

S.N. Dhawan & CO LLP

Chartered Accountants

51-52, Udyog Vihar Phase 4,
Gurugram, Haryana 122015,
India

Tel: +91 124 481 4444

Independent Auditor's Limited Review Report on the unaudited quarterly results of Satya MicroCapital Limited, pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

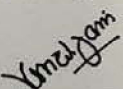
**Review report to
The Board of Directors of
Satya MicroCapital Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Satya MicroCapital Limited** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India ("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 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder; Reserve Bank of India guidelines, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue 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 is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other matter

5. The comparative financial information of the Company for the corresponding three months period ended June 30, 2021 have not been subjected to limited review / audit. Our conclusion is not modified in respect of this matter.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045


Vinesh Jain

Partner
Membership No.: 087701
UDIN: 22087701 A0QBGH4599



Place: New Delhi
Date: August 9, 2022

SATYA MicroCapital Limited
CIN : U74899DL1995PLC068688

Registered office : 519, 5th Floor, Prime Towers , Okhla Industrial Area, Phase-I, New Delhi-110020

Website: www.satyamicrocapital.com; E-mail:cs@satyamicrocapital.com ; Phone:011-49724000

Statement of Financial Results for the Quarter ended June 30, 2022

(₹ in million except EPS)

S.No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
1	Revenue from operations				
	Interest income	1,252.14	1,027.26	694.76	3,333.22
	Fees and commission income	2.70	203.92	8.22	291.22
	Net gain on derecognition of financial instruments under amortised cost category	42.39	227.22	-	366.57
	Total revenue from operations	1,297.23	1,458.40	702.98	3,991.01
2	Other income	12.65	10.04	1.07	24.40
3	Total income (1+2)	1,309.88	1,468.44	704.05	4,015.41
4	Expenses				
	Finance costs	629.61	537.21	316.63	1,711.05
	Impairment of financial instruments	58.17	65.42	20.38	170.71
	Employee benefits expenses	405.23	402.16	228.80	1,167.99
	Depreciation and amortisation expenses	13.06	19.48	8.43	57.46
	Other expenses	142.33	182.29	78.66	473.11
	Total expenses	1,248.40	1,206.56	652.90	3,580.32
5	Profit before tax (3-4)	61.48	261.88	51.15	435.09
6	Tax expense:				
	Current tax	28.69	58.44	25.22	102.11
	Deferred tax charge/(credit)	(13.20)	7.24	(10.92)	7.95
	Total tax expense	15.49	65.68	14.30	110.06
7	Net profit/(loss) after tax (5-6)	45.99	196.20	36.85	325.03
8	Other comprehensive income				
	Items that will not be reclassified to profit or loss	(0.25)	0.46	(0.48)	(0.99)
	Income tax relating to items that will not be reclassified to profit or loss	0.06	(0.11)	0.12	0.25
	Total other comprehensive income	(0.19)	0.35	(0.36)	(0.74)
9	Total comprehensive income (7+8)	45.80	196.55	36.49	324.29
10	Paid-up equity share capital (face value of ₹ 10 per equity share)				490.64
11	Instruments entirely equity in nature				29.85
12	Other equity				5,002.18
13	Earning per share (EPS) (face value of ₹ 10 per equity share)				
	- Basic (amount in ₹)	0.94	4.21	0.80	7.05
	- Diluted (amount in ₹)	0.88	4.13	0.79	6.94
	(EPS for the quarter ended June 30, 2022, March 31, 2022 and June 30, 2021 are not annualised)				



Registered and Corporate Office

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CIN : U74899DL1995PLC068688 | Fax : (+91-11) 49724051 | Phone : (+91-11) 49724000





SATYA MicroCapital Ltd.

सर्वे भवन्तु सुखिनः

SATYA MicroCapital Limited

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Notes to the unaudited financial results:

- The above financial results for quarter ended June 30, 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on August 09, 2022, in accordance with requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to circular SEBI/HO/DDHS/CIR/2021/0000000637 dated 5 October 2021.
- Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (amended) for the quarter ended June 30, 2022 are presented in below table:

