Amit Sharma	08050304	MD & CEO	9	9	Yes
Mr. Harvinder Pal Singh	00333754	Non-Executive Director	9	9	Yes
Mr. Sundeep Kumar Mehta*	00840544	Independent Director	9	9	Yes
Mr. Anil Kumar Kalra*	07361739	Independent Director	9	9	Yes
Dr. Jyoti Ahluwalia	09112407	Independent Director	9	9	Yes

* Mr. Anil Kumar Kalra and Mr. Sundeep Kumar Mehta ceased to be Independent Directors of the Company w.e.f. May 1, 2024.

(c) Number and Dates of Board Meetings

During the year under review, the Board met 09 (Nine) times on April 22, 2023, July 21, 2023, September 18, 2023, September 29, 2023, October 23, 2023, December 14, 2023, December 29, 2023, January 19, 2024 and March 21, 2024. The maximum gap between any two consecutive Meetings was less than one hundred and twenty days, as stipulated under Section 173 of Companies Act 2013 and Secretarial Standards - 1 as issued by the Institute of Company Secretaries of India (ICSI). As per applicable laws, minimum of four Board Meetings are required to be held every year. The Company has convened additional Board Meetings to address specific needs of the business.

(d) Independent Directors' Meeting

In accordance with the requirement of Schedule IV of the Companies Act, 2013 during the year under review, one separate Meeting of the Independent Directors without the attendance of Non-Independent Directors and Members of the Management was held on March 21, 2024 to discuss:

- review the performance of non-independent directors and the board of directors as a whole;
- review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting.

(e) Performance Evaluation of Board Members

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013, the annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the mandatory committees viz., Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Assets Liability Committee etc. The Company has devised a process and criteria for the performance evaluation, which has been recommended by the Board approved Nomination and Remuneration Policy, framed in terms of applicable provisions in this regard. 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 judgment by the Director, understanding of the Company's business etc.

The performance evaluation of the Board and the mandatory Committees, viz., Audit Committee, Nomination and Remuneration Committee were done by all the Directors and the respective Members of the committee as the case may be. 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 and Non-Executive Directors was carried out by the Independent Directors.

The Board believes that evaluation will lead to a closer working relationship among the Board Members, greater efficiency in use of the Board's time and increase effectiveness of the Board as a governing body.

COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company and for operational convenience powers have been delegated different functional areas to different Committees in accordance with the applicable laws. These Committees monitor the activities falling within their terms of reference. Further, terms of reference were revised to align with the provisions of Companies Act, 2013, SEBI LODR, NHB Act, 1987 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. The role and the composition of these Committees including number of Meetings held during the financial year and participation of the Members at the Meetings of the committees, during the year are as under:

(a) Audit Committee

Composition:

The Audit Committee comprises of three Members, namely, Mr. Anil Kumar Karla as Chairman, Mr. Harvinder Pal Singh and Mr. Sundeep Kumar Mehta as Members. Out of three Members, two Members are Independent Directors and one is Non-Executive Director.

Functions/Terms of Reference:

- (i) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;

- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters.
- (ix) Other roles and responsibilities as prescribed under various applicable laws from time to time

Meetings and Attendance during the year:

During the financial year, the Committee met five (5) times. The dates of the Meetings being April 22, 2023, July 21, 2023, October 23, 2023, December 14, 2023 and January 19, 2024. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Mr. Harvinder Pal Singh	5
Mr. Sundeep Kumar Mehta*	5
Mr. Anil Kumar Kalra*	5
Mr. Sanjay Kumar Bhatia**	-
Dr. Jyoti Ahluwalia**	-

**Mr. Anil Kumar Kalra ceased to be the Chairman and Mr. Sundeep Kumar Mehta ceased to be the Member of the Committee w.e.f. May 1, 2024*

***Mr. Sanjay Kumar Bhatia was appointed as Chairman and Dr. Jyoti Ahluwalia as a Member of the Committee w.e.f. May 2, 2024*

(b) Nomination & Remuneration Committee

Composition:

The Nomination & Remuneration Committee of the Board comprises of three Directors namely Mr. Sundeep Kumar Mehta as Chairperson, Mr. Anil Kumar Karla and Mr. Harvinder Pal Singh as Members.

Functions/Terms of Reference:

- i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- ii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- iii) The Committee, while formulating the policy under above-said clause (ii), ensure that—
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals Other role and responsibilities prescribed under various applicable laws from time to time.

Meetings and Attendance during the year:

During the financial year, the Committee met four (4) times i.e. on, April 22, 2023, September 29, 2023, December 29, 2023 and March 21, 2024. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Mr. Harvinder Pal Singh	4
Mr. Sundeep Kumar Mehta*	4
Mr. Anil Kumar Kalra*	4
Dr. Jyoti Ahluwalia**	-
Mr. Sanjay Kumar Bhatia**	-

**Mr. Sundeep Kumar Mehta ceased to be the Chairman and Mr. Anil Kumar Kalra ceased to be the Member of the Committee w.e.f. May 1, 2024*

*** Dr. Jyoti Ahluwalia was appointed as a Chairman and Mr. Sanjay Kumar Bhatia as a Member of the Committee w.e.f. May 2, 2024*

Policy for selection and appointment of Directors:

The Nomination and Remuneration Committee (N&R Committee) has adopted a charter which, inter-alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in the fields of finance, banking, regulatory, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his engagement level.

The Company has “Fit & Proper” policy in place for ascertaining the fit & proper criteria to be adopted at the time of appointment of directors and on continuing basis, pursuant to RBI Master Directions and NHB guidelines.

Remuneration Policy:

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. The said policy also provides for a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The N&R Committee recommends the remuneration payable to the Executive Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary. The Remuneration Policy is also available at

the website of the Company, at web-link <https://satinhousingfinance.com/policies/#Policy-On-Nomination-Remuneration>.

Director's Remuneration:

(i) Remuneration of Executive Directors:

The Managing Director & CEO and other Executive Directors are being paid remuneration as recommended by Nomination & Remuneration Committee and approved by the Board of Directors/Shareholders. Details of remuneration paid to the Executive directors during the year under review are provided in the Annual Return as on March 31, 2024, which is available on the Company's website on <https://satinhousingfinance.com> and also attached with this report.

(ii) Remuneration of Non-Executive Directors:

Though day-to-day management of the Company is delegated to its Executive Directors, the Non-Executive Directors also contribute significantly for laying down the policies and providing guidelines for conduct of Company's business. Considering the need for the enlarged role and active participation / contribution of Non-Executive Directors to achieve the growth in operations and profitability of the Company, it is appropriate that the services being rendered by them to the Company are recognized by it by way of payment of compensation, commensurate with their contributions, as permissible within the applicable regulations. The Company's non-executive directors between them have extensive entrepreneurial experience, and deep experience in the fields of financial sector regulation and supervision, banking, judiciary, accounting, administration, and law enforcement etc. The non-executive directors both exercise effective oversight, and also guide the senior management team. They also devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee Meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company. The Company is making payment of fee/ remuneration payable to its NEDs in accordance with the provisions of the Companies Act, 2013. During the Financial Year ended March 31, 2024, the Non- Executive Directors have been paid, sitting fees for attending the Board Meetings of the Company, the details of which are provided in the Annual Return as on March 31, 2024, which is available on the Company's website. The Non-Executive Directors of the Company do not have any pecuniary relationships or transactions with the Company or its directors, senior management or holding company, other than in the normal course of business.

(c) Working Committee

Composition:

The Working Committee of the Board comprises of three Members i.e. Mr. Harvinder Pal Singh, Mr. Amit Sharma and Mr. Sachin Sharma.

Functions/Terms of Reference:

- i. Accepting Loan from various Banks/Financial Institutions/entity both domestic and foreign;
- ii. Transaction related to securitization/assignment and External Commercial Borrowings/issuance of Non-Convertible Debentures and through any other way as stipulated and permissible under laws.
- iii. Raising of funds through issuance of Commercial Papers (within overall borrowing limit as approved by Members of the Company from time to time in terms of section 180(1)(a) and 180(1)(c) of the Companies Act, 2013).
- iv. To invest the funds of the Company to the extent permissible under applicable laws

- v. To open/apply for placing fixed deposit with any Bank/financial institutions/Non-Banking Financial Companies, to the extent permissible under applicable laws.
- vi. To grant loans or give guarantee or provide security in respect of loans to the extent permissible under applicable laws.
- vii. To open Demat/Trading account with any depository participant(s) and to do all necessary needful in this regard.
- viii. Pledge, Mortgage and/or Charge in all or any part of the movable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever;
- ix. Allotment of Securities to the extent permissible under the Companies Act, 2013 and other applicable laws;
- x. Affixation of common seal in terms of Articles of Association of the Company, wherever required to facilitate transactions;
- xi. Opening of Current Accounts at different places in India;
- xii. Any changes in authorised signatories who operate such accounts;
- xiii. Apply for Net Banking and consequent changes in their authority to operate;
- xiv. Any closure of existing Current Account of the Company;
- xv. Any other matter relating to the operations of various bank accounts and other general purposes of the Company.
- xvi. Adoption /Implementation of Company's Policies, Business / Operations / Administrative / Compliance requirements to run the business smoothly on day to day basis.

Meetings and Attendance during the year:

During the financial year, the Committee met fourteen (14) times i.e. on, April 26, 2023, May 12, 2023, June 27, 2023, July 24, 2023, July 28, 2023, August 29, 2023, September 25, 2023, November 30, 2023, December 27, 2022, January 31, 2024, February 05, 2024, February 27, 2024, March 22, 2024 and March 28, 2024. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Mr. Harvinder Pal Singh	14
Mr. Amit Sharma	14
Mr. Sachin Sharma	14

(d) Assets Liability Committee (ALCO)

Composition:

The Assets Liability Committee of the Board comprises of four (4) Members Managing Director & CEO, Chief Financial Officer, Head- Credit & Risk and AVP- Accounts and a permanent invitee from IT Department

Functions/Terms of Reference:

- (i) Product pricing for borrowings and advances.
- (ii) Desired maturity profile and mix of the incremental assets and liabilities.
- (iii) Monitor prevailing interest rates offered by other peer HFCs for similar services/ product, etc. and benchmarking its services/ products within Company's objectives.
- (iv) Monitoring the risk levels of the Company.
- (v) Monitor the adherence to prudential tolerance limits set by the Board. Review the results of and progress in implementation of the decisions made in the previous Meetings. (Articulate the current interest rate view of the Company and base its decisions for future business strategy on this.

- (vi) Decide the funding policy with respect to the source and mix of liabilities or sale of assets.
- (vii) Develop a view on future direction of interest rate movements and decide on funding mixes between fixed vs. floating rate funds, wholesale vs. retail funds, money market vs. capital market, funding, domestic vs foreign currency funding, etc.
- (viii) Acting proactively to develop alternative courses of action, and prioritize them based on cost/ benefit relationships, long-term effectiveness.
- (ix) The overall functions of the Committee is to manage the Company's assets and liabilities and to achieve performance consistent with the Company's liquidity, capital adequacy, growth, and risk and profitability goals. The ALCO is also responsible for managing interest rate risk, liquidity and the investment portfolio.

Meetings and Attendance during the year:

During the financial year, the Committee met four (4) times i.e. on April 13, 2023, July 14, 2023, October 13, 2023 and January 09, 2024. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Managing Director and Chief Executive Officer	4
Chief Financial Officer	4
AVP-Accounts	4
Head-Credit & Risk*	3

**Head- Credit & Risk was appointed as Member of the Committee w.e.f. September 18, 2023.*

(e) Risk Management Committee

Composition:

The Risk Management Committee of the Board comprises of Mr. Ram Babu Prasad as Chairman, Mr. Amit Sharma, Mr. Sachin Sharma and Mr. Deepak Kumar as its Members.

Functions/Terms of Reference:

To manage the integrated risk and the scope as prescribed by the Company through its Board approved Risk Management Policy and other roles and responsibilities as prescribed under various applicable laws from time to time.

Meetings and Attendance during the year:

During the financial year, the Committee met two (2) times i.e. on, May 23, 2023 and December 29, 2023. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Mr. Amit Sharma	2
Mr. Sachin Sharma	2
Mr. Sharad Mittal**	1
Mr. Deepak Kumar	2
Mr. Ram Babu Prasad*	1

** Mr. Ram Babu Prasad was appointed as the Chairman of the Committee w.e.f. September 18, 2023.*

***Mr. Sharad Mittal ceased to be the Chairman of the Committee*

(f) Grievance Redressal Committee

Composition:

The Grievance Redressal Committee of the Board comprises of 4 Members Mr. Amit Sharma as Chairman, Mr. Sachin Sharma, Mrs. Shiwali Jhakotra and Mrs. Komal Sharma as its Members.

Functions/Terms of Reference:

To manage and address the Grievance of various stakeholders of the company and the scope as prescribed by the Company through its Board approved Grievance Redressal Mechanism and other roles and responsibilities as prescribed under various applicable laws from time to time.

Meetings and Attendance during the year:

During the financial year, the Committee met four (4) times i.e. on April 13, 2023, July 12, 2023 and October 11, 2023 and January 09, 2024. The attendance of Committee Members in these Meetings is as under:

Name of the Member	No. of Meetings attended
Mr. Amit Sharma	4
Mr. Sachin Sharma	4
Mrs. Noopur Bhardwaj*	1
Mrs. Komal Sharma	4
Mrs. Shiwali Jhakotra*	2

* Mrs. Shiwali Jhakotra was appointed as the member of the Committee due to resignation of Mrs. Noopur Bhardwaj w.e.f. September 18, 2023.

Name and designation of Compliance Officer:

Ms. Vaishali Goyal, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI (LODR) Regulations, 2015.

Details of queries / complaints received and resolved pertaining to Non-Convertible Debentures of the Company during the year 2023-24:-

S. No.	Particulars	Opening	Received	Disposed	Pending
1.	Legal Cases / Cases before Consumer Forums	0	0	0	0
2.	Letters from SEBI / Stock Exchange.	0	0	0	0
3.	Non-receipt of Interest	0	0	0	0
4.	Non-receipt of annual report	0	0	0	0
5.	Non-receipt of securities after transfer	0	0	0	0
	Total	0	0	0	0

4. GENERAL MEETINGS

(A) Location and time of last three Annual General Meetings (AGMs):

Year	Meeting	Location	Date	Time
2021-22	4 th AGM	Kundan Bhawan, Azadpur Commercial Complex, Azadpur-110033	June 15, 2021	10.30 A.M.

2022-23	5 th AGM	Kundan Bhawan, Azadpur Commercial Complex, Azadpur-110033	June 10, 2022	10.30 A.M.
2023-24	6 th AGM	Kundan Bhawan, Azadpur Commercial Complex, Azadpur-110033	June 16, 2023	10.30 A.M.

(B) Extraordinary General Meeting during the FY 2023-24:

The Company during the financial year conducted three Extra-Ordinary General Meetings, details of which are as follows:

Date of EGM	Special Businesses	Location
September 11, 2023	Amendment in Articles of Association	Kundan Bhawan, Azadpur Commercial Complex, Azadpur- 110033
September 19, 2023	Increase in Authorised Share Capital from Rs. 114 Crore to Rs. 123 Crore	Kundan Bhawan, Azadpur Commercial Complex, Azadpur- 110033
January 22, 2024	Increase in Authorised Share Capital from Rs. 123 Crore to Rs. 130 Crore	Kundan Bhawan, Azadpur Commercial Complex, Azadpur- 110033

5. GENERAL SHAREHOLDERS INFORMATION

(A) Company Registration Details

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U65929DL2017PLC316143.

(B) Financial year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

(C) Listing on Stock Exchanges

The Company's NCD's are listed at the following stock exchanges:

BSE Ltd.

P.J. Towers, Dalal Street, Mumbai - 400 001

Ph. No. +91 022 22721234

Email: corp.comm@bseindia.com

Website: www.bseindia.com

(D) Registrar and Transfer Agents

i. Link Intime India Private Limited

C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra-400083

Tel: 022 - 4918 6270 | Website: www.linkintime.co.in

ii. KFin Technology Private Limited

(Erstwhile known as Karvy Fintech Private Limited)

KFintech, Tower – B, Plot No 31 & 32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad –32

Tel: +91-040-67162222, +91- 040 – 79611000

Website: www.kfintech.com

(E) Shareholding pattern as on March 31, 2024

The shareholding pattern of the company forms part of Extract of Annual return which is available on the website of the Company.

(F) Address for Correspondences:**(i) Registered Office:**

505, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi-110033

Email: compliance@satinhousingfinance.com

Tel: 0124-4346200

Website: www.satinhousingfinance.com

(ii) Corporate Office:

Plot No. 492, 2nd Floor, B-Wing, Udyog Vihar, Phase-III, Gurugram, Haryana 122016

Email: compliance@satinhousingfinance.com

Tel: 0124-4346200

Website: www.satinhousingfinance.com

(G) Debenture Trustees**Catalyst Trusteeship Limited**

810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi –110001

Tel. No: +11 43029101, Fax: +91 22 4922 0505

Website: www.catalysttrustee.com

(H) Credit Ratings and Change/ Revisions in Credit Ratings for Debt Instruments

Your Company's financial prudence is reflected in the strong credit rating ascribed by rating agencies. The ratings also derive strength from adequate risk management and control systems put in place by the Company, pristine asset quality and strong corporate governance.

Name of Rating Agency	Period	Nature of Borrowings	Rating assigned
ICRA Limited	March 18, 2024	i. Subordinated Debt ii. Bank Facilities	[ICRA]A- ; Stable
ICRA Limited	December 27, 2023	i. Bank Facilities	[ICRA]A- ; Stable
INFOMERICS Valuation and Rating Private Limited	October 10, 2023	i. Fund Based - Long Term facilities – Term Loans ii. Fund Based - Long Term facilities – Proposed Term Loans iii. Non-Convertible Debentures	IVR BBB+ Stable (IVR Triple B Plus with Stable Outlook)
CARE Ratings Limited	April 06, 2023	i. Long-term Bank Facilities ii. Long-term instruments	CARE BBB+; Stable

(I) Fees paid to Statutory Auditors

Particulars	F.Y. 2023-24 (Amount in Lakhs)
Auditor's Fee	10.28
Other Services	21.06
Total	31.34

6. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Number of complaints filed during the financial year 2023-24	Number of complaints disposed of during the financial year 2023-24	Number of complaints pending as on end of the financial year 2023-24
0	0	0

7. OTHER DISCLOSURES

(i) Related Party Transactions

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company.

(ii) MD & CEO / CFO Certification

MD & CEO / CFO Certification is being taken on quarterly basis and placed before the Board of Directors in the immediate next Board Meeting.

