



# SATIN CREDITCARE NETWORK LTD.

Reaching out!

June 02, 2016

To,  
The General Manager  
Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400023

Dear Sir,

**Sub: Compliance under Regulation 52 (4) & (5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 for the half year ending on March 31, 2016**

With reference to the above, we submit herewith the information and documents as per the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008 and SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 and SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015 there under. The details are as on March 31, 2016 mentioned below:

1. Following issues of Non-Convertible Debentures have been listed with your Stock Exchange:

**Details of listed NCDs:**

S. No.	ISIN	Name of Debenture Holders	Address of Debenture Holders	Issue Date	Face Value	No. of Debentures	Amount	BSE Listing Date
1	INE836B07071	UTI INTERNATIONAL WEALTH CREATOR 4	Standard Chartered Bank, CRESCENDO, Securities Services, 3rd Floor, C-38/39 G-Block, BKC Bandra (East) Mumbai- 400051	27-Sep-13	2500000	72	18,00,00,000/-	10-Oct-13
2	INE836B07055	MICROFINANCE ENHANCEMENT FACILITY SA. SICAV-SIF	Citibank N.A. Custody Services, FIFC-11th FLR, G Block, Plot C-54 And C-55, BKC, Bandra-East, Mumbai - 400051	18-Dec-12	1000000	250	25,00,00,000/-	24-Dec-12
3	INE836B07048	UTI INTERNATIONAL WEALTH CREATOR 4	Standard Chartered Bank, CRESCENDO, Securities Services, 3rd Floor	14-Sep-12	2500000	75	18,75,00,000/-	20-Sep-12

**Corporate Office :**  
909-914 ABC, 9th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001, India

**Registered Office :**  
5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, New Delhi-110033, India

**CIN** : L65991DL1990PLC041796  
**Landline No** : (011) 4754 5000  
**E-Mail ID** : info@satincare.com  
**Website** : www.satincare.com



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			C-38/39 G-Block, BKC Bandra (East), Mumbai, 400051				
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- We confirm that the proceeds of the above said issues by the Company were utilized for the purpose as mentioned in the Information Memorandum of the respective issues.
- The Credit Rating for the above said Non- Convertible Debentures is attached as **Annexure-I**
- The Debt Equity Ratio is **8.45**
- Debenture Redemption Reserve- **N.A**
- Net Worth is **Rs. 3,240,060,179.64**
- Net Profit After Tax is **Rs. 579, 405,151.37**
- Earnings Per Share is **20.28**
- Outstanding redeemable Preference Shares (Quantity & value)-**NIL**
- The due date of payment of principal and interest and the actual date of payment for the half-year ending on 30.09.2015 and due date of principal and interest of the above said NCDs during next half-year i.e. 01.10.2015 to 31.03.2016 are as under:

Series / Tranche	Due date of payment of principal and interest and the actual date of payment for the half-year ending on 31.03.2016			Details of redemption & interest due in the next half-year:	
	Due date of payment	Amount (Rs.)	Actual date of payment	Due date of payment	Amount (Rs.)
INE836B07071 (18 Crore)	Principal	Nil	Nil	Principal 27-Sep-16	18,00,00,000.00
	Interest 27-Mar-16	1,31,76,521.00	23-Mar-16	Interest 27-Sep-16	1,32,30,000.00
INE836B07055 (25 Crore)	Principal	Nil	Nil	Nil	Nil
	Interest 18-Dec-15	1,80,49,315.00	18-Dec-15	Interest 18-June-16	1,80,03,772.00
INE836B07048 (18.75 Crore)	Principal	Nil	Nil	Nil	Nil
	Interest 14-Mar-16	1,31,68,088.00	14-Mar-16	Interest 14-Sep-16	1,32,90,984.00

We do not expect default in payment of principal / interest due in next half year.

- The assets of the Company which are secured for the NCDs issued, are sufficient to discharge the claims of the debenture-holders as and when they become due.
- The Cash-Flow of the Company is adequate for payment of interest and redemption of principal of the NCDs issued.
- We confirm that we have complied with all the provisions of relevant Regulations in relation to the issue and listing of NCDs issued by us and outstanding on 31.03.2016

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# SATIN CREDITCARE NETWORK LTD.

Reaching out!

