

S.N. Dhawan & CO LLP

Chartered Accountants

2nd Floor,
51-52, Udyog Vihar Phase IV,
Gurugram-122016,
Haryana, India

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

**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 quarter ended December 31, 2023 and year to date results for the period April 1, 2023 to December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
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 (RBI) guidelines and other accounting principles generally accepted in India and in compliance with Regulation 52 of the listing regulations. 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. 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, assets classification, provisioning and other related matters.

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



Vinesh Jain
Partner

Membership No.: 087701

UDIN: 24081701BKPAH Z 3170



Place: New Delhi
Date: January 19, 2024



SATYA MicroCapital Ltd.

सर्वे भवन्तु सुखिनः

SATYA MicroCapital Limited

CIN : U74899DL1995PLC068688

Registered office : 519, 5th Floor, DLF 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 and nine months ended December 31, 2023

(₹ in million except EPS)

S.no.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
1	Revenue from operations						
	Interest income	2,736.99	2,323.28	1,323.15	7,477.76	3,951.23	5,770.97
	Fees and commission income	377.76	261.36	134.16	779.80	145.02	491.88
	Net gain on fair value changes	-	53.88	-	9.40	-	-
	Net gain on derecognition of financial instruments under amortised cost category	65.13	358.36	190.93	678.33	578.48	1,044.64
	Total revenue from operations	3,179.88	2,996.88	1,648.24	8,945.29	4,674.73	7,307.49
2	Other income	29.70	53.06	38.89	104.24	63.54	52.97
3	Total income (1+2)	3,209.58	3,049.94	1,687.13	9,049.53	4,738.27	7,360.46
4	Expenses						
	Finance costs	1,411.56	1,267.18	769.22	3,779.22	2,098.85	2,972.21
	Net loss on fair value changes	9.64	-	-	-	-	6.95
	Impairment of financial instruments	419.43	169.12	181.76	862.76	478.49	721.31
	Employee benefits expenses	765.96	745.55	484.34	2,192.99	1,349.99	2,023.58
	Depreciation and amortisation expenses	33.77	28.48	20.46	81.84	51.98	76.99
	Other expenses	295.03	331.13	226.50	847.18	569.01	845.31
	Total expenses	2,935.39	2,541.46	1,682.28	7,763.99	4,548.32	6,646.35
5	Profit before tax (3-4)	274.19	508.48	4.85	1,285.54	189.95	714.11
6	Tax expense:						
	Current tax	194.91	105.70	(62.50)	496.33	0.11	68.64
	Deferred tax charge/(credit)	(123.62)	22.85	64.87	(169.42)	49.61	115.03
	Total tax expense	71.29	128.55	2.37	326.91	49.72	183.67
7	Net profit after tax (5-6)	202.90	379.93	2.48	958.63	140.23	530.44
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss	(15.88)	(2.36)	(0.08)	(20.02)	(0.22)	(6.46)
	Income tax relating to items that will not be reclassified to profit or loss	4.00	0.59	0.01	5.04	0.05	1.63
	Total other comprehensive income	(11.88)	(1.77)	(0.07)	(14.98)	(0.17)	(4.83)
9	Total comprehensive income (7+8)	191.02	378.16	2.41	943.65	140.06	525.61
10	Paid-up equity share capital (face value of ₹ 10 per equity share)						593.20
11	Instruments entirely equity in nature						49.00
12	Other equity						7,730.39
13	Earning per share (EPS) (face value of ₹ 10 per equity share)						
	- Basic (amount in ₹)	3.17	6.04	0.05	15.43	2.81	10.56
	- Diluted (amount in ₹)	3.14	5.88	0.04	14.82	2.57	9.60
	(EPS for the quarter and nine months ended are not annualised)						



[Handwritten Signature]

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Notes to the un-audited financial results:

- The above financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on January 19, 2024, in accordance with requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The statutory auditors of the Company have carried out a limited review of the aforesaid financial results.
- These financial results have been prepared in accordance with Indian accounting standards prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder ("Ind AS") and the other accounting principles generally accepted in India, to the extent applicable.
- Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended) for the nine months ended December 31, 2023 are presented in below table:

S.no.	Particulars	Nine months ended December 31, 2023
1	Debt-equity ratio (no. of times)*	4.99
2	Debt service coverage ratio	Not applicable
3	Interest service coverage ratio	Not applicable
4	Outstanding redeemable preference shares (in numbers)- refer note (a)	Nil
5	Capital redemption reserve/debenture redemption reserve (₹ in million)	Nil
6	Net worth (₹ in million)	9,335.09
7	Net profit after tax (₹ in million)	958.63
8	Earnings per share: Basic (not annualised)	15.43
	Diluted (not annualised)	14.82
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***	0.81
14	Debtors turnover**	Not applicable
15	Inventory turnover**	Not applicable
16	Operating margin (%)**	Not applicable
17	Net profit margin (%) #	10.59%
18	Sector specific equivalent ratios, as applicable:	
	a) GNPA (%) ##	2.16%
	b) NNPA (%) ###	1.24%
	c) CRAR (%) \$	21.74%
	d) Provision Coverage Ratio (%) ^	62.36%

Notes:

a. The Company does not have any non-convertible redeemable preference shares/ non-convertible preference shares/ redeemable preference shares.

b. 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

^ Provision Coverage Ratio (%) = Expected credit loss/Gross NPA (Stage III) loan EAD

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 and nine months ended December 31, 2023:

Particular	NBFC-MFI	NBFC-MFI
	Quarter ended December 31, 2023	Nine months ended December 31, 2023
Number of loan accounts assigned	20,576	197,316
Aggregate amount of loan assigned (₹ in million)	618.08	6,284.59
Sale consideration (₹ in million)	618.08	6,284.59
Weighted average remaining maturity (in months)	25.56	17.88
Weighted average holding period after origination (in months)	NA	NA
Retention of beneficial economic interest (MRR)	10%	10%
Number of Transactions	1	7
Coverage of tangible security coverage	Nil	Nil
Rating wise distribution of rated loans	Unrated	Unrated

5. The Company has not transferred any stressed loan during the quarter and nine months ended December 31, 2023.

6. The Company has not acquired any stressed loan during the quarter and nine months ended December 31, 2023.



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7. Security Receipts (SR's) held and recovery ratings assigned to such SR's by the credit rating agency

(₹ in million)

Particulars	Category of recovery ratings	As at December 31, 2023
Security Receipts under trust floated by ARC's*	Yet to be rated within time lines as per Reserve Bank of India guidelines	699.13

* The Company is holding impairment allowance of ₹ 263.48 million as on December 31, 2023.

8. The Company operate in a single reportable segment i.e., financing, which has similar risks and returns for the purpose of Ind AS 108- Operating Segments. The Company operate in single geographic segment i.e., domestic.

9. 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.

10. The listed secured non-convertible debentures of the Company aggregating to ₹ 5,579.11 million as at December 31, 2023 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.

11. Following options were exercised during the nine months ended December 31, 2023 and equity shares were allotted as mentioned below:

ESOP Scheme	Number of equity shares
Satya ESOP 2018	168,127

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 un-audited financial results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.satyamicrocapital.com).

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




Vivek Tiwari
Managing Director, CEO and CIO
DIN: 02174160



Place: New Delhi
Date : January 19, 2024

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