(iii) Codes of the Company

a. Code of Conduct for Direct Selling Agents (DSAs)/ Direct Marketing Agents (DMAs)

This code will apply to person/legal entity involved in marketing and distribution of any loan or other financial products or services of HFCs. The DSA / DMA or/and its employees / representatives must agree to abide by this code prior to undertaking any direct marketing operation and distribution on behalf of the HFC. Any employee / representative of DSA / DMA found to be violating this code may be blacklisted and such action taken be reported to the HFC from time to time by the DSA / DMA. Failure to comply with this requirement may result in permanent termination of business of DSA/DMA with HFCs and may even lead to permanent blacklisting.

b. Fair Practices Code

This Code is applicable to all the products and services, whether they are provided by the Company or subsidiaries across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other mode, except in the event of any force majeure. The Code is based on ethical principles of integrity and transparency and all actions and dealings shall follow the spirit of the Code.

c. Code of Commitment

This is a voluntary Code, reflecting SHFL's positive commitment to customers/Members to provide easy, speedy and transparent access to our services. This Code is not only a citizens charter but also enshrines his obligations vis-à-vis SHFL.

The Code has been developed to:

- Promote good and fair practices in dealing with you;
- Increase transparency so that you can have a better understanding of what you can reasonably expect of the services;
- Improve our understanding of your needs through effective communication.
- Encourage co-operative spirit and movement;
- Promote a fair and cordial relationship between you and SHFL
- Foster confidence in the co-operative system and institutions.

(iv) Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy (**"the Policy"**), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries and no personnel have been denied access to the audit committee.

The Company take strong exception to any untoward business practices and encourages its stakeholders to make disclosures whether they are Directors, permanent/contractual employees, customers, contractors, vendors, suppliers, customers or any other person having an association with the Company.

Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds/assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company.

**For and on behalf of the Board of
Satin Housing Finance Limited**

**Place: Gurugram
Date: April 22, 2024**

**Mr. Harvinder Pal Singh
DIN: 00333754
Director**

**Mr. Amit Sharma
DIN: 08050304
Managing Director & CEO**

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Company

Satin Housing Finance Limited (“SHFL or the Company”) is registered with National Housing Bank (NHB) under section 29A of National Housing Bank Act, 1987 vide Registration No. 11.0161.17 as a Housing Finance Company (HFC) Now, your Company is being regulated by Reserve Bank of India (RBI) and the Company need to follow the circulars, directions or/and notification issued by RBI from time to time such as Master Direction-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021.

Satin Housing Finance Limited (SHFL) is a professional managed Housing Finance Company having registered office at 505, 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi-110033 and corporate office at Plot No. 492, 2nd Floor, B-Wing, Udyog Vihar Phase-III, Gurugram, Haryana-122016.

The main objects of the Company are as under:

- ❖ To carry on the business of housing finance in India.
- ❖ To carry on the business of providing Finance (long term and short term finance), and to undertake all lending and finance activity to any person or persons, Company, AOP, Corporations, Society(ies), Co-operative Societies, or associations, Institutions, Firms, Builders, Developers, persons or body of individuals, others, either individually or jointly, either at interest or without and / or with or without any security for the purpose of enabling the borrower for either, construction, erection, purchase, enlarge, or repair, renovate, furniture and fitting, equipment and such other things required of any house/s, flats, raw houses, bungalows, townships, rooms, huts used for housing/ residential purpose either in total or part thereof or otherwise, upon such terms and conditions as the Company may think fit and proper.

Global Economy

The latest World Economic Situation and Prospects report for 2024 paints a sobering picture of the global economic landscape. The world economy continues to face multiple crises, jeopardizing progress towards the Sustainable Development Goals (SDGs). Although global economic growth outperformed expectations in 2023 with several large economies showing remarkable resilience, simmering geopolitical tensions and the growing intensity and frequency of extreme weather events have increased underlying risks and vulnerabilities. Furthermore, tight financial conditions also pose increasing risks to global trade and industrial production.

The report forecasts a deceleration in global GDP growth, from an estimated 2.7% in 2023 to 2.4% in 2024, signaling a continuation of sluggish growth trends. Developing economies, in particular, are struggling to recover from pandemic-induced losses, with many facing high debt and investment shortfalls.

The United States, the world’s largest economy, is expected to see a drop in GDP growth from 2.5% in 2023 to 1.4% in 2024. Consumer spending, a key driver of its economy, is likely to weaken due to various factors, including high interest rates and a softening labour market.

Global inflation, a key concern over the past two years, is showing signs of easing. Global headline inflation fell from 8.1% in 2022 to an estimated 5.7% in 2023 and is projected to decline to 3.9% in 2024.

The Survey narrates about six challenges faced by the Global Economy. The three challenges like COVID-19 related disruptions in economies, Russian-Ukraine conflict and its adverse impact along with disruption in supply chain, mainly of food, fuel and fertilizer and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies. The fourth challenge emerged as faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, thus slowing cross-border trade affecting overall growth. It adds that all along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income-earning opportunities.

Central banks around the world have raised policy rates significantly over the past two years. Many observers thought higher rates would lead to a slowdown or even a recession, but global growth has held steady. At the same time, some economies are in fact slowing down. Historically, the United States and China have been the main drivers of the global economy. In 2023, the US experienced unexpected growth as consumers spent a substantial portion of the over \$2.25 trillion in excess savings accumulated during the pandemic. Looking ahead, consumer spending will increasingly depend on wage increases and, to a lesser extent, Federal Reserve interventions. Meanwhile, China's growth stumbled due to a crisis in the housing sector, which constitutes a significant portion of its GDP. However, various levels of government have announced stimulative measures expected to improve prospects in the coming year.

The Eurozone faced stagflation for much of 2023, but conditions are anticipated to improve in 2024 as disinflation progresses. Japan stands out as the only developed economy maintaining negative interest rates. It is projected to continue growing above its potential through 2024 as the Bank of Japan aims to combat deflation effectively. Geopolitical risks are at their highest in decades, exacerbating economic uncertainty. Ongoing conflicts in Ukraine, humanitarian crises in the Middle East, and escalating tensions between China and the West mean geopolitics remain a concern. Looking ahead to 2024, global growth, which rose by an estimated 3.1% in 2023, is projected to slow to 2.9% in 2024 and then increase to 3.0% in 2025.

Indian Economy

India's economic resilience against global challenges has persisted for three fiscal years. This resilience can be attributed to supportive policies and regulations, as well as prudent measures, alongside a gradual revitalization of the private sector. Looking ahead, India is poised to maintain robust growth throughout this decade, leveraging significant investments in emerging sectors, continued government spending, and efficiency improvements driven by advances in digitalization and physical connectivity.

For the upcoming fiscal year, it is expected that India's GDP growth to moderate to 6.8% (NSO estimates) after exceeding expectations with a 7.6% expansion this fiscal year. Continued disinflation will strengthen purchasing power, while favourable agricultural output and a gradual increase in private capital expenditure will contribute to broader-based investment growth. The government's budgetary support for rural incomes and infrastructure spending will also play a role

in sustaining growth momentum. Productivity gains will complement the dominant role of capital, facilitated by enhanced physical and digital connectivity and ongoing economic and process reforms. The country's growth trajectory will be supported by both manufacturing and services sectors, reflecting a robust and balanced growth path.

Manufacturing is expected to accelerate, driven by improvements in competitiveness, increased investments, global opportunities from supply-chain diversification, green transition imperatives, and domestic policy initiatives. Meanwhile, services will maintain a significant footprint, indicating a sturdy growth trajectory for the Indian economy.

India is poised to retain its status as the fastest-growing large economy, with its economy expected to approach the \$7 trillion mark between fiscal years 2025 and 2031, driven by an average annual growth rate of 6.7%. This would elevate India to the position of the world's third-largest economy and elevate its per capita income to the upper-middle-income category.

Overview of Housing Finance Sector

Housing Credit Demand to Stay Strong: The mortgage industry in India stood at ₹ 39.4 trillion as on August 30, 2023, and is estimated to grow at 15% CAGR to cross ₹ 100 trillion by March 31, 2030, backed by increase in urbanization, higher affordability, and preference for home ownership post Covid.

Within the mortgage industry, the home loan portfolio constitutes 78.9% i.e., ₹ 31.1 trillion as on Aug 30, 2023, as per a CIBIL TransUnion report. 40% of this portfolio belongs to PSU banks, 33% with Private Banks, 22% with HFCs, 2% with DCCBs and RRBs, 1% with NBFCs and the remaining 1% with foreign banks and small finance banks.

Upscaling at play: The revival of housing demand since the pandemic has been anchored on increased preference for home ownership as well as significant up-scaling among homebuyers with a preference for bigger houses and better-rated developers. This is reflected in the increasing contribution of higher ticket-sizes of loans.

As per NHB data for Mar 2023, on the origination front of the total ₹ 8.1 trillion home loans disbursed by banks and HFCs in FY23 Regular segment (> 25L) constituted 72% (66% in FY22) and Affordable Housing (< 25 L) constituted only 28% (reduced from 34% in FY22). During the same period affordable housing loans showed muted growth of 3% yoy for FY23 while the regular loans showed 22% yoy growth resulting in 14% overall industry growth.

India's Mortgage Finance Penetration % to GDP was 10% in FY23, lower in comparison with other countries like China, South Africa, USA, and Singapore, thus having the headroom to grow. Interestingly, although India's house-hold mortgage debt is much lower than in all almost advanced economies, non-mortgage household debt was ~25% of GDP in Dec'22. This level of nonmortgage household debt in India was the same as Australia and Japan, and higher than in many other countries including UK (18%), US (24%) and China (23%). RBI has raised concerns regarding the pace of the increase in household borrowings

Opportunities and Threats

Opportunities

- The level of mortgage penetration in India is much lower than that of developed nations suggesting headroom for growth.
- Post Covid there is a need for larger homes leading to rise in demand for ready to move in or near completion properties.
- Shift in investor driven real estate market to an end user driven market leading to higher demand backed by new project launches by top developers.
- Expansion in tier II and beyond with the rise in reverse migration.
- Focus on technology to enhance end-to-end digital journeys and deliver superior borrowing experience to customers.

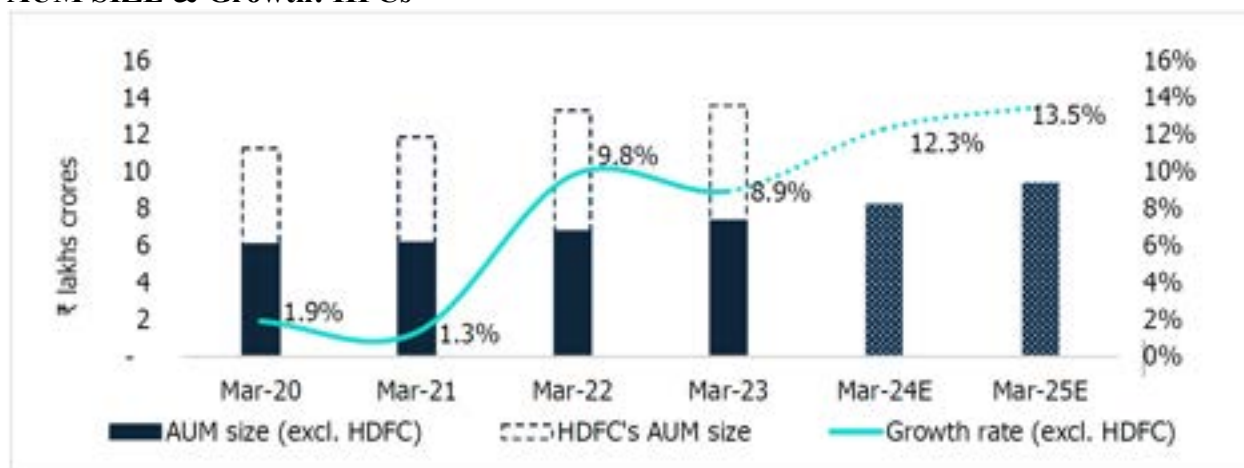
Threats

- Housing finance companies in India are facing challenges related to the increase in policy rates, which might cause slower demand and growth.
- The flattening yield curves and increasing rate cycle, in turn, may result in short-term asset-liability mismatches and negatively affect their borrowing profile and profitability.
- The highly competitive market adds further pressure to maintain profitable expansion while preserving asset quality.
- If there is an economic downturn in major economies, it could result in macroeconomic issues such as heightened cost inflation, interest rates, and currency volatility, all of which may put stress on asset quality.

HFCs AUM Growth Gaining Momentum Propelled by Retailisation

In sync with a rebound in the residential real estate market, retail loans started witnessing an uptick from FY22. Consequently, the AUM growth has been led by retailisation. During FY23, the overall AUM of HFCs grew by roughly 9% with the housing segment growing by 13% while the non-housing portfolio including the developer finance book contracted marginally. The total outstanding portfolio of HFCs as of March 31, 2023, stood at Rs. 7.4 lakh crore (excluding HDFC Ltd) of which housing loans comprised Rs. 5.5 lakh crore vis a vis housing loans by SCBs amounting to Rs.19.4 lakh crore.

AUM SIZE & Growth: HFCs

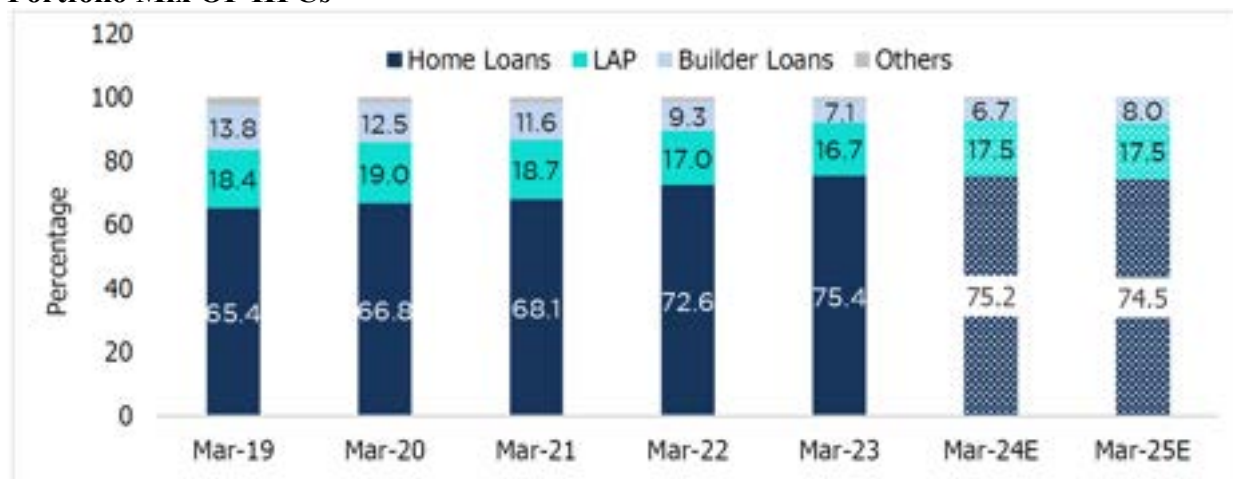


Source: Reserve Bank of India, CareEdge Ratings, based on top 15 leading HFCs in India

Wholesale Books Continuously Declining, However, Expected to Cautiously Pick Up Going Forward

The share of builder loans has shown a declining trend while retail loans have been rising in the overall portfolio mix. Post 2019 developer and NBFC/ HFC crisis, developer finance portfolios of HFCs witnessed stress thereby resulting in conscious curtailment. Apart from issues in developer financing, the growth in retail loans was also contributed by higher disbursements post regulatory guidelines on the principal business of HFCs.

Portfolio Mix OF HFCs



Source: CareEdge Ratings, based on top 15 leading HFCs in India

However, going forward, in the backdrop of strong residential sales, a shrinking pool of stressed developers and progressive resolutions/ recoveries within the developer financing book, the share of developer financing is expected to gradually pick up in the medium term.

Future Outlook

As per the current market research conducted by the CMI Team, the India Housing Finance Market is expected to record a CAGR of 24.1% from 2024 to 2033. In 2024, the market size is projected to reach a valuation of USD 385.14 Billion. By 2033, the valuation is anticipated to reach USD 2,669.39 Billion.

The India housing finance market encompasses financial services provided to individuals and developers for purchasing, constructing, renovating, or improving residential properties. Its nature combines elements of retail banking, mortgage lending, and real estate investment.

Key trends include a shift towards digitalization, expansion of affordable housing finance, growing demand for sustainable and green housing solutions, and the emergence of niche financing options tailored to specific customer segments, all contributing to the market's dynamism and evolution.

India Housing Finance Market – The details of several houses constructed during each of the last four years and the present year (2019-20 to 2023-24 as of 27.07.2023) in the country.

India Housing Finance Market – Significant Growth Factors

The India Housing Finance Market presents significant growth opportunities due to several factors:

- **Government Initiatives:** Government schemes like Pradhan Mantri Awas Yojana (PMAY) offering subsidies and incentives fuel demand for housing finance. These initiatives aim to provide affordable housing to economically weaker sections, driving loan uptake and fostering market growth.
- **Urbanization:** Rapid urbanization prompts increased demand for housing, creating opportunities for financing solutions. With a significant portion of the population migrating to cities, housing finance companies can capitalize on this trend by offering tailored loan products suited to urban living needs.
- **Interest Rate Trends:** Fluctuations in interest rates influence housing loan affordability. As interest rates decrease, borrowers find financing more accessible, stimulating demand for housing finance products and spurring market expansion.
- **Technology Adoption:** Integration of technology streamlines loan processing, enhances customer experience, and reduces operational costs for housing finance providers. Opportunities lie in embracing digital platforms, artificial intelligence, and data analytics to offer efficient and personalized services, attracting tech-savvy borrowers.
- **Demographic Shifts:** Changing demographics, including a rising middle class and increasing disposable incomes, present opportunities for housing finance companies to cater to diverse customer segments. Tailoring loan products to meet the evolving needs and preferences of different demographics can unlock new market opportunities.
- **Real Estate Development:** Growth in real estate development projects, particularly in tier 2 and tier 3 cities, offers prospects for housing finance market expansion. Financing opportunities arise from partnerships with developers, funding affordable housing projects, and facilitating home purchases in emerging property markets, driving overall market growth.

India Housing Finance Market – Significant Threats

The India housing finance market faces several significant threats that could impact its growth and profitability in the future. Some of these threats include:

- **Economic Instability:** Fluctuations in economic conditions, such as recession or inflation, can impact borrowers' ability to repay loans and lead to increased default rates, affecting the financial health of housing finance companies.
- **Regulatory Changes:** Rapid changes in regulatory policies, including interest rate regulations or lending norms, can disrupt business operations and profitability, requiring companies to adapt quickly to remain compliant.
- **Market Saturation:** Saturation in key urban markets may limit expansion opportunities, prompting companies to explore untapped rural or semi-urban areas where demand might be lower.