14. This company is 'Non-Banking Financial Company' and the NCDs mentioned above are privately placed and hence no 'Debenture Redemption Reserve' is required to be created.
15. The half-yearly results for the half-year ending on 31.03.2016 are attached as **Annexure-II**.
16. No event as detailed in clause 58 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (read with sub regulation 4, 5 of regulation 52) has taken place during half year ending on 30.09.2015, requiring this company to notify to Stock Exchange or Debenture Trustees.
17. The name, designation and contact details of "Compliance Officer" of this company are as under:
- |                                |  |
|--------------------------------|--|
| (A) Name of Compliance Officer | : Choudhary Runveer Krishanan  |
| (B) Designation                | : Company Secretary & Compliance Officer   |
| (C) Correspondence Address     | : 5 <sup>th</sup> Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi-110033       |
| (D) Phone, Fax No.             | : (Phone): 011-47545000, (Fax): 011-27672727   |
| (E) Email ID                   | : <a href="mailto:runveer.krishanan@satincare.com">runveer.krishanan@satincare.com</a> |
18. We confirm that the information submitted as above is true and correct and the undersigned has authority to submit the same to you and that we are aware that above information is expected to be placed on the website of your Stock Exchange and that of Debenture Trustees.

Thanking you,

Yours faithfully,

For **Satin Creditcare Network Limited**

Choudhary Runveer Krishanan  
(Company Secretary & Compliance Officer)

Counter Signed by:

For **IDBI Trusteeship Services Limited**

(Authorized Signatory)

**Corporate Office :**  
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New Delhi - 110001, India

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Celebrating Two Decades of Analytical Excellence

ANNEXURE - 3

CREDIT ANALYSIS & RESEARCH LTD.

B-47, 3rd Floor, Inner Circle

Connaught Place, New Delhi-110001

Tel. : + 91 11 45333200, 23716199

Fax : + 91 11 45333238

Website : www.careratings.com

Mr. H. P. Singh  
Chairman cum Managing Director  
Satin Creditcare Network Ltd  
5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex,  
Delhi - 110 033

September 19, 2013

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.18.00 crore of your company. The proposed NCDs would have tenure of 36 months with bullet repayment 36 months after disbursement.

2. Our Rating Committee has assigned a 'CARE BBB' [Triple B] rating to the aforesaid NCD issue. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. Our rating symbols for various medium and long term instruments (including NCDs) are annexed. The rationale for the rating will be communicated to you separately.
3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is September 19, 2013).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest-rate, date of payment of interest, date and amount of repayment etc.] as soon as the NCDs have been placed.
6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

3/4/13

1/8/13

1/8/13

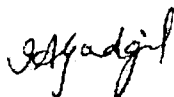
# CARE Ratings

7. CARE reserves the right to undertake a surveillance/ review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
9. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
10. CARE ratings are **not** recommendations to buy, sell or hold any securities.

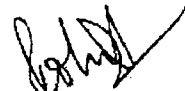
If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



**Jyotsna Gadgil**  
**Joint General Manager**



**Rohit Agarwal**  
**Analyst**

Encl: As above

#### Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

## Annexure

### A. Rating Symbols and Definitions for Long /Medium Term Debt Instruments –

Symbols	Rating Definition
CARE AAA	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.
CARE AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
CARE A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.
CARE BBB	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
CARE BB	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations.
CARE B	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations.
CARE C	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations.
CARE D	Instruments with this rating are in default or are expected to be in default soon.

Modifiers {"+" (plus) / "-" (minus)} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.

**CREDIT ANALYSIS &  
RESEARCH LTD.**

B-47, 3rd Floor, Inner Circle  
Connaught Place New Delhi-110001  
Tel. : + 91 11 45333200, 23716199  
Fax : + 91 11 45333238, 23318701  
Website : www.careratings.com

**Mr. H. P. Singh**  
**Chairman cum Managing Director**  
**Satin Creditcare Network Ltd**  
5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex,  
Delhi - 110 033

November 26, 2012

**Confidential**

Dear Sir,


**Credit rating for proposed Non-Convertible Debenture issue**

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.25.00 crore of your company.

2. Our Rating Committee has assigned a 'CARE BBB-' [Triple B Minus] rating to the aforesaid NCD issue. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. Our rating symbols for various medium and long term instruments (including NCDs) are annexed. The rationale for the rating will be communicated to you separately.
3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is November 26, 2012).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest-rate, date of payment of interest, date and amount of repayment etc.] as soon as the NCDs have been placed.
6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.



