

**Independent Auditor's Review Report on the Half-yearly Unaudited Financial Results of the Company Pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Satya MicroCapital Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Satya MicroCapital Limited (the "Company") for the half year ended September 30, 2019 (the "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").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative Ind AS financial information appearing in the accompanying results for the corresponding half year ended September 30, 2018 included in these Ind AS financial results, is based on the previously issued financial statements, prepared in accordance with the accounting standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India and reviewed by us on which we expressed an unmodified conclusion dated November 14, 2018, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have not been reviewed by us

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Amit Kabra

Partner

Membership No.: 094533

UDIN: 19094533AAAAA9595

Gurgaon

November 29, 2019

Satya MicroCapital Limited  
(CIN: U74899DL1995311CO68686)  
Registered office address : DPT 519 Prime Towers, Block F, Okhla Phase-I, New Delhi 110020  
Phone No. 011-49724000, Website : www.satyamicrocapital.com  
Standalone financials results for the half year ended September 30, 2019

(Rupees in millions unless otherwise stated)

Particulars	As at September 30, 2019
	Unaudited
<b>ASSETS</b>	
<b>Financial assets</b>	
Cash and cash equivalents	584.45
Bank Balance other than cash and cash equivalents	1,813.23
Trade receivables	13.83
Loan portfolio	7,493.61
Investments	-
Other financial assets	198.70
<b>Total Financial Assets</b>	<b>10,103.82</b>
<b>Non-financial Assets</b>	
Current tax assets (net)	17.50
Property, plant and equipment	34.47
Intangible assets	0.98
Other non - financial assets	140.56
<b>Total Non-Financial Assets</b>	<b>193.51</b>
<b>Total Assets</b>	<b>10,297.33</b>
<b>LIABILITIES AND EQUITY</b>	
<b>LIABILITIES</b>	
<b>Financial liabilities</b>	
Debt securities	2,401.84
Borrowings (other than debt securities)	6,551.66
Subordinated liabilities	125.35
Other financial liabilities	74.99
<b>Total Financial Liabilities</b>	<b>9,153.84</b>
<b>Non-financial liabilities</b>	
Current tax liabilities (net)	32.61
Provisions	8.65
Deferred tax Liabilities	4.92
Other non-financial liabilities	12.39
<b>Total Financial Liabilities</b>	<b>58.57</b>
<b>EQUITY</b>	
Equity share capital	282.75
Other equity	802.17
<b>Total Equity</b>	<b>1,084.92</b>
<b>Total Liabilities and Equity</b>	<b>10,297.33</b>



For and on behalf of the Board of Directors of  
Satya MicroCapital Limited

New Delhi  
  
Vivek Tiwari  
Managing Director and CEO

Place: New Delhi  
Date: November 29, 2019

Managing Director and CEO

Satya MicroCapital Limited  
 (CIN: U74899DL1995PLA068686)  
 Registered office address :DPT 519 Prime Towers, Block F, Okhla Phase-I, New Delhi-110020  
 Phone No. 011-49724000, Website : www.satyamicrocapital.com  
 Standalone financials results for the half year ended September 30, 2019

Particulars	(Rupees in millions unless otherwise stated)	
	Half year ended	
	September 30, 2019 Unaudited	September 30, 2018 Unaudited
Revenue from operations		
Interest Income	887.21	362.63
Fees and commission Income	3.08	1.88
Net gain on fair value changes	-	-
Net gain on derecognition of financial instruments under amortised cost category	32.52	-
<b>Total Revenue from operations</b>	<b>922.81</b>	<b>364.51</b>
Other Income	1.04	0.40
<b>Total Income</b>	<b>923.85</b>	<b>364.91</b>
<b>Expenses</b>		
Finance Cost	514.48	231.15
Impairment on financial instruments	18.91	13.70
Employee Benefits Expenses	193.93	102.67
Depreciation and amortisation expense	14.07	3.64
Others expenses	86.88	41.25
<b>Total Expenses</b>	<b>828.27</b>	<b>392.41</b>
<b>Profit before tax</b>	<b>95.58</b>	<b>(27.50)</b>
Tax Expense:		
Current Tax	19.04	-
Deferred Tax	5.07	-
<b>Income tax expense</b>	<b>24.11</b>	<b>-</b>
<b>Profit for the period</b>	<b>71.47</b>	<b>(27.50)</b>
<b>Other Comprehensive Income</b>		
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Remeasurement gains/(losses) on defined benefit plans	0.45	-
Income tax effect	0.11	-
<b>Total Comprehensive Income for the period</b>	<b>70.91</b>	<b>(27.50)</b>
<b>Earnings per share (equity share, par value of Rs. 10 each)</b>		
Computed on the basis of total profit for the period		
Basic (not annualised)	2.56	(1.15)
Diluted (not annualised)	2.56	(1.15)