- **Credit Risk:** High levels of non-performing assets (NPAs) due to defaults or delinquencies pose a threat to the stability of housing finance companies, necessitating stringent risk management practices.
- **Technological Disruption:** Failure to embrace technological advancements, such as digitalization and automation, may result in companies falling behind competitors in service quality and operational efficiency.
- **External Shocks:** External factors like natural disasters, geopolitical tensions, or global economic downturns can significantly impact the housing market, leading to reduced demand and financial losses for housing finance firms.

Outlook, Risk and Concerns

The sector of home finance is anticipated to grow further during the following five years. The sector will expand as a result of increased accessibility, greater openness, rising urbanisation, and government incentives. Housing demand has increased across the country as a result of changing lifestyles, societal perspectives, and expanding labour mobility. Future forecasts show that these patterns will persist. Moving into larger residences is more likely as income grows. Younger borrowers of housing loans, increased need for independent homes, government programmes to provide cheap housing, and interest concessions under the Pradhan Mantri Awas Yojana should all contribute to rising housing financing demand.

By 2040, it is predicted that the real estate market will reach Rs. 65,000 Crores. This represents a considerable increase over the 2019 real estate market value, which was pegged at Rs. 12,000 Crores. 13% of India's GDP is projected to be generated by the housing industry by 2025.

The indication from the RBI is that though there are upside risks to the food inflation outlook, the long pause in the rate hike cycle is here to stay for a comparatively longer period, with retail inflation hovering around the central bank's tolerance limit of 4%. Apart from lower interest rates, other major factors influencing the affordable housing market are broad-based economic development and job growth.

With government policies now supporting economic activities beyond the top 10-12 cities, we expect that the demand for housing from semi-urban and rural India will continue to witness strong growth.

The anticipated GDP growth this full fiscal year is 7%. For the first three quarters of the next fiscal year (FY25), the GDP growth rates are estimated to be 6.7%, 6.5%, and 6.4%, sequentially. It lends credence to the industry's confidence that the momentum on home loans will continue in the next 12-18 months, which will also spur demand for the affordable segment.

The New Year 2024 outlook appears bright in the backdrop of rate cut hopes -- probably happening by mid-year -- and a strong GDP growth outlook. So far, FY24 has been a strong year for financial services as consumer demand has been robust. With high home sales and booming construction activities across tier-2 and 3 cities and rural India, the demand for home loans, including affordable housing loans, is expected to jump in FY25. Stellar GDP growth, overall buoyancy in the market, and the stability in RBI's policy rates are contributing to this optimism.

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. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents (other than cash), loans, financial assets measured at amortised cost	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Variable rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors

'The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. 'The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

1. Low credit risk on financial reporting date
2. Moderate credit risk
3. High credit risk

SHFL has a well-defined risk governance structure which provides for identification, assessment and management of risks. Risk management involves making decisions and establishing governance systems that embed and support effective risk process, as well as building an organizational culture that supports agility.

Digitalisation

Affordable Housing Finance and Secured Business Loans are industries where personal interaction is crucial. While technology plays a facilitating role, the human touch remains indispensable in lending. SHFL firmly believes in fostering this human connection throughout its lending process.

Despite having a diverse range of products catering to both urban and rural clients, SHFL has adapted its file processing methods slightly to align with the new social distancing norms. The company emphasizes providing personalized, doorstep services to its customers, predominantly salaried and self-employed individuals. SHFL educates its customers on the importance of maintaining proper documentation and strives to understand their needs thoroughly.

Credit assessment is a challenging task, and personal meetings with customers are deemed essential before loan disbursement. This approach has been the norm in the market and is likely to persist. Home Loans and Secured Business Loans primarily operate offline, with online platforms mainly utilized for lead generation and initial loan applications. However, offline visits by credit experts are crucial for assessing the financial stability of clients, especially in informal business sectors.

In rural areas, where access to computers is limited, offline loan application processes are prevalent. Offline modes are expected to dominate the rural home loans market for the foreseeable future. While online platforms can serve as lead generators for Home Loans and Urban Secured Business Loans, complete online execution remains impractical.

Online lending is gaining momentum, particularly in unsecured loans, but strict on-field credit verifications are still necessary for disbursements. Digital tools such as mobile apps and AI have significantly reduced turnaround times. Real-time KYC document verification, facial recognition AI, and income verification tools enhance the efficiency of the lending process.

Furthermore, psychometric tests gauge clients' repayment intentions, while real-time monitoring of bank statements and UPI payment integration streamline transactions. These advancements have reduced reliance on intermediaries and improved the overall efficiency of the lending process.

Performance

SHFL's net worth stood at Rs. 199.82 Crore for the year ended March 31, 2024. As on that date, the regulatory Capital to Risk Assets Ratio (CRAR) was 49.15%.

SHFL's Total Income during the year ended March 31, 2024 is Rs. 92.31 Crore as compared to previous period ended March 31, 2023 is Rs. 61.87 Crore and net profit after tax during the year ended March 31, 2024 is Rs. 8.74 Crore as compared to previous year ended March 31, 2023 Rs. 5.92 Crore.

We have put lot of emphasize on the credit quality and customer selections. SHFL is a credit driven organization viz-a-viz number driven organization. The company has a very good portfolio mix of salaried and SENP Customers and have followed the fundamental theme of making it a pure housing finance company wherein our Portfolio is having 63.24% Home Loans. The Company has kept such a high provision even after achieving great collection efficiency in FY 2022-23.

Financial Highlights

(Amount in Lakhs)

Particulars	For the Year from 01 April, 2023 to 31 March 2024	For the Year from 01 April, 2022 to 31 March 2023
Income from Operations	8,798.48	6,097.11
Other Income	432.82	90.10
Total Income	9,231.30	6187.21
Less: Expenses	8,062.50	5403.03
Profit / (Loss) before tax	1,168.80	784.18
Add/ (Less): Tax expenses	294.37	191.82
Net Profit / (Loss) after Tax	874.43	592.36
Other Comprehensive Income	616.72	(153.66)
Total Comprehensive Income	1,491.15	438.70
Earnings per share (Basic)	0.74	0.57
Earnings per Share(Diluted)	0.74	0.57

Resource Mobilisation

b. Term Loans from Banks and Financial Institutions

As of 31 March, 2024, the outstanding term loans from banks and financial institutions were Rs. 443.66 Crore. The Company received fresh sanctions from banks and financial institutions amounting to Rs. 235.00 Crore. The average tenure of term loans raised during the financial year under review was more than 2 years.

c. Refinance from National Housing Bank (NHB)

Under the National Housing Bank (NHB) refinance scheme, the Company received a sanction of fresh refinance assistance of Rs.30 Crore during FY 2023-24. The outstanding NHB refinance as of March 31, 2024 is at Rs. 68.53 Crore as against Rs. 52.82 Crore in the previous year.

d. Issuance of Equity via Right Issue

During the year under review, the Company raised Rs. 50 Crore by way of issuing the equity shares on right issue basis to the existing shareholders on pro-rata basis. The equity shares were allotted to Satin Creditcare Network Limited i.e. Holding Company on face value of Rs. 10 each equity share and premium of Rs. 20.80 & Rs. 20.84 each equity share aggregating to Rs. 25 Crore (approx.) each on September 25, 2023 and January 31, 2024 respectively. The paid-up capital of the Company as on March 31, 2024 stood at Rs. 129.62 Crore as compared to Rs. 113.4 Crore as on March 31, 2023.

Accolades

- “A- Stable” Credit Rating from ICRA;
- AUM of Rs. 750 Crore+ as on March 31, 2024;
- Multiple DA Transactions with highly reputed NBFCs;
- Borrowings from PSUs
- NHB Refinance - The National Housing Bank (NHB) offers refinance assistance to Housing Finance Companies (HFCs) in respect of their loans given to individuals for housing. SHFL is one of the few companies to receive refinance assistance within short period of its operations;
- Fastest Growing Housing Finance Company for FY 2023-24;
- Observed March 2024 as the highest disbursal month; and
- Highly balanced quality portfolio focused on end user home loans

Internal Control Systems and their adequacy

The Company has established robust financial controls tailored to its size, scope, and operational complexity as reflected in its financial statements. These controls are designed to ensure the reliability of financial information, uphold integrity in business conduct, maintain accurate and complete accounting records, and prevent and detect fraud and errors.

These controls encompass measures to safeguard the Company's assets, adherence to policies, and the prevention and detection of unauthorized asset use, disposal, or fund misappropriation. They play a crucial role in verifying the accuracy and completeness of accounting records and facilitating the timely preparation of dependable financial disclosures. Oversight of these

procedures is ensured by the Audit Committee, which ensures proper authorization, documentation, description, and monitoring of all processes.

SHFL maintains a dedicated in-house Internal Audit department equipped with processes and systems to devise an annual audit plan and maintain optimal portfolio quality while mitigating risks. Quarterly Regional Office Audits and Compliance Audits, guided by feedback from other audits, further reinforce internal scrutiny. Additionally, an annual Secretarial Audit is conducted by an Independent Secretarial Auditor appointed by the Board of Directors upon the Audit Committee's recommendation.

The Audit Committee, composed of independent directors, regularly reviews internal audit reports, assessing findings, the adequacy of internal controls, and ensuring compliance. It also engages with the Company's Statutory Auditors to gather insights on financial statements, including the financial reporting system's integrity, adherence to accounting policies and procedures, and the effectiveness of internal controls and systems.

The implementation of Information System Security controls enables the Company to manage technology-related risks effectively while enhancing business efficiency and distribution capabilities. The Company remains committed to investing in IT systems, including backup systems, to enhance operational efficiency, customer service, and decision-making processes.

Robust Corporate Governance

The governance structure of SHFL is designed to ensure transparency, accountability, and effective decision-making. With a robust framework in place, our annual report serves as a comprehensive overview of our governance practices. The report highlights our strong board of directors, their diverse expertise, and their commitment to upholding the highest standards of corporate governance. We provide insights into our governance policies, risk management strategies, and ethical practices, showcasing our dedication to responsible business conduct. Our governance structure aims to demonstrate our commitment to sound governance principles and foster trust among our stakeholders.

Our Governance Philosophy

We steadfastly uphold the utmost levels of ethical integrity, corporate governance, and regulatory compliance. These fundamental pillars serve as the foundation of our robust corporate governance policy. We actively embrace and consistently enhance our adherence to good governance practices. Our esteemed Board of Directors plays a pivotal role in steering ahead our Company's trajectory and assessing our performance in line with corporate governance standards. Our evaluation criteria encompass key areas such as compliance, internal control, risk management, information technology, customer service, and social and environmental responsibility.

Key Policies

a. Customer grievance policy:

The Company's governance policy guarantees a prompt, harmonious, and comprehensive resolution of customer complaints through an efficient grievance management process.

b. Whistle blower policy:

The Company promotes and encourages employees to promptly communicate any suspicions or observations of actions that may indicate corrupt, illegal, or undesirable conduct.

c. Prevention of sexual harassment (POSH):

The Company asserts an unwavering commitment to a zero-tolerance policy towards sexual harassment

Corporate Governance in the Company goes beyond the fundamentals of the legislative and regulatory compliance. The management strives to entrench an enterprise-wide culture of good corporate governance. With an aim to ensure the same, all the decisions are taken in a fair, transparent manner and within an ethical framework. This promotes the responsible consideration of all stakeholders, while also holding decision-makers appropriately accountable. In line with the philosophy, that good governance is an evolving discipline, governance structures, practices and processes are actively monitored and revised from time-to-time to reflect the best ethical practice.

Key responsibilities of the Board

SHFL is subject to the regulations of the RBI ('Reserve Bank of India') and SEBI ('Securities and Exchange Board of India'). The Corporate Governance structures and practices are predominantly impacted by the respective regulations of these ruling bodies.

The Company has well developed system of compliance in place and the Quarterly Compliance certificate on quarterly basis confirming the compliances w.r.t. relevant laws, rules and regulations being taken from all departments of the Company. The quarterly compliance certificates obtained from the departments of the Company are placed before the Board for its consideration.

Further, annual review of the compliance of the Fair Practices Code and functioning of the Grievance Redressal Mechanism also being conducted. All the desired committees had been constituted as per the applicable provisions and the Company is complying with the guidelines. Internal Guidelines on Corporate Governance was approved by the Board in its Meeting dated July 30, 2019 and reviewed on April 22, 2024. The Company undertaken its activities in compliance with the Internal Guidelines on Corporate Governance.

Material development in Human Resources/Industrial Relations front, including number of people employed

As of March 31, 2024, your Company had a workforce of 352 employees. The contributions of these employees are integral to both the qualitative and quantitative aspects of the Company's performance. To enhance staff capabilities in leadership, team building, knowledge accessibility, and productivity, the Company effectively utilizes its performance management system.

To address the evolving training needs of employees, an exclusive Training and Development Department, led by a senior officer, has been established. Throughout the year, in-house on-the-job coaching and comprehensive training programs across various functional areas were conducted to enhance employee skills and functional effectiveness.

Furthermore, executives were assigned to external training programs and seminars covering topics such as risk management, regulatory guidelines, anti-money laundering, and fair practices code. These initiatives enabled staff members to refine their expertise in their respective areas of responsibility.

New employees undergo an induction program covering business requirements, Company processes, regulatory compliance, and personality development. There have been no significant

developments in human resources or industrial relations that adversely affected the Company's business.

Despite facing challenges in the past year, the Company focused on promoting existing talent to leadership roles. This cohesive leadership team has made strategic decisions and demonstrated high efficiency. With strong leadership in place, the organization is aligned with new business requirements and roadmap, facilitating the rebuilding of the business and offering customers an integrated suite of financial services. The new organizational strategy aims to foster strong synergy and alignment with emerging business needs.

Cautionary Statement

Some of the statements made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, and expectations may be "forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.

**For and on behalf of the Board
of Satin Housing Finance Limited**

**Place: Gurugram
Date: April 22, 2024**

**Harvinder Pal Singh
DIN: 00333754
Director**

**Amit Sharma
DIN: 08050304
Managing Director & CEO**

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2023-24

2. Brief Outline on CSR Policy of the Company:

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

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

2. Composition of CSR Committee: N.A.

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

CSR Policy at <https://satinhousingfinance.com/policies/>

CSR projects at <https://satinhousingfirisknance.com/corporate-social-responsibilities/>

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 -

(b) Two percent of the average net profit of the Company as per sub-section (5) of Section 135 – Rs. 9,47,827/-

(c) Surplus arising out of 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 – Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] – Rs. 9,47,827/-

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Project) – Rs. 9,47,827/-

(b) Amount spent in Administrative Overheads – Nil

(c) Amount spent on Impact Assessment, if applicable – N.A.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] – Rs. 9,47,827/-

(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
Rs. 9,47,827/-	Nil				

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

Sl. No.	Particulars	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 9,47,827/-
(ii)	Total amount spent for the financial year	Rs. 9,47,827/-
(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 Years, 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	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
1	2022-23	Not Applicable					
2	2021-22						
3	2020-21						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Nil

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 percent of the average net profit as per sub-section (5) of Section 135: N.A.

**For and on behalf of the Board
of Satin Housing Finance Limited**

Place: Gurugram
Date: April 22, 2024

Harvinder Pal Singh
DIN: 00333754
Director

Amit Sharma
DIN: 08050304
Managing Director & CEO

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2024 (Form No. MR-3)**

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

To,
The Members of
Satin Housing Finance Limited
505, 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 HOUSING FINANCE LIMITED** (CIN: U65929DL2017PLC316143) (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, 2024** 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, 2024** according to the provisions of:

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

- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not Applicable during the Financial Year under review;**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- **Not Applicable during the Financial Year under review;**
 - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021- **Not Applicable during the Financial Year under review;**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable during the Financial Year under review;**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not during the Financial Year under review;** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable during the Financial Year under Review;**
- vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:
1. Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to NBFCs-HFCs.
 2. The National Housing Bank Act, 1987, Regulation(s)/direction(s) made thereunder.
 3. Master Direction- Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.
 4. Employees' Provident Funds & Misc. Provisions Act, 1952;
 5. Employees' State Insurance Act, 1948 ;
 6. Maternity Benefit Act, 1961;
 7. Minimum Wages Act, 1948;
 8. Payment of Bonus Act, 1965;
 9. Payment of Gratuity Act, 1972;
 10. Delhi Shops and Establishments Act, 1954, Punjab Shops and Commercial Establishments Act, 1958, Uttar Pradesh Shops and Commercial Establishment Act, 1962, Rajasthan Shops And Commercial Establishments Acts, 1958
 11. Any other local laws as applicable to all its branches and offices

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

- (i) 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;
- (ii) the Listing Agreements entered by the Company with 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.

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

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors. There were no changes in the composition of the Board during the period under review.
- 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 based on the review of the compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the company, commensurate with the size and operations of the company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

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

- The members vide their EGMs dated September 19, 2023 and January 19, 2024 has altered the Memorandum of Association of the Company with respect to the Authorized Capital Clause by increasing the authorized capital;
- The members vide their EGM dated September 11, 2023 has altered the Articles of Association of the Company with respect to incorporate the clause of appointment of nominee Director(s) nominated by the Debenture Trustee;

- The Working Committee of the Board of Directors vide their meetings held on September 25, 2023 and January 31, 2024 has approved the allotment of 81,16,880 equity shares and 81,06,350 equity shares respectively, issued on rights basis;

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: F008428F000142210

Date: April 16, 2024
Place: New Delhi

To,
The Members of
Satin Housing Finance Limited
505, 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

1. 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

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. 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.
5. 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.
6. Wherever required, we have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

7. 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.
8. 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: F008428F000142210

Date: April 16, 2024
Place: New Delhi

A man and a woman in business attire are seated at a desk, reviewing documents and charts. The man is pointing at a colorful pie chart on a document. The woman is looking at the document. There is a spiral notebook on the desk. The background shows a potted plant and a window.