1 of 3

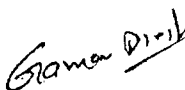





7. CARE reserves the right to undertake a surveillance/ review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
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If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

  
**Gaurav Dixit**  
Assistant General Manager  
Encl: As above

Yours faithfully,

  
**Rohit Agarwal**  
Analyst

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"Credit Analysis and Research Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India (the "SEBI"). The DRHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Book Running Lead Managers at [www.investmentbank.kotak.com](http://www.investmentbank.kotak.com), [www.dsprml.com](http://www.dsprml.com), [www.edelcap.com](http://www.edelcap.com), [www.icicisecurities.com](http://www.icicisecurities.com), [www.idbicapital.com](http://www.idbicapital.com), and [www.sbicans.com](http://www.sbicans.com). Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the DRHP."

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### Annexure

#### A. Rating Symbols and Definitions for Long /Medium Term Debt Instruments -

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Website : [www.careratings.com](http://www.careratings.com)

Mr. H. P. Singh  
Chairman cum Managing Director  
Satin Creditcare Network Ltd  
5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex,  
Delhi - 110 033

August 30, 2012

**Confidential**

Dear Sir,

**Credit rating for proposed Non-Convertible Debenture issue**

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.25.00 crore of your company.


2. Our Rating Committee has assigned a 'CARE BBB-' [Triple B Minus] rating to the aforesaid NCD issue. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. Our rating symbols for various medium and long term instruments (including NCDs) are annexed. The rationale for the rating will be communicated to you separately.
3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is August 29, 2012).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest-rate, date of payment of interest, date and amount of repayment etc.] as soon as the NCDs have been placed.
6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

## CARE Ratings

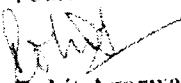
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**Gaurav Dixit**  
Assistant General Manager  
Encl: As above

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**Rohit Agarwal**  
Analyst

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"Credit Analysis and Research Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India (the "SEBI"). The DRHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Book Running Lead Managers at [www.investmentbank.kotak.com](http://www.investmentbank.kotak.com), [www.dspln.com](http://www.dspln.com), [www.edelcap.com](http://www.edelcap.com), [www.icrcsecurities.com](http://www.icrcsecurities.com), [www.idbicapital.com](http://www.idbicapital.com), and [www.sbieaps.com](http://www.sbieaps.com). Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the DRHP."

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Annexure

**A. Rating Symbols and Definitions for Long /Medium Term Debt Instruments –**

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*Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.*

3



Celebrating Two Decades of Analytical Excellence

**CREDIT ANALYSIS & RESEARCH LTD.**

13th Floor, E-1 Block, Videocon Tower  
Jhandewalan Extension, New Delhi-110055  
Tel. : + 91 11 45333200  
Fax : + 91 11 45333238  
Website : www.careratings.com

Mr. H. P. Singh  
Chairman cum Managing Director  
Satin Creditcare Network Ltd  
5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex  
Delhi - 110 033

July 14, 2014

Dear Sir,

**Credit rating of Bank facilities aggregating Rs.800.0 crore, Non-Convertible  
Debentures aggregating Rs.170.0 crore and Redeemable Preference Share  
Capital aggregating Rs.6.0 crore**


Please refer to our letter(s) dated July 10, 2014 on the above subject.

2. The rationale for the ratings is attached as an **Annexure - I**. Kindly note that the rationale would be published in the forthcoming issue of our monthly journal, 'CAREVIEW'.
3. A write-up (brief rationale) on the above ratings is proposed to be issued to the press shortly. A draft of this is enclosed for your perusal as **Annexure - II**.
4. We request you to peruse the annexed documents and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by July 15, 2014, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

  
Shailly Goel  
Analyst

  
Ankita Sehgal  
Manager

Encl: As above

# Annexure I

## Rating Rationale

### Satin Creditcare Network Limited

#### Ratings

Instrument	Amount (Rs. crore)	Ratings <sup>1</sup>	Remarks
Long-Term Bank Facilities	800.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
<b>Total Facilities</b>	<b>800.0</b>		
Subordinated Debt-Proposed (Non-Convertible Debentures)	21.0	CARE BBB (Triple B )	Assigned
Non-Convertible Debentures- Proposed	50.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
Non-Convertible Debentures	25.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
Non-Convertible Debentures	25.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
Non-Convertible Debentures	31.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
Non-Convertible Debentures	18.0	CARE BBB+ (Triple B Plus )	Revised from CARE BBB [Triple B]
Redeemable Preference Share Capital	6.0	CARE BBB [RPS] (Triple B [Redeemable Preference Shares] )	Revised from CARE BBB- [RPS] (Triple B Minus[Redeemable Preference Shares])

#### Rating rationale

The revision in ratings takes into account strong growth in loan portfolio, improvement in earning profile and comparatively reduced geographical concentration risk.