For and on behalf of the Board of Directors of  
Satya MicroCapital Limited



*(Signature)*

Vivek Tiwari

Managing Director and CEO

Place: New Delhi  
Date: November 29, 2019

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 29, 2019, in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and disclosure requirements) Regulations, 2015. The above results for the half year ended September 30, 2019 have been reviewed by the Statutory Auditors of the company.
- The company operates in a single reportable segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The company operates in single geographic segment i.e. domestic.
- The company has adopted Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2019 and effective date of the transition is April 1, 2018. Such transition has been carried out from the erstwhile Accounting Standards under the Act, read with relevant rules issued there under and guidelines issued by Reserve Bank of India ('RBI') (collectively referred as "the previous GAAP"). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2018.

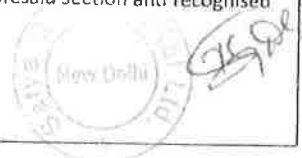
The corresponding period figures presented in these results have been prepared on the basis of the previously published results under previous GAAP for the relevant periods duly re-stated to Ind AS. These Ind AS adjustments have not been reviewed by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.

These financial results have been drawn on the basis of Ind AS accounting standards that are applicable to the Company as at September 30, 2019 based on MCA Notification G.S.R. 111(E) and G.S.R. 365(E) dated February 16, 2015 and March 31, 2016 respectively. There is a possibility that these financial results for the current and previous period may require adjustments due to change in the financial reporting requirements arising from new standards, modification to the existing standards, guidelines issued by Ministry of Corporate Affairs and RBI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS- 101.

- As required by the paragraph 32 of Ind AS 101, reconciliation of the financial results to those reported under Previous GAAP is summarized as follows:

INR Million	Half Year ended Sep 18
<b>Profit as per Indian GAAP</b>	<b>(20.61)</b>
<b>Loan Portfolio</b>	
Processing fee on financial assets reversed on account of EIR model	(8.87)
Provision based on ECL model on financial assets	(0.84)
<b>Assignment and securitization transaction</b>	
Recognition of EIS upfronting on assignment deals (net of reversal)	(0.58)
Impact of re-recognition of securitization transaction in books	7.83
<b>Borrowings</b>	
Borrowings impact on borrowings on account of EIR model	(4.08)
<b>Others</b>	
Impact of Ind AS 116	-
Interest on non convertible preference shares considered as borrowings under Ind AS	(0.35)
<b>Total comprehensive income as per Ind AS</b>	<b>(27.50)</b>

- The company has availed the exemption provided by Securities and Exchange board of India (SEBI) vide circular no. CIR/IMD/DFI/69/2016 in respect of disclosure requirements pertaining to disclosure of financial results and Statement of Assets and Liabilities for the year ended and as at March 31, 2019. Accordingly, the financial results and the Statement of Assets and Liabilities for the year ended and as March 31, 2019 is not disclosed.
- The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the half year ended September 30, 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.



7. Effective April 1, 2019, the Company has adopted Ind AS 116 – Leases and applied it to all lease contracts existing as on April 1, 2019 using the modified retrospective approach. Based on the same and as permitted under the specific transitional provision in the standard, the Company is not required to restate the comparative figures.
8. The figures for the previous periods have been regrouped/rearranged wherever necessary to conform to current period presentation.



Place: Delhi  
Date: November 29, 2019

For and on behalf of the Board of Directors of  
Satya MicroCapital Limited


Vivek Tiwari  
Managing Director and CEO