Independent Auditor's Report

Independent Auditors' Report

To the Members of Satin Housing Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Satin Housing Finance Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended and a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(c) the 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 financial statements comply with the Ind AS specified under Section 133 of the Act;

(e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;

(f) we have also audited the internal financial controls over financial reporting of the Company as on March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated April 22, 2024 as per Annexure B expressed unmodified opinion; and

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

- (i) the Company did not have any pending litigations which impacted its financial position as at March 31, 2024;
- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;
- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
- (iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

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

(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, 2024, which displays the dates of creation and authorisation of the transaction keeping the system date as a base and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Jatin Goel
Partner
Membership No.: 553420
UDIN - 24553420BKABW1890

Place: Delhi
Date: April 22, 2024

Annexure A to the Independent Auditors' Report

Referred to in Paragraph 2 under the heading of “Report on other legal and regulatory requirements” of our report of even date of **Satin Housing Finance Limited** on the financial statements for the year ended March 31, 2024)

(i) Property, Plant and Equipment; Right-of-Use assets and Intangible Assets

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

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

- b) The Property, Plant and Equipment and right-of-use assets of the Company were physically verified as at the year-end by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the company is the lessee and lease agreements are duly executed in the favor of lessee) under Property, plant and equipment as on March 31, 2024 and during the year. The following immovable properties disclosed under ‘Other non-financial assets’ are appearing in the financial statements of the Company, the title of which are not in the name of the Company:

Description of item of property	Gross carrying value (Rs. In Lakhs)	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 Company
Land & Building	9.56	Ravi Kalindi	No	23-03-2024	Asset acquired under court order as per SARFAESI Act
Land & Building	17.26	Purnima Behra	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	17.94	Sadhna Sharma	No	28-02-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	21.22	Babita	No	23-03-2024	Asset acquired under court order as per SARFAESI Act
Land & Building	12.89	Priyanka Yadav	No	29-02-2024	Asset acquired under court order as per SARFAESI Act

Land & Building	15.33	Raj Kumar Gupta	No	17-06-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	18.93	Shri Chand	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	8.62	Suraj Bhan	No	23-03-2024	Asset acquired under court order as per SARFAESI Act
Land & Building	1.74	Shri Chand	No	31-03-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	0.90	Ravi Kalindi	No	23-03-2024	Asset acquired under court order as per SARFAESI Act
Land & Building	1.91	Babita	No	23-03-2024	Asset acquired under court order as per SARFAESI Act
Land & Building	9.17	Tej Singh	No	30-12-2023	Asset acquired under court order as per SARFAESI Act
Land & Building	1.64	Sunil Sunil	No	31-03-2024	Asset acquired under court order as per SARFAESI Act

- d) The Company has not revalued any of its Property, Plant & Equipment and intangible assets during the year. Thus, paragraph 3(i) (d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Thus, paragraph 3(i)(e) of the Order is not applicable to the Company.

(ii) Inventories & working capital limit

- a) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- b) As per the information and explanation provided to us, the company does not have a working capital limit sanctioned from any bank or financial institution on the basis of security of current assets during the year and as on 31-03-2024. Hence, the reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Loans granted by company

- a) The Company is registered with National Housing Bank as a Housing Finance Company and its main business is to provide housing finance. Hence, reporting under clause 3(iii)(a) of the order is not applicable to the company.
- b) In our opinion, the terms and conditions of the grant of loans in nature of loans and advances, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- d) In respect of loans granted by the Company, the details of the amount overdue above 90 days are as follows:

No. of cases	Principal amount overdue (in Rs.)	Interest overdue (in Rs.)	Total Overdue (in Rs.)	Remarks
49	15,06,977.00	62,75,713.00	77,82,690.00	NIL

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

- e) The Company has been registered with National Housing Bank as a Housing Finance Company and its main business is to provide housing finance. Hence, reporting under clause 3(iii)(e) of the order is not applicable to the company.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

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

The company has given an advance against salary to a related party in compliance with section 185 of the Act. The company has not made any investment or given any loans, guarantee or security to the party covered under section 186.

(v) Acceptance of Deposits

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

(vi) Maintenance of Cost records

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

(vii) Payment of Applicable Taxes

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

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, provident fund, employees' state insurance, professional taxes and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

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

(viii) Undisclosed income

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

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

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

(x) Initial Public Offer

- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud by the Company or on the Company

- a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year,
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year. Hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) Nidhi Company

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

(xiii) Related Party Transactions

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

(xiv) Internal Audit

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

(xv) Non – Cash Transactions

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

(xvi) Registration with RBI

- a) The Company is registered with National Housing Bank as a Housing Finance Company and is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934
- b) The Company has conducted Housing Financing activities during the year having a Certificate of Registration with National Housing Bank.
- c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- d) As per the information and explanation provided to us by the company, 2 companies in the group had

withdrawn the application for registration as Core Investment Company under the Reserve Bank of India Act. The applications regarding the same have been accepted by the RBI on August 09, 2023.

(xvii) Cash Losses

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

(xviii) Resignation of Statutory Auditor

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

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

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

(xx) Corporate Social Responsibility

There are no unspent amounts 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)(a) and 3(xx)(b) of the order is not applicable of the company.

(xxi) Qualification or Adverse Remarks by the respective auditors

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

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

Jatin Goel
Partner
Membership No.: 553420
UDIN – 24553420BKABBW1890

Place: Delhi
Date: April 22, 2024

Annexure B to the Independent Auditors' Report of even date to the members of Satin Housing Finance Limited on the financial statements for the year ended March 31, 2024

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

1. In conjunction with our audit of the financial statements of Satin Housing Finance Limited ('the Company') as at and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2024, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Jatin Goel
Partner
Membership No.: 553420
UDIN - 24553420BKABW1890

Place: Delhi
Date: April 22, 2024

To,
The Board of Directors,
Satin Housing Finance Limited,
505, 5th Floor, Kundan Bhawan,
Azadpur Commercial Complex,
Delhi - 110033

Sub:- Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

We, Rajeev Bhatia & Associates, have audited the financial statements of Satin Housing Finance Limited (the “Company”) for the period ended March 31, 2024 and have issued our report dated April 22, 2024.

Based on the audited financial statements of the Company referred to above and information / explanations and representations received from the management, we confirm the following particulars: -

A> Applicable to all Housing Finance Companies:

The Company has obtained the Certificate of Registration (CoR – not valid for acceptance of public deposit) granted by the NHB dated 14 November 2017. Further, The Company is complying with the Principal Business Criteria as defined in para 4.1.17 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Company is meeting the required Net Owned Fund (NOF) requirement as prescribed under Section 29 A of the National Housing Bank Act, 1987 during the period under audit and as on March 31, 2024. The housing finance company has not issued paid-up preference shares which are compulsorily convertible into equity.

The Company has complied with Section 29C of the National Housing Bank Act, 1987 by creating a reserve fund in which 20 percent of its net profit has been transferred during the financial year ended March 31, 2024.

The total borrowings of the housing finance company are within the limits prescribed under Paragraph 27.2 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. With respect to the calculation of Loan To Value (LTV) Ratio, the Company computes Loan to Value ratio, for all loans except Ready Purchase Housing Loans so sanctioned, on the basis of Market Value, considering it as realisable value, of the residential property as denominator.

The capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the NHB during the financial year ended March 31, 2024, as per the directions issued by NHB in this regard, has been determined based on LTV calculated on Market Value of residential property, as reported in para 5 above, as denominator for all of its loan assets except Ready Purchase Housing Loans. As on March 31, 2024, such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR).

The Company, during the financial year March 31, 2024 has furnished to the NHB within the stipulated period the half-yearly statutory return, as specified in the directions issued by NHB.

The Company, during the financial year March 31, 2024 has furnished to the NHB within the stipulated period, the quarterly statutory return on Statutory Liquid Assets, as specified in the directions issued by NHB.

The Company has opened 8 new branches/ offices and closed 0 branch, with respect to the requirements contained in the directions issued by NHB and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Company has complied with the provisions contained in Paragraph 3.1.3 for Loans against securities of shares, Paragraph 3.1.4 for Loans against securities of single product – gold jewellery and Paragraph 18 for Loans against HFCs own shares of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits dated April 22, 2023;

The Company has not accepted any public deposits during the financial year ended March 31, 2024.

B> Applicable to Housing Finance Companies accepting/holding public deposits

The Company has obtained the Certificate of Registration (CoR – not valid for acceptance of public deposit) granted by the NHB dated 14 November 2017. Accordingly, Paragraph 70.2.1 to 70.2.7 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 are not applicable to the Company for the financial year ended March 31, 2024.

This certificate has been issued solely at the request of the Company in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and it is not to be used, circulated, quoted, or otherwise referred to for any other purposes without our prior written consent.

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

Jatin Goel
Partner
Membership No.: 553420
UDIN - 24553420BKABBW1890

Place: Delhi
Date: April 22, 2024

Independent Auditors' Report on the Financial Results of Satin Housing Finance Limited Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To,
The Board of Directors of
Satin Housing Finance Limited**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of financial results of Satin Housing Finance Limited (the "Company"), for the year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company is responsible for the preparation and presentation of the Statement that gives a true and fair view of the profit and loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Jatin Goel
Partner
Membership No.: 553420
UDIN - 24553420BKABBW1890

Place : Delhi
Date : April 22, 2024

The background of the slide is a collage of financial-related images. At the top left, there are several Euro coins. To their right is a line graph with multiple colored lines (blue, green, orange, purple) showing fluctuating trends. Below the graph is a table with financial data. On the right side, a yellow pencil is positioned vertically. In the center, the words 'FINANCIAL STATEMENTS' are written in a large, bold, sans-serif font. The word 'FINANCIAL' is in a dark purple color, while 'STATEMENTS' is in white. The text is overlaid on a semi-transparent grey rectangular area. The entire composition is set against a background of a wooden desk.

FINANCIAL STATEMENTS

Satin Housing Finance Limited
Balance Sheet as at March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,288.81	557.00
Bank balances other than above	5	2,724.73	963.40
Receivables	6		
(I) Trade receivables		106.20	-
(II) Other receivables		-	-
Loans	7	63,476.32	45,688.14
Other financial assets	8	78.22	85.13
		67,674.28	47,293.67
Non financial assets			
Current tax assets (net)		51.74	9.14
Deferred tax assets (net)	9	-	-
Property, plant and equipment	10	196.42	53.77
Intangible assets	11	46.74	29.81
Other non financial assets	12	1,170.29	912.44
		1,465.19	1,005.16
TOTAL		69,139.47	48,298.83
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	13		
total outstanding dues of MSMEs		-	-
total outstanding dues of creditors other than MSMEs		16.88	19.61
Borrowings (other than debt securities)	14	44,316.47	30,961.74
Subordinated liabilities	15	2,068.02	2,066.46
Other financial liabilities	16	593.41	300.16
		46,994.78	33,347.97
Non financial liabilities			
Current tax liabilities (net)		-	-
Deferred tax liabilities (net)	9	494.17	77.80
Provisions	17	60.46	50.38
Other non financial liabilities	18	555.81	266.52
		1,110.44	394.70
Total Liabilities		48,105.22	33,742.67
EQUITY			
Equity share capital	19	12,962.32	11,340.00
Other equity	20	8,071.93	3,216.16
Total equity		21,034.25	14,556.16
TOTAL		69,139.47	48,298.83

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

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

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

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Jatin Goel
Partner
M. No. 553420

H P Singh
(Director)
DIN: 00333754

Amit Sharma
(MD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Place: Gurugram
Date: April 22, 2024

Vaishali Goyal
(Company Secretary)
ACS: 53678

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	Notes	For year ended March 31, 2024	For year ended March 31, 2023
I. Revenue from operations			
Interest income	21	7,019.32	5,294.94
Fees and commission income	22	196.19	195.38
Net gain on fair value changes	23	-	-
Net gain on derecognition of financial instruments	23	1,582.97	606.79
Total Revenue from operations		8,798.48	6,097.11
II. Other income	24	432.82	90.10
III. Total income (I+II)		9,231.30	6,187.21
IV. Expenses:			
Finance costs	25	4,431.31	2,818.35
Impairment on financial instruments	26	207.66	200.66
Employee benefits expenses	27	2,465.83	1,795.33
Depreciation, amortization and impairments	28	111.95	44.21
Other expenses	29	845.75	544.48
Total expenses		8,062.50	5,403.03
V. Profit before tax (III-IV)		1,168.80	784.18
VI. Tax expense	31		
Current tax		85.41	77.11
Income Tax Relating to Earlier Years		-	(18.31)
Deferred tax credit		208.96	133.02
Total tax expense		294.37	191.82
VII. Net profit after tax (V-VI)		874.43	592.36
VIII. Other comprehensive income			
Item that will not to be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(10.70)	(6.89)
Income tax relating to these items		2.69	1.73
Item that will be reclassified to profit or loss			
Change in fair value of loan asset		834.85	(198.44)
Income tax relating to above		(210.12)	49.94
Other comprehensive income/(loss) for the year		616.72	(153.66)
XV. Total comprehensive income for the year		1,491.15	438.70
XVI. Earnings per share (basic and diluted)	30		
(in ₹ per share)			
Basic		0.74	0.57
Diluted		0.74	0.57

Accompanying notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our review report of even date.

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

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Jatin Goel
Partner
M. No. 553420

H P Singh
(Director)
DIN: 00333754

Amit Sharma
(MD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Place: Gurugram
Date: April 22, 2024

Vaishali Goyal
(Company Secretary)
ACS: 53678

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Cash Flows for the year ended March 31, 2024
(All amounts in rupees in lakhs, unless stated otherwise)

Particulars	For year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,168.80	784.18
Adjustments for:		
Depreciation and amortisation expense	61.00	39.77
Depreciation on ROU assets	50.95	4.44
Interest expense on lease rental assets	12.87	0.80
Interest income on security deposits	-	0.31
Change in amortized subordinated liabilities	1.56	0.85
Re-measurement gains on defined benefit plans	(8.01)	(5.16)
Operating Profit Before Working Capital Changes	1,287.17	825.19
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(106.20)	-
Loans	(17,163.45)	(16,866.93)
Other bank balances	(1,761.33)	(144.58)
Other financial assets	6.91	(22.97)
Other non financial assets	(257.85)	(358.80)
<i>Adjustments for (increase) / decrease in operating liabilities:</i>		
Trade payables	(2.73)	18.51
Other financial liabilities	293.25	75.03
Other non financial liabilities	289.29	93.76
Provisions	10.08	5.25
Movement in Operating Assets and Liabilities	(18,692.03)	(17,200.73)
Cash used in operations	(17,404.86)	(16,375.54)
Less: Income tax paid (net)	(79.40)	121.14
Net cash used in operating activities (A)	(17,325.46)	(16,496.68)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (net of disposed off)	(246.10)	(61.87)
Purchase of intangible assets	(25.43)	(24.51)
Net cash used in investing activities (B)	(271.53)	(86.38)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of equity share capital (including security premium)	4,999.99	3,999.90
Proceeds from borrowings	23,412.59	21,863.44
Repayment of borrowings	(10,160.99)	(9,806.71)
Lease liability	90.26	(5.85)
Expenses on a/c of issue of shares	(13.05)	(6.30)
Net cash flow from financing activities (C)	18,328.80	16,044.48
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	731.81	(538.58)
Cash and Cash Equivalents at the beginning of the year	557.00	1,095.58
Cash and Cash Equivalents at the end of the year	1,288.81	557.00
Reconciliation of cash and cash equivalents as per the cash flow statement	731.81	(538.58)

Accompanying notes form an integral part of these financial statements.

This is the cash flow statement referred to in our review report of even date.

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

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Jatin Goel
Partner
M. No. 553420

H P Singh
(Director)
DIN: 00333754

Amit Sharma
(MD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Place: Gurugram
Date: April 22, 2024

Vaishali Goyal
(Company Secretary)
ACS: 53678

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Statement of Changes in Equity as at March 31, 2024
(All amounts in rupees in lakhs, unless stated otherwise)

A Equity share capital
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 the beginning of the current reporting period	Changes in equity share capital during the current year*	Balance as at March 31, 2024
Equity Share Capital	11,340.00	-	-	1,622.32	12,962.32

As at March 31, 2023

Particulars	Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year*	Balance as at March 31, 2023
Equity Share Capital	10,000.00	-	-	1,340.00	11,340.00

*Equity Share Capital was issued to holding company i.e Satin Creditcare Network Limited.

B Other equity

Particulars	Reserves and surplus			Other Comprehensive income	Total
	Special Reserve	Security Premium	Retained earnings	Changes in fair value of loan assets	
Balance as at April 1, 2022	87.57	-	34.68	1.61	123.87
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	87.57	-	34.68	1.61	123.87
Profit for the year	-	-	592.36	-	592.36
Other comprehensive income for the year	-	-	(5.16)	(148.50)	(153.66)
Transfer to Special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of Income Tax Act, 1961	118.47	-	(118.47)	-	-
Securities premium received	-	2,659.90	-	-	2,659.90
Expenses on a/c of issue of shares	-	-	(6.30)	-	(6.30)
Balance as at March 31, 2023	206.04	2,659.90	497.11	(146.89)	3,216.16
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	206.04	2,659.90	497.11	(146.89)	3,216.16
Profit for the year	-	-	874.43	-	874.43
Other comprehensive income for the year	-	-	(8.01)	624.73	616.72
Transfer to Special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of Income Tax Act, 1961	174.89	-	(174.89)	-	-
Securities premium received	-	3,377.67	-	-	3,377.67
Expenses on a/c of issue of shares	-	-	(13.05)	-	(13.05)
Balance as at March 31, 2024	380.93	6,037.57	1,175.59	477.84	8,071.93

Accompanying notes form an integral part of the financial statements.

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

Jatin Goel
Partner
M. No. 553420

Place: Gurugram
Date: April 22, 2024

For and on behalf of the Board of Directors
Satin Housing Finance Limited

H P Singh **Amit Sharma** **Anil Kumar Kalra**
(Director) (MD & CEO) (Director)
DIN: 00333754 DIN: 08050304 DIN: 07361739

Vaishali Goyal
(Company Secretary)
ACS: 53678

Sachin Sharma
(Chief Financial Officer)

Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

4 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks in current accounts	285.34	151.95
Cash in hand	0.35	0.02
Term deposits with banks for original maturity of 3 months or less	1,003.12	405.03
	1,288.81	557.00

Note:

There are no repatriation restrictions with respect to Cash and Cash equivalents as at the end of the reporting year and prior years.

5 Bank balances other than above

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with banks for original maturity of 3 months or less	150.76	-
Term deposits with Banks for original maturity of more than 3 months and upto 1 year	1,347.57	656.04
Term deposits with Banks for original maturity of more than 1 year	1,226.40	307.36
	2,724.73	963.40

Note:

The amount under lien as security against overdraft facility availed, bank guarantee against loan refinance facility and cash collateral are as follows (included above in note 5)

Deposit pledged with banks for overdraft facilities availed by the Company	257.94	233.42
Deposit pledged with banks for bank guarantee against loan refinance facility	638.15	468.25
Deposit pledged with banks as cash collateral for Term loan	1,422.03	261.73

6 Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Trade Receivables		
Trade Receivables	106.20	-
Less: Provision for impairment on trade receivables	-	-
Total (A)	106.20	-
(II) Other Receivables		
Other Receivables	-	-
Less: Provision for impairment on other receivables	-	-
Total (B)	-	-
Total (A+B)	106.20	-

Notes:
Trade Receivables aging schedule

Trade Receivable's total outstanding dues as on March 31, 2024.