The ratings continue to factor in the experience of the promoter and management team, diversified resource base, comfortable asset quality and adequate risk management systems.

The ratings, however, continue to remain constrained by moderate capital adequacy ratio and regulatory uncertainty and socio-political intervention risks in the microfinance industry.

<sup>1</sup> Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

*Geographical diversification, further improvement in profitability and capital adequacy ratio while maintaining healthy asset quality are the key rating sensitivities.*

#### **Background**

Satin Creditcare Network Limited (SCNL) is a Delhi-based microfinance company registered with RBI as a non-deposit accepting, systemically important non-banking financial company (NBFC). The company has been granted NBFC-MFI status on November 6, 2013 by RBI.

Incorporated in 1990, the company was initially engaged in providing individual loans to the shopkeepers in the urban area. In 2008, the company started group lending business with joint liability group model, wherein the company provides micro loans to individual members in the group with each group consisting of five members (loans provided are based on the joint guarantee from members). As on March 31, 2014, SCNL was operating in 16,135 villages managed through 199 branches.

The operations of the company are spread across ten states/ UTs i.e. Uttar Pradesh, Delhi/ NCR, Madhya Pradesh, Bihar, Uttarakhand, Rajasthan, Haryana, Punjab, Chandigarh and Jammu & Kashmir.

#### **Credit Risk Assessment**

##### ***Strong growth in loan portfolio***

SCNL disbursed fresh loan of Rs.1229 crore during FY14 (as against disbursement of Rs.626 crore during FY13) taking its assets under management to Rs.1056 crore as on March 31, 2014 (increased from Rs.579 crore as on March 31, 2013). SCNL has maintained its competitive positioning through its presence in the urban and rural areas and offering both individual and group lending products. The proportion of group lending portfolio has been increasing over the years and as on March 31, 2014, it constituted nearly 92% of total loan portfolio. The total workforce as on March 31, 2014 stood at 1958 (vis-à-vis 1,437 as on March 31, 2013).

##### ***Improvement in earning profile***

With aggressive penetration in existing markets, SCNL's total income in FY14 registered a robust growth of 103% on y-o-y basis, which increased from Rs.94.30 crore in FY13 to Rs.191.65 crore in FY14. Its assets under management increased sharply from Rs.579 crore as on March 31, 2013 to Rs.1056 crore as on March 31, 2014. Furthermore, the company has been able to control operating expenses due to benefits derived from economies of scale along with increase in average amount and tenure of loan. This has led to improvement in ROTA and PAT margin from 0.74% and 4.13% respectively for



FY13 to 1.68% and 8.12% respectively for FY14. Net interest margin also improved from 4.77% for FY13 to 6.63% for FY14. However, profitability parameters continue to remain moderate due to high interest expenses on the back of leveraged capital structure, which is reflected by overall gearing of 6.96x as on March 31, 2014.

***Geographical concentration***

During FY14, SCNL has diversified its operations by penetrating further into states of Madhya Pradesh, Bihar & Punjab, thereby reducing its concentration both in Uttar Pradesh and Delhi/NCR from 74% as on March 31, 2013 to 61% as on March 31, 2014.

***Long track record of the company and experienced promoter and management***

SCNL has been carrying out individual lending activities since 1990. The company entered into microfinance activities in 2008 and has gained reasonable experience in the group lending business. The promoter, Mr HP Singh, is the Chairman and Managing Director of the company. He is supported by a management team having rich experience in the financial services and microfinance sector.

***Adequate risk management systems***

SCNL has established an efficient monitoring structure for overseeing its operations at various levels, including at area level, regional level and state level. It has put in place risk management systems viz. defined credit appraisal, collection and monitoring systems including profile of the clients and outer limit of loan size. Specialized software and user-level restrictions are in place to ensure a speedy access to the information with data security.

***Good asset quality***

SCNL has been able to maintain asset quality at comfortable levels. As on March 31, 2014, the Gross NPA percentage was 0.02% while Net NPA percentage was Nil.