S.No.	Particulars	Quarter ended June 30, 2022
1	Debt-equity ratio (no. of times)*	3.79
2	Debt service coverage ratio**	Not applicable
3	Interest service coverage ratio**	Not applicable
4	Outstanding redeemable preference shares (In Numbers) ;	Nil
5	Capital redemption reserve/debenture redemption reserve (₹ in Million) -Refer note (a)	Nil
6	Net worth (₹ in Million)	6,115.76
7	Net profit after tax (₹ in Million)	45.99
8	Earnings per share: Basic (not annualised)	0.94
	Diluted (not annualised)	0.88
9	Current ratio (no. of times)**	Not applicable
10	Long term debt to working capital (no. of times)**	Not applicable
11	Bad debts to Account receivable ratio**	Not applicable
12	Current liability ratio (no. of times)**	Not applicable
13	Total debts to total assets***	0.78
14	Debtors turnover**	Not applicable
15	Inventory turnover**	Not applicable
16	Operating margin (%)**	Not applicable
17	Net profit margin (%) #	3.51%
18	Sector specific equivalent ratios, as applicable:	
	a) Net Interest Margin (%)	8.56%
	b) GNPA (%) ##	3.58%
	c) NNPA (%) ###	2.67%
	d) CRAR (%) \$	25.95%

Notes:

- The Company does not have any non- convertible redeemable preference shares/ non- convertible preference shares/ redeemable preference shares.
- Ratio computation :**
 - * Debt Equity ratio = (Debt securities+ Borrowing (other than debt securities)+ Subordinated liabilities)/Net worth
 - ** The Company is registered under Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are not applicable.
 - *** Total debts to total assets = (Debt securities+ Borrowing(other than debt securities)+ Subordinated liabilities)/Total Assets
 - # Net Profit Margin = Profit after tax/ Total income
 - ## Gross NPA(%) = Gross NPA (Stage III) loan EAD/Gross total loan EAD. Exposure at default (EAD) includes loan balances and interest thereon. Stage-III loans has been determined as per ind AS 109.
 - ### Net NPA(%) = (Gross Stage III Loans EAD – Impairment loss allowance for stage III)/(Gross total loan EAD- Impairment loss Allowance)
 - \$ CRAR = Adjusted net worth/ Risk weighted assets, calculated as per RBI guidelines



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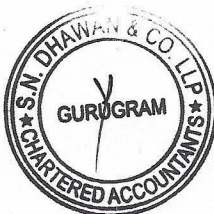
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- 4 Disclosure pursuant to RBI Notification – RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021, the following table sets forth details of loans not in default assigned through Direct Assignment during the quarter ended June 30, 2022:

Particular	NBFC-MFI
Number of loan accounts assigned	14,004
Aggregate amount of loan assigned (₹ in Million)	407.52
Sale consideration (₹ in Million)	407.52
Weighted average remaining maturity (in months)	17.38
Weighted average holding period after origination (in months)	NA
Retention of beneficial economic interest (MRR)	15%
Number of Transaction	1
Coverage of tangible security coverage	100%
Rating wise distribution of rated loans	Unrated

- 5 The Company operate in a single reportable segment i.e., lending to members, having similar risks and returns for the purpose of Ind AS 108 -Operating Segments. The Company operate in single geographic segment i.e., domestic.
- 6 The Company has evaluated the impact of COVID-19 on the business and operations of the Company as at June 30, 2022 and is of the view that it does not have any material impact on the financial results of the Company on the basis of the facts and events upto the date of approval of these financial results. However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events / developments that may result in an adverse effect on the business and operations of the Company
- 7 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 8 The listed secured non-convertible debentures of the Company are secured by way of exclusive charge on Book debts/Receivables hypothecated in favour of Debenture Trustee, with a security cover of 1.10 times or more as required under Information Memorandum/Debenture Trustee Deed.
- 9 During the quarter, the Company has acquired additional 1,418,893 shares in two tranches in Baid Housing Finance Private Limited (Baid) and holds 89% shares in Baid as on June 30, 2022 and pursuant to which Baid became subsidiary of the Company with effect from June 14, 2022.
- 10 On June 23, 2022, the Company has issued and allotted 2,714,900 [0.001%, Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS)] aggregating to ₹ 545.70 million to Gojo & Company, Inc. The NCCCPS shall have voting rights on conversion into Equity Shares of the Company i.e. the Equity Shares to be issued on conversion of the NCCCPS shall rank pari-passu in all respects with the existing Equity Shares of the Company.
- 11 The figures for the quarter ended March 31, 2022 represent balancing figures between the audited figures for the year ended March 31, 2022 and published year to date figures for the quarter ended December 31, 2021 which were subjected to limited review by statutory auditors. The figures for the quarter ended June 30, 2021 is unaudited and not subjected to limited review by auditors.
- 12 The comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current period figures.
- 13 The above unaudited financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.satyamicrocapital.com).



Place: New Delhi
Date : August 09, 2022

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



Vivek Tiwari
Managing Director, CEO and CIO
DIN 02174160

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