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	106.20	-	-	-	-	106.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivable's total outstanding dues as on March 31, 2023.

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

1. Corporate Information

Satin Housing Finance Limited (“the Company”) is a public company incorporated in India under Companies Act, 2013. The Company is a wholly owned subsidiary of Satin Creditcare Network Limited (the 'Holding Company'). The Company has received Certificate of Registration from National Housing Bank (NHB) under section 29A of the National Housing Bank Act, 1987 dated November 14, 2017 vide registration number 11.0161.17.

The main objects of the Company, inter alia, are to carry out 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 and loan against collateral.

The Company is domiciled in India and its registered office is situated at 505, 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 financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in this financial statements.

The financial statements for the year ended March 31, 2024 were authorized and approved for issue by the Board of Directors on April 22, 2024.

(ii) Historical cost convention

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

3. Summary of material accounting policies

The financial statements have been prepared using the material accounting policies and measurement bases summarised below. These policies are applied consistently for all the periods presented in the financial statements.

a) Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of a holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flows are realised. Therefore, the company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions and intent of the management for future business. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company shall change the classification of the financial assets held in that business model. Based on this assessment with respect to the direct assignment transaction executed during the year and considering future business plans of the Company, the management has measured its financial assets at amortised cost as the asset is held within a business model whose primary objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (‘the ‘SPPI criterion’).

b) Property, plant and equipment

Recognition and initial measurement

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

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

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

Asset class	Useful life
Office equipment	5 years
Computer and accessories	3 years
Computer and accessories	6 years
Furniture and fixtures	10 years

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

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

The Company fully depreciates the assets having individual value of Rs. 5,000 or less in the year of acquisition.

De-recognition

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

Capital work-in-progress

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

c) Revenue recognition

Interest income

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. The Company recognizes interest income by applying the EIR to the gross carrying amount of financial assets. Additional interest/overdue interest/penal charges are recognised only when it is reasonable certain that the ultimate collection will be made.

Fees and 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 recognised at the time when the right to receive is established by the reporting date.

Gain on derecognition of financial instruments

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 assets over the remaining period of such assets.

Processing charges

The Company collects certain non-refundable processing charges at the time of application from all the prospective borrower, and recognise this income on collection basis.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/ collection.

d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred basis the effective interest rate method.

e) Taxation

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.

Current tax comprises the tax payable or receivable on taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised loss amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

f) Employee benefits

Short-term employee benefits

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

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

Defined contribution plans

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

Defined benefit plans

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

Other long-term employee benefits

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

g) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

h) Impairment of financial assets

Loan assets

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

- Stage 1 (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:

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

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

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default.

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

Other financial assets

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

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 only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

i) Cash and cash equivalents and cash flow statements

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

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

j) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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

k) Leases

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

The Company as a lessee

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

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

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

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

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

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

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

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

The Company as a lessor

The company does not have any leases as a lessor.

1) Financial instruments

Initial recognition and measurement

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

Non-derivative financial assets

Subsequent measurement

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Financial assets (debt instruments e.g. loans) 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 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

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

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

m) Earnings per share

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

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

n) Segment reporting

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

o) 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.

Significant management judgements

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

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

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of 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

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

Significant estimates

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

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

Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

7 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
	At fair value through OCI	At fair value through OCI
Housing loans	40,301.46	29,183.33
Non Housing loans	23,816.04	16,966.43
Total - Gross	64,117.50	46,149.76
<i>Less:</i> Allowance for impairment loss for loan assets	(641.18)	(461.62)
Total - Net	63,476.32	45,688.14

Note:

- 1) All loan assets have been provided against tangible assets being immovable properties only.
- 2) All loan assets have been provided to beneficiaries/members of public only. No loan has been granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- 3) All loan assets have been provided in India only.
- 4) The Company is not granting any loans against gold jewellery as collateral.

Particulars

Interest accrued	531.30	399.30
Unamortized loan processing fees	1,398.75	862.17

8 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
	At amortised Cost	
Security deposits (unsecured, considered good)	26.30	16.03
Advances recoverable in cash or in kind	1.19	-
Receivables from Govt. Authorities	50.73	69.10
	78.22	85.13

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Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

9 Deferred tax assets/(liabilities) (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets recognised on account of:		
(a) Employee benefits	15.22	12.68
(b) Allowance for impairment of loans	168.45	116.18
(c) Measurement of financial assets and liabilities at amortised cost	1.11	1.11
(d) Depreciation and amortisation	4.99	4.45
(e) Mat Credit Entitlement	-	-
(f) Others	0.18	0.18
	189.95	134.60
Deferred tax liabilities recognised on account of:		
(g) Impact of IND AS 116	(1.67)	2.15
(h) Gain on sale/fair valuation of portfolio	643.45	180.22
(i) Special reserve u/s 36 (i) (viii) under Income Tax Act, 1961	42.34	30.03
	684.12	212.40
Net deferred tax asset	(494.17)	(77.80)

Notes:
(i) Movement in deferred tax assets/(liabilities) for year ended March 31, 2024 :

Particulars	As at April 1, 2023	Recognised in other comprehensive income	Recognised statement of profit and loss	As at March 31, 2024
Tax effect of items constituting deferred tax assets:				
(a) Employee benefits	12.68	2.69	(0.15)	15.22
(b) Allowance for impairment of loans	116.18	-	52.27	168.45
(c) Measurement of financial assets and liabilities at amortised cost	1.11	-	-	1.11
(d) Depreciation and amortisation	4.45	-	0.54	4.99
(e) Mat credit entitlement	-	-	-	-
(f) Others	0.18	-	-	0.18
	134.60	2.69	52.66	189.95
Tax effect of items constituting deferred tax liabilities:				
(g) Impact of IND AS 116	2.15	-	(3.82)	(1.67)
(h) Gain on sale of portfolio	180.22	210.12	253.11	643.45
(i) Special reserve u/s 36 (i) (viii) under Income Tax Act, 1961	30.03	-	12.31	42.34
	212.40	210.12	261.60	684.12
Net deferred tax asset/(liabilities)	(77.80)	(207.43)	(208.94)	(494.17)

(ii) Movement in deferred tax assets/(liabilities) for year ended March 31, 2023 :

Particulars	As at April 1, 2022	Recognised in other comprehensive income	Recognised statement of profit and loss	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
(a) Employee benefits	12.55	1.73	(1.60)	12.68
(b) Allowance for impairment of loans	72.60	-	43.58	116.18
(c) Measurement of financial assets and liabilities at amortised cost	1.11	-	-	1.11
(d) Depreciation and amortisation	4.90	-	(0.45)	4.45
(e) Mat credit entitlement	19.28	-	(19.28)	-
(f) Others	0.20	-	(0.02)	0.18
	110.64	1.73	22.23	134.60
Tax effect of items constituting deferred tax liabilities:				
(g) Impact of IND AS 116	3.73	-	1.58	2.15
(h) Gain on sale of portfolio	76.05	(49.94)	154.11	180.22
(i) Special reserve u/s 36 (i) (viii) under Income Tax Act, 1961	20.77	-	9.26	30.03
	100.55	(49.94)	164.95	212.40
Net deferred tax asset/(liabilities)	10.09	51.67	(142.72)	(77.80)

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

10 Property, plant and equipment

Description	Computers and accessories	Furniture and Fixtures	Office equipments	ROU Assets	Total
Gross carrying value					
As at April 01, 2022	72.45	7.15	20.15	24.75	124.50
Additions	53.23	2.04	6.60	-	61.87
Disposals	-	-	-	-	-
As at March 31, 2023	125.68	9.19	26.75	24.75	186.37
Additions	75.42	4.49	17.60	148.59	246.10
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	201.10	13.68	44.35	173.34	432.47
Accumulated depreciation					
As at April 01, 2022	59.62	3.83	14.63	16.82	94.90
Additions	27.99	1.12	4.15	4.44	37.70
Adjustment for disposals	-	-	-	-	-
As at March 31, 2023	87.61	4.95	18.78	21.26	132.60
Additions	44.47	1.67	6.36	50.95	103.45
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	132.08	6.62	25.14	72.21	236.05
Net block as at March 31, 2023	38.07	4.24	7.97	3.49	53.77
Net block as at March 31, 2024	69.02	7.06	19.21	101.13	196.42

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Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

11 Intangible assets

Description	Intangible assets	Total
*Intangible assets include softwares		
Gross carrying value		
As at April 01, 2022	21.61	21.61
Additions	24.51	24.51
Disposals	-	-
As at March 31, 2023	46.12	46.12
Additions	25.43	25.43
Disposals	-	-
As at March 31, 2024	71.55	71.55
Accumulated depreciation		
As at April 01, 2022	9.80	9.80
Additions	6.51	6.51
Adjustment for disposals	-	-
As at March 31, 2023	16.31	16.31
Additions	8.50	8.50
Adjustment for disposals	-	-
As at March 31, 2024	24.81	24.81
Net block as at March 31, 2023	29.81	29.81
Net block as at March 31, 2024	46.74	46.74

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Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

12 Other non financial assets

Particulars		As at March 31, 2024	As at March 31, 2023
Prepaid expenses		1,052.01	781.14
Prepaid rental asset		-	1.64
Acquired property (held for sale)	137.12		
Less: Allowance for impairment loss for acquired property	(28.11)	109.01	110.63
Other assets		9.27	19.03
		<u>1,170.29</u>	<u>912.44</u>

Note : Acquired property (held for sale)

Title deeds held in the name of	Description of item of property	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 Company	As at March 31, 2024	As at March 31, 2023
Ravi Kalindi	Land & Building	No	23-03-2024		9.56	-
Purnima Behra	Land & Building	No	31-03-2023		17.26	17.26
Sadhna Sharma	Land & Building	No	28-02-2023		17.94	17.94
Babita	Land & Building	No	23-03-2024		21.22	-
Priyanka Yadav	Land & Building	No	29-02-2024		12.89	-
Raj Kumar Gupta	Land & Building	No	17-06-2023		15.33	-
Shri Chand	Land & Building	No	31-03-2023		18.93	18.93
Suraj Bhan	Land & Building	No	23-03-2024		8.62	-
Shri Chand	Land & Building	No	31-03-2023		1.74	1.74
Ravi Kalindi	Land & Building	No	23-03-2024	Assest acquired under court order as per SARFAESI Act	0.90	-
Babita	Land & Building	No	23-03-2024		1.91	-
Tej Singh	Land & Building	No	30-12-2023		9.17	-
Sunil Sunil	Land & Building	No	31-03-2024		1.64	-
Kiran W/O Mukesh Chauhan	Land & Building	No	31-03-2023		-	3.54
Kiran W/O Mukesh Chauhan	Land & Building	No	31-03-2023		-	20.37
Shailo Devi W/O Vijay Singh	Land & Building	No	22-01-2022		-	24.46
Subhash Dagar	Land & Building	No	28-02-2023		-	6.39
Total					137.12	110.63

13 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
total outstanding dues of MSMEs	-	-
total outstanding dues of creditors other than MSMEs	16.88	19.61
	<u>16.88</u>	<u>19.61</u>

Notes:
Trade Payables ageing Schedule

Trade Payable's total outstanding dues as on March 31, 2024.

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	16.88	-	-	-	16.88
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payable's total outstanding dues as on March 31, 2023.

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	19.61	-	-	-	19.61
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

14 Borrowings (other than debt securities)

Particulars	As at March 31, 2024			Total
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	
A) Term Loan				
i) from banks	15,835.00	-	-	15,835.00
ii) from financial institution*	28,273.76	-	-	28,273.76
B) Loan repayable on demand - Cash Credit				
i) from bank	99.95	-	-	99.95
C) Finance lease obligations	107.76	-	-	107.76
Total (A+B+C)	44,316.47	-	-	44,316.47
Borrowings in India	44,316.47	-	-	44,316.47
Borrowings outside India	-	-	-	-
Total	44,316.47	-	-	44,316.47
Secured	44,316.47	-	-	44,316.47
Unsecured	-	-	-	-

Particulars	As at March 31, 2023			Total
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	
A) Term Loan				
i) from banks	3,599.04	-	-	3,599.04
ii) from financial institution*	27,358.07	-	-	27,358.07
B) Finance lease obligations	4.63	-	-	4.63
Total (A+B)	30,961.74	-	-	30,961.74
Borrowings in India	30,961.74	-	-	30,961.74
Borrowings outside India	-	-	-	-
Total	30,961.74	-	-	30,961.74
Secured	30,961.74	-	-	30,961.74
Unsecured	-	-	-	-

*Financial Institution includes refinance facility outstanding from National Housing Bank.

Notes:

(1) **Details of borrowings outstanding under Guarantee**

	As at March 31, 2024	As at March 31, 2023
from director	25,349.26	12,488.71
from holding company (Satin Creditcare Network Limited)	13,940.55	9,625.56

(2) The company has used the borrowings from banks and financial institutions for the purpose for which it was taken.

(3) Statements of book debts filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(4) **Details of interest accrued and unamortised fees balance**

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	125.41	82.59
Unamortized debt securities fees	282.50	195.00

(5) All the borrowings of the company are used for the specific purpose for which it was taken.

Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

15 Subordinated liabilities (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Convertible Debentures - Unsecured	2,068.02	2,066.46
20 (31 March 23; 20) @14% Unsecured listed redeemable nonconvertible debentures of face value of INR 1,00,00,000 each, The date of allotment was December 17, 2019.		
Total (A)	2,068.02	2,066.46
Subordinated liabilities in India	2,068.02	2,066.46
Subordinated liabilities outside India	-	-
Total (B)	2,068.02	2,066.46

Non convertible debentures (unsecured)

Particulars	Terms of repayment	As at March 31, 2024	As at March 31, 2023
20 (31 March 23; 20) @14% Unsecured listed redeemable nonconvertible debentures of face value of INR 1,00,00,000 each, The date of allotment was December 17, 2019.	Redeemable in equally 4 tranches starting from 30-06-2025 to 31-12-2026	2,000.00	2,000.00
Total		2,000.00	2,000.00
Less : Unamortized transaction cost		2.37	3.34
Net Total		1,997.63	1,996.66

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	70.38	69.81

Reconciliation of liabilities arising from financing activities

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

Particulars	Borrowings (other than debt)	Subordinated liabilities	Liability against leased assets	Total
April 01, 2022	18,900.38	2,065.61	9.68	20,975.67
Adoption of Ind AS 116	-	-	-	-
Cash flows:				
- Repayment	(9,806.71)	-	(5.85)	(9,812.56)
- Proceeds from overdraft facility	-	-	-	-
- Proceeds other than overdraft facility	21,930.00	-	-	21,930.00
Non cash:				
- Addition during the year	-	-	-	-
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-	-
- Foreign exchange	-	-	-	-
- Amortisation of upfront fees and others	(66.56)	0.85	-	(65.71)
- Others	-	-	0.80	0.80
March 31, 2023	30,957.11	2,066.46	4.63	33,028.20
Adoption of Ind AS 116	-	-	-	-
Cash flows:				
- Repayment	(10,160.99)	-	(43.99)	(10,204.98)
- Proceeds from overdraft facility	100.00	-	-	100.00
- Proceeds other than overdraft facility	23,400.00	-	-	23,400.00
Non cash:				
- Addition during the year	-	0.58	148.59	149.17
- Conversion of Optionally Convertible, Redeemable Preference Shares	-	-	-	-
- Foreign exchange	-	-	-	-
- Amortisation of upfront fees and others	(87.41)	0.98	-	(86.43)
- Others	-	-	(1.47)	(1.47)
March 31, 2024	44,208.71	2,068.02	107.76	46,384.49

16 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Payable towards assignment transactions	342.56	140.26
Expenses payable	224.33	130.32
Employee related payables	19.32	5.20
Insurance related payable	5.76	22.94
Other liabilities	1.44	1.44
	593.41	300.16

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

17 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for Gratuity		
Present value of obligation for gratuity	84.20	59.28
Fair value of plan assets	84.20	59.28
Net obligation	-	-
Provision for compensated absences	60.46	50.38
	60.46	50.38

18 Other non financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance received from customers	425.14	217.47
Statutory dues payable	130.67	49.05
	555.81	266.52

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Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

(6) Terms of repayment of Borrowings (other than debt securities) 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	
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Monthly	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	287	6,205.87	251	5,696.52	199	5,142.31	122	3,966.28	102	2,440.10	961	23,451.08
	12.01% to 15%	304	4,806.96	240	4,393.05	182	2,825.49	84	1,549.11	5	74.50	815	13,649.11
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Quarterly	Below 9.00%	21	957.62	24	1,107.08	24	1,104.06	17	656.05	82	3,028.37	168	6,853.18
	9% to 12%	6	250	2	63	-	-	-	-	-	-	8	312.50
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-	-
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Bullet	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-	-
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Total		618	12,220.45	517	11,259.15	405	9,071.86	223	6,171.44	189	5,542.97	1,952	44,265.87

Terms of repayment of Borrowings (other than debt securities) as on March 31, 2023 are as follows: #

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total	
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount
Monthly	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	187	2,805.99	187	2,865.36	165	2,538.03	117	2,003.00	50	835.91	706	11,048.29
	12.01% to 15%	289	4,029.33	211	3,851.14	144	3,362.09	100	1,912.76	26	771.42	770	13,926.74
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Quarterly	Below 9.00%	16	785.85	19	965.85	16	807.08	16	804.06	49	1,919.54	116	5,282.38
	9% to 12%	7	313	7	313	2	63	-	-	-	-	16	687.50
	12.01% to 15%	2	125.00	-	-	-	-	-	-	-	-	2	125.00
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-	-
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Bullet	Below 9.00%	-	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-	-
	12.01% to 15%	-	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-	-
Total		501	8,058.67	424	7,994.85	327	6,769.70	233	4,719.82	125	3,526.87	1,610	31,069.91

All the above mentioned repayments disclosed as per the contractual maturities of Borrowings (other than debt securities) at gross carrying value.