***Diversified resource base***

The major source of external funding for SCNL has been term loan from banks/ financial institutions (FIs). SCNL has a lender base of 32 banks. SCNL has also accessed securitization/ assignment route for tapping funds. The off-balance sheet portfolio as on March 31, 2014 stood at Rs.271.22 crore (vis-à-vis Rs.125.90 crore as on March 31, 2013). The company has also tapped non-convertible debentures (NCDs) and preference share capital route for raising funds.

***Regulatory uncertainty and socio-political intervention risks in the microfinance industry***

On the regulatory front, the key development was implementation of the Malegam Committee's recommendations by RBI for creating separate category for NBFC-MFIs and retaining the priority sector status for NBFC MFIs. The regulations are for both operational and financial aspects of an MFI and provide comprehensive framework across the country and bring more clarity on the regulatory framework for the sector.

The Central Government has also released a draft MFI bill (The Microfinance Institutions Development and Regulation Bill 2011), intending to provide formal statutory framework for the microfinance sector. Post which, though regulatory uncertainty has reduced, evolving regulatory environment and socio-political risk remains.

#### ***Prospects***

*Going forward, diversification in operations in new geographies while improving profitability and capital adequacy ratio and maintaining healthy asset quality remains crucial. Furthermore the enactment of MFI Bill shall also be important for reducing the regulatory uncertainty in MFI sector.*

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## Financial Performance



(Rs. Crore)

Particulars	2012-13	2013-14	2014-15
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### Working Results

Interest Income	42.50	79.60	167.45
Securitization Income	10.70	8.80	11.59
Other Operating Income	3.00	5.70	12.60
<b>Total Income</b>	<b>56.20</b>	<b>94.10</b>	<b>191.64</b>
Interest	26.81	54.30	106.08
Operating Expenses	25.60	31.60	52.36
Depreciation	0.67	0.61	0.71
Total Provision / Write offs	1.01	2.25	9.09
<b>PBT</b>	<b>2.11</b>	<b>5.35</b>	<b>23.41</b>
<b>PAT</b>	<b>1.40</b>	<b>3.90</b>	<b>15.56</b>

### Financial Position

Tangible Net worth	79.48	122.98	131.05
Total Borrowings	215.52	589.80	912.32
Total Loan Portfolio	190.49	453.26	784.84
Total Assets	315.99	744.45	1108.38
Assets Under Management (AUM)	319.54	579.16	1056.06

### Key Ratios (%)

#### Solvency

Overall Gearing (times)	2.71	4.80	6.96
Interest coverage (times)	1.14	1.15	1.22
Capital Adequacy Ratio (CAR) (%)	34.88	23.43	15.31
Tier I CAR %	34.51	23.20	14.32

#### Profitability (%)

Net Interest Margin	5.16	4.77	6.63
Operating Expenses/ Average Total Assets	8.41	6.00	5.73
Return on Total Assets (ROTA)	0.46	0.74	1.68

#### Asset Quality Ratios (%)

Gross NPA Ratio	0.30	0.16	0.02
Net NPA Ratio	0.27	0.14	0.00
Net NPA to Net worth	0.66	0.51	0.00

Note: Ratios have been computed based on average of annual opening and closing balances  
NIM has been calculated as net interest income/ average annual total assets

**Disclaimer**

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## Annexure II

### Brief Rationale



**CARE revises the ratings assigned to Bank Facilities, Non Convertible Debentures and Redeemable Preference Share Capital of Satin Creditcare Private Limited**

### Ratings

Instrument	Amount (Rs. crore)	Ratings <sup>1</sup>	Remarks
Long-Term Bank Facilities	800.0	<b>CARE BBB+ (Triple B Plus )</b>	Revised from CARE BBB [Triple B]
<b>Total Facilities</b>	<b>800.0</b>		
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Non-Convertible Debentures- Proposed	50.0	<b>CARE BBB+ (Triple B Plus )</b>	Revised from CARE BBB [Triple B]
Non-Convertible Debentures	25.0	<b>CARE BBB+ (Triple B Plus )</b>	Revised from CARE BBB [Triple B]
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### Rating rationale

*The revision in ratings takes into account strong growth in loan portfolio, improvement in earning profile and comparatively reduced geographical concentration risk.*

*The ratings continue to factor in the experience of the promoter and management team, diversified resource base, comfortable asset quality and adequate risk management systems.*