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

21 Interest income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on loans	6501.28	5112.33
Interest income on deposits with banks	518.04	182.92
Other interest income	0.00	(0.31)
	7019.32	5294.94

22 Fees and commission income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from fees and other charges	196.19	195.38
	196.19	195.38

23 Net gain on derecognition of financial instruments

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gain on sale of loan portfolio through assignment	1582.97	606.79
	1582.97	606.79

24 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from promotion of financial products	430.00	90.00
Miscellaneous income	2.82	0.10
	432.82	90.10

25 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Interest on borrowings		
Interest expense on bank overdraft	0.16	0.04
Interest expense on term loan from others	4073.94	2495.50
Interest expense on subordinated liabilities	280.58	277.70
Interest expense on lease rental assets	12.87	0.80
(B) Other interest expense		
Interest expense on taxes	0.00	0.22
Corporate guarantee fees	60.97	42.10
Commission on bank guarantee	2.79	1.99
	4431.31	2818.35

26 Impairment on financial instruments

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Impairment on loan assets	207.66	200.66
	207.66	200.66

Satin Housing Finance Limited**Notes forming part of Financial Statements for the year ending March 31, 2024**

(All amounts in rupees in lakhs, unless stated otherwise)

27 Employee benefits expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	2239.20	1629.85
Contribution to provident and other funds	113.74	88.64
Staff welfare expenses	109.13	75.46
Recruitment expenses	3.76	1.38
	2465.83	1795.33

28 Depreciation, amortization and impairments

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant & equipments	52.50	33.26
Depreciation on right on use assets	50.95	4.44
Amortization on intangible assets	8.50	6.51
	111.95	44.21

29 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement expenses	8.74	5.60
Auditor's remuneration*	31.34	19.45
Rates and taxes	9.12	14.26
Legal and professional charges	63.73	26.73
Financial inspection expenses	23.71	10.89
Legal Verification Charges	56.48	30.46
Technical Verification Charges	57.67	35.94
Travelling and conveyance	59.17	42.31
Power and fuel	18.54	11.23
Office maintenance charges	61.30	29.09
Software expenses	91.27	80.26
Communication cost	57.26	26.87
Rent	87.26	95.48
Director sitting fees	5.23	4.03
Corporate social responsibility#	9.48	0.00
Printing and stationery	47.62	43.84
Security guard expenses	0.00	2.00
DSA commission	74.05	12.71
Credit rating charges	25.57	20.04
Record maintainance charges	43.43	14.95
Bank charges	3.49	8.31
Miscellaneous expenses	11.29	10.03
	845.75	544.48

***Auditor's remuneration includes**

As Auditors	10.28	9.31
Other Services	21.06	10.14
	31.34	19.45

Satin Housing Finance Limited**Notes forming part of Financial Statements for the year ending March 31, 2024**

(All amounts in rupees in lakhs, unless stated otherwise)

Corporate social responsibility expenses

The Company's expenses towards Corporate Social Responsibility (CSR) activities as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Amount required to be spent during the year	9.48	0.00
b) Amount of expenditure incurred*	9.48	0.00
c) Shortfall/(excess) at the end of the year	0.00	0.00
d) Total of previous years shortfall	0.00	0.00
e) Reason for shortfall*	NA	NA
f) Nature of CSR activities	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	NA
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

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Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

30 Earnings per share (basic and diluted)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit for the year	874.43	592.36
Weighted average number of equity shares for EPS (in lakhs)	1,188.76	1,040.75
Par value per share	10.00	10.00
Earnings per share - Basic and diluted	0.74	0.57

31 Tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax (including taxes earlier years)	85.41	58.80
Deferred tax credit	208.96	133.02
	294.37	191.82

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	1,168.80	784.18
At country's statutory income tax rate of 25.17% (PY : 25.17%)	294.16	197.36
Adjustments in respect of taxes earlier years		
(i) Taxes earlier years	-	(11.22)
(ii) MAT writeoff due to adoption of new regime	-	5.66
(iii) Others	0.21	0.01
	294.37	191.82

32 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 on 'Segment Reporting' is considered to be only the reportable business segment. The company derives its major revenues from financing activities and its customers are widespread. The Company is operating in India which is considered as a single geographical segment.

Information about interest income on loans

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Housing loans	3,881.78	3,325.36
Non Housing loans	2,619.50	1,786.97
Total	6,501.28	5,112.33

33 Contingent liability and Capital & other commitments

Contingent liability as on March 31, 2024 - Nil (March 31, 2023 - Nil)

Estimated amount of contracts remaining to be executed on capital account is Nil (31st March 2023 - Nil)

The company has undrawn exposure towards customers of ₹ 3,975.50 lakhs (March 31, 2023 - INR 4,210.80 lakhs)

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Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

19	Equity share capital	As at March 31, 2024	As at March 31, 2023
	Authorised equity share capital		
	13,00,00,000 (31 March 2023: 11,40,00,000) Equity shares of ₹10 each	13,000.00	11,400.00
		13,000.00	11,400.00
	Issued, subscribed and paid up equity share capital		
	12,96,23,230 (31 March 2023: 11,34,00,000) Equity shares of ₹10 each	12,962.32	11,340.00
		12,962.32	11,340.00

i) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. 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.

ii) Reconciliation of equity shares outstanding at year end date

Equity share capital of ₹ 10 each fully paid up

Balance at the beginning of the year

Add: Issued during the year

Balance at the end of the year

No. of shares	₹	No. of shares	₹
As at March 31, 2024		As at March 31, 2023	
1,134.00	11,340.00	1,000.00	10,000.00
162.23	1,622.32	134.00	1,340.00
1,296.23	12,962.32	1,134.00	11,340.00

iii) Shares held by holding company as at balance sheet date:

Equity share capital of ₹ 10 each fully paid up

Satin Creditcare Network Limited (holding company)

No. of shares	% holding	No. of shares	% holding
As at March 31, 2024		As at March 31, 2023	
1,296.23	100%	1,134.00	100%
1,296.23	100%	1,134.00	100%

iv) Shareholding of Promoters

Shares held by promoters at the end of the March 31, 2024				
S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Satin Creditcare Network Limited	1,296.23	100.00%	0.00%

Shares held by promoters at the end of the March 31, 2023				
S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Satin Creditcare Network Limited	1,134.00	100.00%	0.00%

20	Other equity	As at March 31, 2024	As at March 31, 2023
	<u>Special Reserve u/s 29C of National Housing Bank Act, 1987 read with 36 (1) (viii) of Income Tax Act, 1961</u>		
	Balance at the beginning of the year	206.04	87.57
	Transferred during the year	174.89	118.47
	Utilised during the year	-	-
	Balance at the end of the year	380.93	206.04
	<u>Security Premium</u>		
	Balance at the beginning of the year	2,659.90	-
	Transferred during the year	3,377.67	2,659.90
	Utilised during the year	-	-
	Balance at the end of the year	6,037.57	2,659.90

Retained earnings

Balance at the beginning of the year	497.11	34.68
Transferred from statement of profit and loss	874.43	592.36
Other comprehensive income		
- Remeasurement income on defined benefit plans	(10.70)	(6.89)
- Income tax relating to above item	2.69	1.73
Transfer to Special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of Income Tax Act, 1961	(174.89)	(118.47)
Expenses on a/c of issue of shares	(13.05)	(6.30)
Balance at the end of the year	1,175.59	497.11

Changes in fair value of loan assets

Balance at the beginning of the year	(146.89)	1.61
- Change in fair value of loan asset through other comprehensive income	834.85	(198.44)
- Income tax relating to above item	(210.12)	49.94
Balance at the end of the year	477.84	(146.89)
Total Other Equity	8,071.93	3,216.16

Note:

Other comprehensive income (OCI)

The Company has recognised remeasurements of defined benefits plans & fair value of loan assets through other comprehensive income.

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34 Related Party transactions

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

a. Details of related parties:

Description of relationship	Names of related parties	
Holding company	Satin Creditcare Network Limited	
Directors	Mr. Harvinder Pal Singh Mr. Sundeep Mehta Mr. Anil Kalra Dr. Jyoti Ahluwalia (w.e.f April 27, 2022)	
Key management personnel (KMP)	Amit Sharma ; Managing Director & Chief Executive Officer Sachin Sharma ; Chief Financial Officer Prince Kumar ; Company Secretary (till April 27, 2022) Brajesh Kumar ; Chief Compliance Officer (w.e.f October 01, 2023) Vaishali Goyal ; Company Secretary (w.e.f April 28, 2022)	

b. Transactions with Related Parties are as under:

Transactions during the year		Related Party Entities		Key Management Personnel	
Name of related party	Nature of transaction	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Satin Creditcare Network Limited	i) Issue of Equity Shares	4,999.99	3,999.90	-	-
	ii) Expense of Rent for sharing registered office premises	37.25	33.57	-	-
	iii) Loan proceeds	-	3,000.00	-	-
	iv) Loan repayment	-	3,500.00	-	-
	v) Interest on Loan	-	65.92	-	-
	vi) Corporate guarantee fees	92.91	115.58	-	-
Mr. Harvinder Pal Singh	expenses	60.97	42.10	-	-
	Personal guarantee given	16,600.00	9,030.00	-	-
	Sitting fees#	1.90	1.50	-	-
	Sitting fees#	1.90	1.50	-	-
	Sitting fees#	1.00	0.70	-	-
#taxes extra					

c. Key Management Personnel

* Salary and Bonus		
i. Amit Sharma; Managing Director & Chief Executive Officer	114.78	93.25
ii. Sachin Sharma; Chief Financial Officer	64.35	50.01
iii. Prince Kumar; Company Secretary (till April 27, 2022)	-	0.56
iv. Brajesh Kumar; Chief Compliance Officer (w.e.f October 01, 2023)	5.00	-
v. Vaishali Goyal; Company Secretary (w.e.f April 28, 2022)	14.12	11.64

During the year March 31, 2024, Mr Amit Sharma has taken a advance of INR 35 lakh and Mr Sachin Sharma has taken a advance of INR 10 lakh and repaid during the year.

With respect to the key management personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

Key management personnel remuneration includes the following expenses:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	198.25	155.45
Post-employment benefits	10.27	5.95
Other long term benefits	3.06	(1.48)
Total remuneration	211.59	159.92

d. Balances with related parties in ordinary course of business:

Type of ransaction	Name of related party	Nature of balance	As at March 31, 2024	As at March 31, 2023
Closing Outstanding	Satin Creditcare Network Limited	Term Loan	-	-
Maximum Balance	Satin Creditcare Network Limited	Term Loan	-	2,000.00

e. Details of gurantee outstanding against borrowings

Name of related party	Nature of balance	As at March 31, 2024	As at March 31, 2023
Mr. Harvinder Pal Singh	Personal guarantee	25,349.26	12,488.71
Satin Creditcare Network Limited	Corporate guarantee	13,940.55	9,625.56



35 Leases disclosure as lessee

The Company has taken various office premises under operating lease arrangements. Generally, the lease term varies from 10 months to 60 months and is renewable under mutually agreed terms between lessee and lessor. The company has considered leases having initial lease term of upto 12 months as short term leases as per para 6 of Ind AS 116 and thier expenses have been recognised as Rent under note 31. For all other leases having lease term of more than 12 months a right of use asset is recognised with a corresponding lease liability. The right of use asset is disclosed under Property, Plant and Equipment and lease liability is disclosed under Borrowings. Further disclosures as on March 31, 2024 are as follows:

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

Particulars	Righ of use asset Office Premises	
	As at March 31, 2024	As at March 31, 2023
Total number of leases	38	30
Number of leases considered as short term leases	22	28
No. of right-of use assets leased	16	2
Range of remaining term	From 2 month to 53 months	From 1 month to 33 months
Average remaining lease term	19.50 months	12.72 months
No. of leases with extension options	0	0
No. of leases with purchase options	0	0
No. of leases with variable payments linked to an index	0	0
No. of leases with termination options	33	28

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

Particulars	Righ of use asset Office Premises	
	As at March 31, 2024	As at March 31, 2023
Opening Carrying amount	3.49	7.93
Reclassified on account of adoption of Ind AS 116	-	-
Addition	148.59	-
Deletion	-	-
Depreciation	50.95	4.44
Closing Carrying amount	101.13	3.49

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, 2024	As at March 31, 2023
Current	41.06	4.41
Non-current	66.70	0.22
Total	107.76	4.63

4 At March 31, 2024 (March 31, 2023 : Nil)the Company do not have any committed leases which had not commenced.

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

As at March 31, 2024

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	50.79	9.73	41.06
1-2 years	37.21	5.42	31.79
2-5 years	39.53	4.62	34.91
Total	127.53	19.77	107.76

As at March 31, 2023

Particulars	Lease payments	Finance charges	Net present values
Within 1 year	4.61	0.20	4.41
1-2 years	0.22	-	0.22
2-5 years	-	-	-
Total	4.83	0.20	4.63

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



6 Operating leases

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

Office premises

Particulars	As at March 31, 2024	As at March 31, 2023
Short term leases	71.89	101.84
Leases of low value assets	-	-
Variable lease payments	-	-
Total	71.89	101.84

7 The Company had total cash outflows for leases of INR 140.41 Lakhs in 31 March 2024 (INR 97.05 Lakhs in 31 March 2023).

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	50.95	4.44
Interest expense on lease liabilities	12.87	0.80
Expense relating to short-term leases (included in other expenses)	87.26	95.48
Expense relating to leases of low-value assets (included in other expenses)	-	-
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	151.08	100.72

9 The Company has lease contracts for for office buildings used in its operations. Leases of these buildings generally have lease terms between 2 and 5 years. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

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

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

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

Particulars		Within five years	More than five years	Total
Extension options expected not to be exercised	count	-	-	-
Termination options expected to be exercised	count	-	-	-
Extension options expected not to be exercised	INR Lakhs	-	-	-
Termination options expected to be exercised	INR Lakhs	-	-	-
Total		-	-	-

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36 Employee benefits

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

Defined contribution plans

Provident fund 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.

	As at March 31, 2024	As at March 31, 2023
Employers contribution to provident and other fund	113.74	88.64

Defined benefit plans

Gratuity

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

Risks associated with plan provisions

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

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

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation	84.20	59.28
Fair value of plan assets	84.20	59.28
Net obligation recognised in balance sheet as provision	-	-

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	20.03	15.73
Past service cost including curtailment gains/losses	-	-
Interest cost on defined benefit obligation	4.39	2.49
Net impact on profit (before tax)	24.42	18.22

Amount recognised in the other comprehensive income:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gain)/loss recognised during the year	9.07	6.90

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

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation as at the beginning of year	59.28	34.16
Current service cost	20.03	15.73
Interest cost	4.39	2.49
Benefits paid	(8.57)	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	1.63	(0.60)
Actuarial (gain)/loss on arising from experience adjustment	7.44	7.50
Present value of defined benefit obligation as at the end of the year	84.20	59.28

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

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at beginning of year	59.28	34.16
Actual return on plan assets	2.76	0.01
Employer's contribution	30.73	25.11
Benefits paid	(8.57)	-
Fair value of plan assets at the end of the year	84.20	59.28

(v) Actuarial assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
Discounting rate	7.12%	7.41%
Future salary increase	8.00%	8.00%
Retirement age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	25.50%	25.50%
From 31 to 44 years	38.10%	38.10%
Above 44 years	0.00%	0.00%
Weighted average duration	3.35	3.41

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.

Assumptions for actuarial valuation is based on experience on past data updated till the reporting date of the Company regarding movement of employees.

(vi) Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2024	As at March 31, 2023
Impact of the change in discount rate		
Present value of obligation at the end of the year	84.20	59.28
- Impact due to increase of 0.50 %	(2.87)	(2.18)
- Impact due to decrease of 0.50 %	3.04	2.31
Impact of the change in salary increase		
Present value of obligation at the end of the year	84.20	59.28
- Impact due to increase of 0.50 %	3.00	2.29
- Impact due to decrease of 0.50 %	(2.86)	(2.18)

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.

(vii) Maturity profile of defined benefit obligation

Year	As at March 31, 2024	As at March 31, 2023
0 to 1 year	10.70	4.98
1 to 2 year	20.43	7.29
2 to 3 year	14.31	4.82
3 to 4 year	10.63	3.25
4 to 5 year	7.85	2.02
5 to 6 year	5.23	1.05
6 year onwards	15.05	35.86

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37 Financial Instruments

37.01 Financial assets and liabilities

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

Particulars	Notes to schedule	As at March 31, 2024	As at March 31, 2023
Financial assets measured at fair value			
Loans measured at fair value through other comprehensive income	7	63,476.32	45,688.14
Financial assets measured at amortised cost			
Cash and cash equivalents	4	1,288.81	557.00
Bank balances other than above	5	2,724.73	963.40
Trade receivables	6	106.20	-
Security deposits	8	26.30	16.03
Other financial assets	8	51.92	69.10
Total		67,674.28	47,293.67
Financial liabilities measured at amortised cost			
Trade payables	13	16.88	19.61
Borrowings (other than debt securities but including interest accrued)	14	44,316.47	30,961.74
Subordinated liabilities	15	2,068.02	2,066.46
Other financial liabilities	16	593.41	300.16
Total		46,994.78	33,347.97

37.02 Fair value measurement of assets and liabilities

(a) Fair values hierarchy

The fair value of financial instruments as referred to in note 37.01 above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

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).

The following table shows the levels within the hierarchy of assets measured at fair value on a recurring basis:

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Loans measured at fair value through other comprehensive income	-	-	63,476.32	63476.32
As at March 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Loans measured at fair value through other comprehensive income	-	-	45,688.14	45688.14

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.

(b) Sensitivity analysis

Particulars	Fair Value at March 31, 2023	Impact of change in rates on total comprehensive income statement		
		Sensitivity	Favourable	Unfavourable
Loans	64117.5	1%	3,857.85	(2,323.54)

(c) The following table presents the changes in level 3 item for the year ended March 31, 2024.

Particulars	Loans
As at April 1, 2022	28,969.72
Acquisition during the year	31,584.82
Disposal during the year	(14,667.96)
Gains recognised in other comprehensive income	(198.44)

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As at March 31, 2023	45,688.14
As at April 1, 2023	45,688.14
Acquisition during the year	45,630.09
Disposal during the year	(28,676.76)
Gains/(loss) recognised in other comprehensive income	834.85
As at March 31, 2024	63,476.32

37.03 Fair value of instruments measured at amortised cost

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	1,288.81	1,288.81	557.00	557.00
Bank balances other than above	2,724.73	2,724.73	963.40	963.40
Trade receivables	106.20	106.20	-	-
Security deposits	26.30	26.30	16.03	16.03
Other financial assets	51.92	51.92	69.10	69.10
Total	4,197.96	4,197.96	1,605.53	1,605.53
Financial liabilities				
Trade payable	16.88	16.88	19.61	19.61
Borrowings (other than debt securities)	44,316.47	44,316.47	30,961.74	30,961.74
Subordinated liabilities	2,068.02	2,172.61	2,066.46	2,203.35
Other financial liabilities	593.41	593.41	300.16	300.16
Total	46,994.78	47,099.37	33,347.97	33,484.86

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

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

37.04 Financial risk management

Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents (other than cash), loans, financial assets measured at amortised cost	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Variable rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

a) Credit risk

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

Credit risk management

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

- (i) Low credit risk on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

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 (other than cash), other bank balances, investments, loans in stage 1 and other financial assets	12 month expected credit loss
Moderate credit risk	Stage 2 loans	Life time expected credit loss or 12 month expected credit loss
High credit risk	Stage 3 loans	Life time expected credit loss fully provided for

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

Assets are written off when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Low credit risk - Stage 1		
Loans	58,043.85	43,795.09
Trade receivables	106.20	-
Cash and cash equivalents	1,288.81	557.00
Bank balances other than above	2,724.73	963.40
Security deposits	26.30	16.03
Other financial assets	51.92	69.10
(ii) Moderate credit risk - Stage 2		
Loans	5,060.45	1,768.29
(iii) High credit risk - Stage 3		
Loans	372.02	124.75

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents (other than cash) and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

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

Other financial assets measured at amortized cost

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

i) Expected credit losses for financial assets other than loans

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

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For trade receivables - Credit risk is evaluated based on Company's knowledge of the credit worthiness of parties outstanding in trade receivables. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.
- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at March 31, 2024	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,288.46	0%	-	1,288.46
Bank balances other than above	2,724.73	0%	-	2,724.73
Trade receivables	106.20	0%	-	106.20
Security deposits	26.30	0%	-	26.30
Other financial assets	51.92	0%	-	51.92

As at March 31, 2023	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	556.98	0%	-	556.98
Bank balances other than above	963.40	0%	-	963.40
Security deposits	16.03	0%	-	16.03
Other financial assets	69.10	0%	-	69.10

ii) Expected credit loss for loans

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 in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2022	27,496.11	1,734.58	-
Assets originated	31,240.32	342.56	1.94
Net transfer between stages			
Transfer to stage 1	699.39	(699.39)	-
Transfer to stage 2	(1,219.46)	1,219.46	-
Transfer to stage 3	(97.71)	(57.41)	155.12
Assets derecognised or collected (excluding write offs)	(14,002.83)	(662.92)	0.00
Write - offs (including death cases)	-	-	-
Gross carrying amount as at March 31, 2023	44,115.82	1,876.88	157.06
Assets originated	43,982.40	1,647.69	-
Net transfer between stages			
Transfer to stage 1	474.66	(465.42)	(9.24)
Transfer to stage 2	(3,137.88)	3,137.88	-
Transfer to stage 3	(214.53)	(186.59)	401.12
Assets derecognised or collected (excluding write offs)	(27,062.15)	(591.65)	(8.55)
Write - offs (including death cases)	-	-	-
Gross carrying amount as at March 31, 2024	58,158.32	5,418.79	540.39

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

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

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on April 1, 2022	102.44	158.53	-
Increase of provision due to assets originated during the year	217.70	19.24	0.40
Net transfer between stages			
Transfer to stage 1	68.46	(68.46)	-
Transfer to stage 2	(13.41)	13.41	-
Transfer to stage 3	(0.87)	(4.89)	5.76
Assets derecognised or collected	(43.43)	(54.92)	-
Impact of ECL on exposures transferred between stages during the year	(10.17)	45.68	26.15
Loss allowance on March 31, 2023	320.72	108.59	32.31
Increase of provision due to assets originated during the year	105.13	92.39	-
Net transfer between stages			
Transfer to stage 1	28.52	(26.62)	(1.90)
Transfer to stage 2	(28.12)	28.12	-
Transfer to stage 3	(2.21)	(11.16)	13.37
Assets derecognised or collected	(64.46)	(23.50)	(11.23)
Impact of ECL on exposures transferred between stages during the year	(186.71)	190.51	77.42
Loss allowance on March 31, 2024	172.86	358.34	109.97

(iii) Concentration of loans

Particulars	As at March 31, 2024	As at March 31, 2023
Housing Loans	41,560.27	29,824.33
Non-Housing Loans	23,317.33	17,383.80
Add: Changes in fair value	638.65	(196.20)
Less: Unamortised processing fee	1,398.75	862.17
Total	64,117.50	46,149.76

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2024	As at March 31, 2023
Floating rate		
- Expiring within one year ((Financial Institutions- Floating rate)	5,500.00	500.00
- Expiring beyond one year ((Financial Institutions - Floating rate)	2,000.00	3,000.00
	7,500.00	3,500.00

The bank overdraft facilities may be drawn at any time and may be terminated by the bank with notice. The Company has fixed deposit lien against book overdraft. Subject to the continuance of satisfactory credit ratings, the bank loan facilities can be drawn.

Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

(ii) Maturities of financial assets and liabilities

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

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial Assets					
Cash and cash equivalents	1,288.81	-	-	-	1,288.81
Bank balances other than above	1,751.73	56.07	280.04	636.89	2,724.73
Loans	18,872.03	16,541.07	14,396.34	49,740.58	99,550.02
Trade receivables	106.20	-	-	-	106.20
Other financial assets	78.22	-	-	-	78.22
	22,096.99	16,597.14	14,676.38	50,377.47	1,03,747.98
Financial Liabilities					
Borrowings (other than debt securities)	16,313.05	14,220.98	10,855.31	13,653.63	55,042.97
Subordinated liabilities	280.00	1,244.71	1,104.71	-	2,629.42
Trade payables	16.88	-	-	-	16.88
Other financial liabilities	593.41	-	-	-	593.41
Total	17,203.34	15,465.69	11,960.02	13,653.63	58,282.68

As at March 31, 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Financial Assets					
Cash and cash equivalents	557.00	-	-	-	557.00
Bank balances other than above	656.04	156.69	-	150.67	963.40
Loans	14,009.21	12,237.83	10,641.27	37,024.54	73,912.85
Trade receivables	-	-	-	-	-
Other financial assets	85.13	-	-	-	85.13
	15,307.38	12,394.52	10,641.27	37,175.21	75,518.38
Financial Liabilities					
Borrowings (other than debt securities)	11,076.65	10,163.16	8,081.59	9,442.71	38,764.11
Subordinated liabilities	280.00	280.00	1,244.71	1,104.71	2,909.42
Trade payables	19.61	-	-	-	19.61
Other financial liabilities	300.16	-	-	-	300.16
Total	11,676.42	10,443.16	9,326.30	10,547.42	41,993.30

(c) Market risk
Interest rate risk
Liabilities

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

Interest rate risk exposure

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

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	41,837.74	30,961.74
Fixed rate borrowings	4,546.75	2,066.46
Total Borrowings	46,384.49	33,028.20

Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	As at March 31, 2024	As at March 31, 2023
Interest sensitivity*		
Interest rates – increase by 50 basis points (50 bps)	(209.19)	(154.81)
Interest rates – decrease by 50 basis points (50 bps)	209.19	154.81

* Holding all other variables constant

Assets

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

38 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

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

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

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (other than debt securities)	44,316.47	30,961.74
Subordinated liabilities	2,068.02	2,066.46
Less: Cash and cash equivalents and Bank balances	(4,013.54)	(1,520.40)
Total borrowings/net debt	42,370.95	31,507.80
Equity share capital	12,962.32	11,340.00
Other equity	8,071.93	3,216.16
Total equity/Capital	21,034.25	14,556.16
Net debt to equity ratio	2.01	2.16

* Net debt includes borrowings (other than debt securities) + debt securities (subordinated liabilities) + interest accrued - cash and cash equivalents - Bank balances other than cash and cash equivalents.

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Satin Housing Finance Limited
Notes forming part of Financial Statements for the year ending March 31, 2024
(All amounts in rupees in lakhs, unless stated otherwise)

39 Assets hypothecated as security

The carrying amounts of assets hypothecated as security are:

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
First charge	45,605.82	30,927.76
Total non-current assets hypothecated as security	45,605.82	30,927.76
Current		
First charge	8,748.81	5,882.13
Total current assets hypothecated as security	8,748.81	5,882.13
Total assets hypothecated as security	54,354.63	36,809.89

Company has hypothecated its loan assets as security against borrowings.

40 Reconciliation of liabilities arising from financing activities

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

Particulars	Borrowings	Equity Share Capital (including security premium)	Total
April 01, 2022	20,965.99	10,000.00	30,965.99
Cash flows (net):	12,056.73	3,999.90	16,056.63
Non cash:	-	-	-
- Others	0.85	-	0.85
March 31, 2023	33,023.57	13,999.90	47,023.47
Cash flows (net):	13,251.60	4,999.99	18,251.59
Non cash:	-	-	-
- Others	1.56	-	1.56
March 31, 2024	46,276.73	18,999.89	65,276.62

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Satin Housing Finance Limited

Notes forming part of Financial Statements for the year ending March 31, 2024

(All amounts in rupees in lakhs, unless stated otherwise)

41 Maturity of assets and liabilities

In accordance with Ind AS 1 Paragraph 61, whichever method of presentation is adopted, Company has disclosed amount expected to be recovered or settled after more than twelve months for each asset and liability line item that combines amounts expected to be recovered or settled as follows:

	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,288.81	-	1,288.81	557.00	-	557.00
Bank balances other than above	1,751.73	973.00	2,724.73	816.20	147.20	963.40
Trade receivables	106.20	-	106.20	-	-	-
Loans	10,217.02	53,259.30	63,476.32	7,300.85	38,387.29	45,688.14
Other financial assets	78.22	-	78.22	85.13	-	85.13
	13,441.98	54,232.30	67,674.28	8,759.18	38,534.49	47,293.67
Non Financial assets						
Current tax assets (net)	-	51.74	51.74	-	9.14	9.14
Deferred tax assets (net)	-	-	-	-	-	-
Property, plant and equipment	-	196.42	196.42	-	53.77	53.77
Intangible assets	-	46.74	46.74	-	29.81	29.81
Other non financial assets	302.26	868.03	1,170.29	249.16	663.28	912.44
	302.26	1,162.93	1,465.19	249.16	756.00	1,005.16
TOTAL ASSETS	13,744.24	55,395.24	69,139.47	9,008.34	39,290.49	48,298.83
LIABILITIES AND EQUITY						
LIABILITIES						
Financial Liabilities						
Trade Payables						
total outstanding dues of MSMEs	-	-	-	-	-	-
total outstanding dues of creditors other than MSMEs	16.88	-	16.88	19.61	-	19.61
Borrowings (other than debt securities)	12,478.83	31,837.64	44,316.47	8,096.88	22,864.86	30,961.74
Subordinated liabilities	70.39	1,997.63	2,068.02	69.80	1,996.66	2,066.46
Other financial liabilities	593.41	-	593.41	300.16	-	300.16
	13,159.51	33,835.27	46,994.78	8,486.45	24,861.52	33,347.97
Non Financial Liabilities						
Current tax liabilities (net)	-	-	-	-	-	-
Deferred tax liabilities (net)	-	494.17	494.17	-	77.80	77.80
Provisions	13.26	47.20	60.46	10.57	39.81	50.38
Other non financial liabilities	555.81	-	555.81	266.52	-	266.52
	569.07	541.37	1,110.44	277.09	117.61	394.70
TOTAL LIABILITIES	13,728.58	34,376.64	48,105.22	8,763.54	24,979.13	33,742.67
NET	15.67	21,018.60	21,034.25	244.80	14,311.36	14,556.16

42 Disclosures required by Reserve Bank of India('RBI')

Additional disclosures required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 RBI/2020 21/73/DOR.FIN.HFC.CC. No.120/03.10.136/2020-21 dated 17 February, 2021 and Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April, 2022 issued by RBI.

42.01 Disclosure on compliance with Principal business criteria

Particulars	As at March 31, 2024	As at March 31, 2023
Financials assets in business of providing finance for housing	40,301.46	29,183.33
Financials assets in business of providing finance for housing to Individuals	40,117.85	29,183.33
Total Assets (net of intangible assets)	65,968.80	46,490.72
% of financials assets in business of providing finance for housing to total assets (net of intangible assets)	61.09%	62.77%
% of financials assets in business of providing finance for housing to Individuals to total assets (net of intangible assets)	60.81%	62.77%

42.02 (a) Reserve fund u/s 29C of NHB Act, 1987

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the period		
i) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987	86.72	12.93
ii) Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of NHB Act, 1987	119.31	74.64
Total (A)	206.03	87.57
Addition / Appropriation / withdrawal during the period		
Add:		
i) Amount transferred u/s 29C of the NHB Act,1987	125.97	73.79
ii) Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987	48.92	44.68
Less:		
i) Amount appropriated from the Statutory Reserve u/s 29 C of the NHB Act 1987	-	-
ii) Amount withdrawn from the Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 which has been taken into account for the purpose of provision u/s 29C of NHB Act, 1987	-	-
Total (B)	174.89	118.47
Balance at the end of the period		
i) Statutory Reserve as per Section 29C of National Housing Bank Act, 1987	212.69	86.72
ii) Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987	168.23	119.32
Total [A+B]	380.92	206.04

42.02 (b) Investment

Particulars	As at March 31, 2024	As at March 31, 2023
i) Value of investments		
(A) Gross value of investments		
In India	-	-
Outside India	-	-
(B) Provision for depreciations		
In India	-	-
Outside India	-	-
(C) Net value of investments		
In India	-	-
Outside India	-	-
ii) Movements of provision held towards depreciation in investments		
(A) Opening balance	-	-
(B) Add: Provisions made during the year	-	-
(C) Less: Write-off/written-back of excess provisioning during the year	-	-
(D) Closing balance	-	-

42.03 Capital to risk assets ratio (CRAR)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital to Risk Asset Ratio (CRAR) (%)	48.67%	46.40%
CRAR-Tier I Capital (%)	45.88%	41.86%
CRAR-Tier II Capital (%)	2.79%	4.53%
Liquidity coverage ratio	253.55%	159.31%
Amount of subordinated debt raised as Tier- II Capital	600.00	1,000.00
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

42.04 The company has no transactions/exposure in any type of derivatives in FY 2023-24 (FY 2022-23 : Nil)

42.05 Assets Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2024

Particulars	Liabilities			
	Deposits	Borrowings from Bank	Market Borrowings	Foreign Currency Liabilities
1 day to 7 days	-	141.34	147.32	-
8 days to 14 days	-	-	55.77	-
15 days to 30/31 days	-	232.65	376.72	-
Over one month to 2 months	-	294.70	628.57	-
Over 2 months upto 3 months	-	319.28	732.76	-
Over 3 months to 6 months	-	1,030.69	2,217.88	-
Over 6 months to 1 year	-	2,085.34	4,078.50	-
Over 1 year to 3 years	-	6,859.94	15,336.70	-
Over 3 years to 5 years	-	3,923.24	4,358.45	-
Over 5 years to 7 years	-	947.82	1,209.75	-
Over 7 years to 10 years	-	-	975.44	-
Over 10 years	-	-	223.93	-
Total	-	15,835.00	30,341.79	-

Particulars	Assets		
	Advances	Investments (FDs)	Foreign Currency Assets
1 day to 7 days	103.28	404.72	-
8 days to 14 days	585.25	203.30	-
15 days to 30/31 days	172.13	724.76	-
Over one month to 2 months	875.42	350.85	-
Over 2 months upto 3 months	880.43	623.77	-
Over 3 months to 6 months	2,596.65	360.87	-
Over 6 months to 1 year	5,003.86	86.58	-
Over 1 year to 3 years	17,789.33	336.11	-
Over 3 years to 5 years	14,725.10	335.32	-
Over 5 years to 7 years	11,661.49	150.90	-
Over 7 years to 10 years	9,074.09	150.67	-
Over 10 years	-	-	-
Total	63,467.03	3,727.85	-

Maturity pattern of certain items of assets and liabilities as at March 31, 2023

Particulars	Liabilities			
	Deposits	Borrowings from Bank	Market Borrowings	Foreign Currency Liabilities
1 day to 7 days	-	19.76	44.42	-
8 days to 14 days	-	-	6.98	-
15 days to 30/31 days	-	66.67	383.12	-
Over one month to 2 months	-	79.15	425.23	-
Over 2 months upto 3 months	-	79.61	526.56	-
Over 3 months to 6 months	-	239.01	2,039.86	-
Over 6 months to 1 year	-	482.22	3,769.46	-
Over 1 year to 3 years	-	1,739.83	13,929.47	-
Over 3 years to 5 years	-	892.79	6,591.32	-
Over 5 years to 7 years	-	-	790.11	-
Over 7 years to 10 years	-	-	918.00	-
Over 10 years	-	-	-	-
Total	-	3,599.04	29,424.53	-

Particulars	Assets		
	Advances	Investments (FDs)	Foreign Currency Assets
1 day to 7 days	101.50	200.02	-
8 days to 14 days	397.81	-	-
15 days to 30/31 days	124.83	410.67	-
Over one month to 2 months	633.83	-	-
Over 2 months upto 3 months	627.21	5.00	-
Over 3 months to 6 months	1,850.89	183.66	-
Over 6 months to 1 year	3,564.77	261.72	-
Over 1 year to 3 years	12,652.83	156.69	-
Over 3 years to 5 years	10,427.11	-	-
Over 5 years to 7 years	8,445.13	-	-
Over 7 years to 10 years	6,862.21	150.67	-
Over 10 years	-	-	-
Total	45,688.14	1,368.43	-

42.06 Exposure

(a) Exposure to Real Estate Sector

Particulars	As at March 31, 2024	As at March 31, 2023
i) Direct exposure		
A) Residential Mortgages- Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	63,467.03	45,688.14
B) Commercial Real Estate- Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure also include non-fund based limits	-	-
C) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
i) Residential	-	-
ii) Commercial Real Estate	-	-
ii) Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	63,467.03	45,688.14

(b) Exposure to Capital Market

Particulars	As at March 31, 2024	As at March 31, 2023
(i) 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;	-	-
(ii) 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;	-	-
(iii) 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;	-	-
(iv) 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;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) 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;	-	-
(vii) Bridge loans to companies against expected equity flows / issues;	-	-
(viii) 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	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:		
Category I	-	-
Category II	-	-
Category III	-	-
Total Exposure to Capital Market	-	-

(c) Sectoral exposure

Sector	As at March 31, 2024			As at March 31, 2023		
	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
(i) Housing Loan						
a. Individuals	43,202.98	334.19	0.77%	30,390.79	105.11	0.35%
b. Builders	113.59	-	-	167.32	-	-
c. Corporates	70.02	-	-	174.13	-	-
d. Others (specify)	-	-	-	-	-	-
(ii) Non-Housing Loan						
a. Individuals	32,184.82	221.79	0.69%	19,795.61	51.96	0.26%
b. Builders	3.31	-	-	-	-	-
c. Corporates	2.66	-	-	-	-	-
d. Others (specify)	-	-	-	-	-	-

(d) **Intra-group exposures**

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of intra-group exposures	13,940.55	9,625.56
Total amount of top 20 intra-group exposures	13,940.55	9,625.56
Percentage of intra-group exposures to total exposure of the NBFC on borrowers	30.05%	29.14%

* Intra-group exposures includes corporate guarantee given by parent company to multiple lenders against term loans. The Company don't have any intra-group exposure for customers.

(e) The Company has not financed any parent company product from inception till reporting date.

(f) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL)

- The Company has not exceed Single Borrower Limit (SBL)/Group Borrower Limit (GBL) as set by RBI during FY 2023-24 (FY 2022-23 Nil).

(g) The Exposure to Unsecured Advances is Nil (PY:Nil)

(h) The Company has Nil exposure (PY:Nil) to any group company engaged in real estate business.

(i) The company has no unhedged foreign currency exposure on March 31, 2024 (March 31, 2023 : Nil)

(j) Penalties imposed by NHB/RBI and other Regulators

- No Penalties have been imposed by NHB/RBI and other Regulators during the FY 2023-24 (FY 2022-23 Nil).

42.07 No fraud has been detected and reported during FY 2023-24 (FY 2022-23 Nil).

42.08 The Company has following Registrations effective as on March 31, 2024:

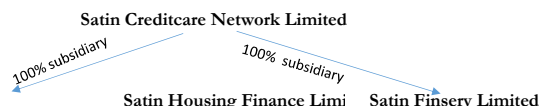
(a) Issuing Authority	Registration No., if any	Date of registration	Valid upto	Registered as
National Housing Bank	11.0161.17	14-11-2017	-	Housing finance institution without permission to accept public deposits.

(b) Ministry of Corporate Affairs (CIN) - U65929DL2017PLC316143

In addition to above, the Company's non-convertible debentures (NCDs) are listed on bombay stock exchange in India, thereby, regulations of Securities and Exchange Board of India are also applicable.

42.09 Related party transactions are disclosed in Note 34

42.10 Group Structure



42.11 Ratings assigned by credit rating agencies and migration of ratings during the year:

Nature of Borrowing		Rating / Outlook	
		As at March 31, 2024	As at March 31, 2023
Long Term - Bank Borrowings	ICRA Ltd	ICRA A- (Stable)	
	CARE Ratings Ltd	CARE BBB+ (Stable)	CARE BBB+ (Stable)
	Infomarcis Ratings Ltd	IVR BBB+ (Stable)	IVR BBB+ (Stable)
Long Term - Non Convertible Debentures	ICRA Ltd	ICRA A- (Stable)	
	CARE Ratings Ltd	CARE BBB+ (Stable)	CARE BBB+ (Stable)
	Infomarcis Ratings Ltd	IVR BBB+ (Stable)	IVR BBB+ (Stable)

42.12 Remuneration of Directors

Details of Remuneration of Directors are disclosed in Form No. MGT - 9 as part of annual report.

42.13 Management

Details of Management is provided in annual report under the head Management Discussion and Analysis report

42.14 Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have material impact on the profit and loss (March 31, 2023 Nil). There is no change in accounting policy (March 31, 2023 Nil).

42.15 Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties (March 31, 2023 Nil).

42.16 Consolidated Financial Statements (CFS)

The Company does not have any subsidiary or associate, hence CFS is not applicable to the Company.

42.17 Provisions and Contingencies

(a) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	As at March 31, 2024	As at March 31, 2023
Provisions for depreciation on Investment	-	-
Provision towards NPA	77.66	32.31
Provision towards Held for sale assets	28.11	-
Provision made towards Income tax	85.41	77.11
Other Provision and Contingencies (with details)		
Provision for compensated absences	14.07	6.39
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	101.89	168.35

(b) Break up of Loans & Advances & Provisions thereon

Particulars	Housing		Non-Housing	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Standard Assets				
i) Total Outstanding Amount	39,977.43	29,078.22	23,599.69	16,914.47
ii) Provisions made	294.16	273.56	237.04	155.75
Sub- Standard Assets				
i) Total Outstanding Amount	281.49	105.11	185.58	51.96
ii) Provisions made	57.29	21.62	37.77	10.69
Doubtful Assets – Category I				
i) Total Outstanding Amount	42.54	-	30.77	-
ii) Provisions made	8.66	-	6.26	-
Doubtful Assets – Category II				
i) Total Outstanding Amount	-	-	-	-
ii) Provisions made	-	-	-	-
Doubtful Assets – Category III				
i) Total Outstanding Amount	-	-	-	-
ii) Provisions made	-	-	-	-
Loss Assets				
i) Total Outstanding Amount	-	-	-	-
ii) Provisions made	-	-	-	-
Total				
i) Total Outstanding Amount	40,301.46	29,183.33	23,816.04	16,966.43
ii) Provisions made	360.10	295.18	281.07	166.44

42.18 The Company has not made any drawdown of reserves during the year (March 31, 2023 Nil)

42.19 Concentration of Public Deposits, Advances, Exposures and NPAs

(a) Concentration of Public Deposits (for Public Deposit taking/ holding HFCs) - The Company is a non-deposit taking housing finance Company

(b) Concentration of Loans & Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Total Loans & Advances to twenty largest borrowers	3,470.14	3,464.51
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	5.41%	7.51%

(c) Concentration of all Exposure (including off-balance sheet exposure)*

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers*	3,629.89	3,631.59
Percentage of Exposure to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	5.66%	7.87%

*The Company doesn't provide any off-balance sheet facilities to its borrowers/ customers. However, there are some sanctioned undisbursed loan facilities which have been treated as off-balance sheet exposure.

(d) Concentration of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure of top ten NPA accounts	261.26	144.67
Percentage of exposure to top ten NPA account	0.41%	0.31%

(e) Sector-wise NPAs

Sector	Percentage of NPAs to total advances in that sector	
	As at March 31, 2024	As at March 31, 2023
(i) Housing Loan		
a. Individuals	0.77%	0.35%
b. Builders	-	-
c. Corporates	-	-
d. Others (specify)	-	-
(ii) Non-Housing Loan		
a. Individuals	0.69%	0.26%
b. Builders	-	-
c. Corporates	-	-
d. Others (specify)	-	-

42.20 Movement of NPAs

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Net NPAs to Net Advances (%)	0.68%	0.27%
(b) Movement of NPAs (Gross)		
i) Opening balance	157.07	-
ii) Additions during the year	552.93	157.07
iii) Reductions during the year	169.61	-
iv) Closing balance	540.39	157.07
(c) Movement of Net NPAs		
i) Opening balance	124.75	-
ii) Additions during the year	440.75	124.75
iii) Reductions during the year	135.09	-
iv) Closing balance	430.41	124.75
(d) Movement of provisions for NPAs (excluding provisions on standard assets)*		
i) Opening balance	32.31	-
ii) Provisions made during the year	112.18	32.31
iii) Write-off / (write-back) of excess provisions	34.52	-
iv) Closing balance	109.98	32.31

* the provisions referred here is loss allowances for Expected Credit Loss (ECL) under Ind AS

42.21 The company does not have overseas asset as on March 31, 2024 (PY; Nil)

42.22 The Company has not sponsored any SPVs from inception till reporting date

42.23 Customer complaints

(a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Complaints received from customers		
i) Number of complaints pending at beginning of the year	1.00	-
ii) Number of complaints received during the year	26.00	15.00
iii) Number of complaints disposed during the year	26.00	14.00
Of iii) which, number of complaints rejected	-	-
iv) Number of complaints pending at the end of the year	1.00	1.00
Maintainable complaints from Office of Ombudsman		
v) Number of maintainable complaints received from Office of Ombudsman	Nil	Nil
Of v), number of complaints resolved in favour of the HFC by Office of Ombudsman	Nil	Nil
Of v), number of complaints resolved through conciliation/mediation/advisories issued by	Nil	Nil
Of v), number of complaints resolved after passing of Awards by Office of Ombudsman	Nil	Nil
vi) Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

42.26 Loans to Directors, Senior Officers and relatives of Directors

42.27 Corporate Governance

Additional disclosures required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 RBI/2020-21/73/DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February, 2021 issued by RBI.

42.28 Schedule to Balance Sheet



Assets Side	As at March 31, 2024		As at March 31, 2023	
3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:				
(a) Secured	64,117.50		46,149.76	
(b) Unsecured	-		-	
4) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
(a) Lease assets including lease rentals under sundry debtors				
(i) Financial lease	-		-	
(ii) Operating lease	-		-	
(b) Stock on hire including hire charges under sundry debtors				
(i) Assets on hire	-		-	
(ii) Repossessed Assets	-		-	
(c) Other loans counting towards asset financing activities				
(i) Loans where assets have been repossessed	-		-	
(ii) Loans other than (a) above	-		-	
5) Break-up of Investments				
Current Investments				
a) Quoted				
i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
ii) Debentures and Bonds	-		-	
iii) Units of mutual funds	-		-	
iv) Government Securities	-		-	
v) Others	-		-	
b) Unquoted				
i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
ii) Debentures and Bonds	-		-	
iii) Units of mutual funds	-		-	
iv) Government Securities	-		-	
v) Others	-		-	
Long Term investments				
a) Quoted				
i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
ii) Debentures and Bonds	-		-	
iii) Units of mutual funds	-		-	
iv) Government Securities	-		-	
v) Others	-		-	
b) Unquoted				
i) Shares				
(a) Equity	-		-	
(b) Preference	-		-	
ii) Debentures and Bonds	-		-	
iii) Units of mutual funds	-		-	
iv) Government Securities	-		-	
v) Others	-		-	
6) Borrower group-wise classification of assets financed as in (3) and (4) above:	Amount net of provisions as at March 31, 2024		Amount net of provisions as at March 31, 2023	
Category	Secured	Unsecured	Secured	Unsecured
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2) Other than related parties	63,834.77	-	45,985.44	-
Total	63,834.77	-	45,985.44	-
7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :	As at March 31, 2024		As at March 31, 2023	
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1) Related Parties	-	-	-	-
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2) Other than related parties	-	-	-	-

8) Other information	As at	As at
Particulars	March 31, 2024	March 31, 2023
i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	540.39	157.07
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	430.41	124.76
(iii) Assets acquired in satisfaction of debt	109.01	110.63

43 Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021" ("RBI Securitisation Directions").

- (a) The Company has not entered into any securitisation transaction from inception till reporting date.
- (b) The Company has not sold any financial assets to Securitisation/Reconstruction Company for asset reconstruction from inception till reporting date.

44 Disclosure pursuant to the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" ("RBI TLE Directions").

- (a) Details of loans not in default transferred through assignment.

	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Number of loan assets assigned during the year	1,630.00	656.00
Book value of loan assets assigned during the year	10,653.44	3,693.05
Sale consideration received during the year	10,653.44	3,693.05
Interest spread recognised in the statement of profit and loss during the year	1,595.21	606.79
Weighted average maturity of loans assets assigned (in Months)	135.46	135.02
Weighted average holding period of loans assets assigned (in Months)	12.04	15.94
Retention of beneficial economic interest on loans assets assigned (in%)	10%	0.10
Coverage of tangible security coverage	NIL	NIL
Rating-wise distribution of rated loans	Not Rated	Not Rated
Agreed to replace loans transferred to transferee(s) or pay damages arising out of any	No	No

- (b) The Company has not acquired any loan assets during the year ended March 31, 2024 and March 31, 2023 in terms with the RBI TLE Directions.

- (c) The Company has not transferred/acquired any stressed loan during the year ended 31 March, 2024 and 31 March, 2023.

45 No Resolution plan have been implemented under Resolution framework - 2.0 dated May 21, 2021, hence no disclosure is required.

46 Disclosure of details as required under notification issued by RBI dated March 13, 2020, RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20.

As at and for the year ended 31 March 2024

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross carrying Amount as per Ind AS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5)=(3)-(4)	Provisions required as per IRACP Norms (6)	Difference between Ind AS 109 Provisions and IRACP Norms (7) = (4)-(6)
Performing Assets						
Standard	Stage 1	58,158.32	172.87	57,985.45	177.07	(4.20)
	Stage 2	5,418.79	358.34	5,060.45	17.27	341.07
Subtotal		63,577.11	531.21	63,045.90	194.34	336.87
Non-Performing Assets (NPA)						
Substandard	Stage 3	467.07	95.05	372.02	70.06	24.99
Doubtful - up to 1 year	Stage 3	73.32	14.92	58.40	18.33	(3.41)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage 1	58,158.32	172.87	57,985.45	177.07	(4.20)
	Stage 2	5,418.79	358.34	5,060.45	17.27	341.07
	Stage 3	540.39	109.97	430.42	88.39	21.58
Total	Total	64,117.50	641.18	63,476.32	282.73	358.45

As at and for the year ended 31 March 2023

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross carrying Amount as per Ind AS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5)=(3)-(4)	Provisions required as per IRACP Norms (6)	Difference between Ind AS 109 Provisions and IRACP Norms (7) = (4)-(6)
Performing Assets						
Standard	Stage 1	44,115.82	320.72	43,795.10	135.08	185.64
	Stage 2	1,876.88	108.59	1,768.29	5.69	102.90
Subtotal		45,992.70	429.31	45,563.39	140.77	288.54
Non-Performing Assets (NPA)						
Substandard	Stage 3	157.07	32.31	124.75	23.56	8.75
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage 1	44,115.82	320.72	43,795.10	135.08	185.64
	Stage 2	1,876.88	108.59	1,768.29	5.69	102.90
	Stage 3	157.07	32.31	124.75	23.56	8.75
Total	Total	46,149.77	461.62	45,688.14	164.33	297.29

- 47 During the period ended March 31, 2024, Company has not received interest subsidy under CLSS scheme of Central Government through NHB. During the period ended March 31, 2023, Company had received interest subsidy under CLSS scheme of Central Government through NHB of INR 237.60 Lakhs and utilised INR 209.93 Lakhs through upfront credit given to respective eligible borrowers' account. Unutilised amount of INR 27.67 Lakhs had been refunded to NHB with in prescribed timelines.
- 48 The Company has not charged interest on interest to any of its borrowers during the moratorium period in view of RBI Notification dated 7 April 2021.
- 49 Disclosure of Liquidity Risk in accordance with RBI circular No. RBI/2019-20/88 DOR.NBFC(PD) CC. No.102/03.10.001/2019-20 dated 04 November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies and RBI circular No. RBI/2020-21/60 DOR.NBFC(HFC).CC.No.118/ 03.10.136/2020-21 dated 22 October, 2020 for regulatory framework for Housing Finance Companies (HFCs).

(a) Funding Concentration based on significant counterparty

As at March 31, 2024			
Number of Significant counterparties	Amount	% of Total Deposits	% of Total Liabilities
23	45,403.05	N.A.	94.38%

*As at March 31, 2023			
Number of Significant counterparties	Amount	% of Total Deposits	% of Total Liabilities
2	8,699.69	N.A.	25.78%

*During March 31, 2023, Satin housing finance limited was classified as other non-deposit taking NBFCs

Note:

- Included only Principal amount.
- "Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(b) Top 20 large deposits (amount in Rs. Crore and % of total deposits)

- Nil. The Company is registered with NHB as Non Deposit accepting HFC.

(c) Top 10 borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Total Borrowings	Amount	% of Total Borrowings
Term loans/NCD	31987.12	69.27%	25334.85	76.72%

Note: Included only principal amount and considered basis outstanding amount.

(d) Funding Concentration based on significant instrument / product:

Name of the instrument/product	As at March 31, 2024			As at March 31, 2023		
	Number of Counterparties	Amount	% of Total Liabilities	Number of Counterparties	Amount	% of Total Liabilities
Long Term Loans	25	44265.86	92.02%	19	31069.63	92.08%
Long Term NCD	1	2000	4.16%	1	2000	5.93%
Short Term NCD	-	Nil	0%	-	Nil	0%
Short Term Loans	-	Nil	0%	-	Nil	0%
Commercial Paper	-	Nil	0%	-	Nil	0%
Total	26	46265.86	96.18%	20	33069.63	98.01%

(e) Stock ratios:

Particulars	As at March 31, 2024	As at March 31, 2023
Commercial papers as a % of total liabilities	N.A.	N.A.
Commercial papers as a % of total assets	N.A.	N.A.
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	N.A.	N.A.
Non-convertible debentures (original maturity of less than one year) as a % of total Assets	N.A.	N.A.
Other short-term liabilities as a % of total liabilities	28.54%	25.97%
Other short-term liabilities as a % of total assets	19.86%	18.14%

(f) Institutional set up for liquidity risk management:

The Company has well defined ALM policy which covers various aspects of liquidity risk management. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. The Asset Liability Management Committee, inter alia, reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning, and contingency planning.

50 The Company does not have any joint ventures and overseas subsidiaries

51 The Company has not done any business related to insurance broking/agency, hence no fees/brokerage has been received in respect of such business during the current and previous financial year.

52 The Company has not received any notice under section 142(1) of Income Tax Act, 1961 during the current financial year.

53 The Company has not any exposure/loans against Gold and Shares

54 Foreign Remittance

(a) Earning (remittance inward) in foreign currency for the year ended 31 March 2024 is Nil (PY: Nil)

(b) Expenditure (remittance outward) in foreign currency for the year ended 31 March 2024 is Nil (PY: Nil)

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

(a) 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.

(b) The company is not a wilful defaulter as declared by any bank or financial Institution or any other lender.

(c) The company do not have any transactions with one company struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(d) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

(e) 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.

(f) 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).

(g) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(h) During the year, 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.

(i) During the year, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56 Previous year figures have been regrouped/reclassified wherever considered necessary to make them in line with that of the current year.

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

For and on behalf of the Board of Directors
Satin Housing Finance Limited

Jatin Goel
Partner
M. No. 553420

H P Singh
(Director)
DIN: 00333754

Amit Sharma
(MD & CEO)
DIN: 08050304

Anil Kumar Kalra
(Director)
DIN: 07361739

Place: Gurugram
Date: April 22, 2024

Vaishali Goyal
(Company Secretary)
ACS: 53678

Sachin Sharma
(Chief Financial Officer)



CIN: U65929DL2017PLC316143

Corporate Office: Plot No. 492, 2nd Floor,
B-Wing, Udyog Vihar Phase-III, Gurugram,
Haryana-122016

Registered Office: 505, 5th Floor, Kundan Bhawan,
Azadpur Commercial Complex, Azadpur,
New Delhi-110033

Email: compliance@satinhousingfinance.com

Website: www.satinhousingfinance.com

Contact: 1800-120-40-50-60, +91 124 4346200