*The ratings, however, continue to remain constrained by moderate capital adequacy ratio and regulatory uncertainty and socio-political intervention risks in the microfinance industry.*

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*Geographical diversification, further improvement in profitability and capital adequacy ratio while maintaining healthy asset quality are the key rating sensitivities.*

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The operations of the company are spread across ten states/ UTs i.e. Uttar Pradesh, Delhi/ NCR, Madhya Pradesh, Bihar, Uttarakhand, Rajasthan, Haryana, Punjab, Chandigarh and Jammu & Kashmir. In FY14 (refers to the period April 01 to March 31), SCNL reported a PAT of Rs.15.56 crore on total income of Rs.191.64 crore with assets under management of Rs.1056.06 crore as on March 31, 2014.

#### **Analyst Contact**

Name: Ankita Sehgal

Tel: 011-45333226

Mobile: 9958700336

Email: ankita.sehgal@careratings.com

*CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.*

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# SATIN CREDITCARE NETWORK LTD.

Reaching out!

SATIN CREDITCARE NETWORK LIMITED  
CIN:L65991DL1990PLC041796  
Regd. Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi-110033  
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR / YEAR ENDED 31ST MARCH 2016

ANNEXURE - II

Particulars	Half Year		(Rs./Lakhs except for Shares and EPS)	
	01/10/2015 to 31/03/2016	01/10/2014 to 31/03/2015	31-03-2016	31-03-2015
	Audited	Unaudited	Audited	Audited
Interest Earned	Refer Note No.6	Refer Note No.6	Refer Note No.6	Refer Note No.6
Other Income	31,256.19	18,597.34	55,276.76	32,189.53
Total Income	435.64	143.59	625.37	226.04
Finance Cost	31,691.83	18,740.93	55,852.13	32,415.57
Operating Expenses (I)+(II)+(III)	16,274.48	10,669.46	28,965.80	17,748.96
(i) Employees Cost	10,028.04	4,958.89	17,304.80	9,341.11
(ii) Other Operating Expenses	5,571.86	2,256.01	8,837.72	3,919.82
(iii) Depreciation	4,273.71	2,578.53	8,178.86	5,275.48
Total Expenditure	182.47	124.35	288.22	195.81
Operating Profit Before Provisions & Contingencies	26,302.52	15,628.35	46,290.60	27,090.07
Provision for Standard/Non Performing Assets	5,389.31	3,112.58	9,561.53	5,325.50
Net Profit/(Loss) Before Tax	655.68	408.73	808.61	680.12
Tax Expense - [(a)-(b)-(c)]	4,733.63	2,703.85	8,752.92	4,645.38
(a) Current Tax	1,598.83	884.94	2,958.87	1,473.79
(b) Tax Related To Earlier Years	1,872.08	1,078.26	3,300.38	1,760.01
(c) Deferred Tax				(2.53)
Net Profit/(Loss) After Tax	273.25	193.32	341.51	283.69
Paid-up Equity Share Capital (Face Value of Rs.10/- per Share)	3,134.80	1,818.91	5,794.05	3,121.58
Paid-up, 12% Cumulative, Rated, Non-Participative, Non-Convertible & Compulsorily Redeemable Preference Shares of Rs.10/- each	3,149.83	2,537.56	3,149.83	2,537.56
Reserves Excluding Revaluation Reserves		600.00		600.00
Analysical Ratios			29,250.77	16,810.91
(i) Percentage of shares held by Government of India				
(ii) Capital Adequacy Ratio	NH	NH	NH	NH
CRAR-Tier-I	16.82	15.67	16.82	15.67
CRAR-Tier-II	11.30	9.60	11.30	9.60
(iii) Earning per share (Before extraordinary items)	5.52	6.07	5.52	6.07
Basic EPS (Rs.)				
Diluted EPS (Rs.)	10.60	6.83	20.28	12.17
(iv) Earning per share (After extraordinary items)	11.06	6.69	19.97	11.93
Basic EPS (Rs.)				
Diluted EPS (Rs.)	10.60	6.83	20.28	12.17
(v) NPA Ratios				
a) Gross NPA	11.06	6.69	19.97	11.93
b) Net NPA	424.31	42.37	474.31	42.37
c) % of Gross NPA	212.16	21.19	212.16	21.19
d) % of Net NPA	0.09%	0.02%	0.09%	0.02%
(vi) Return on Assets (Profit After Tax/Total Assets)-not annualised	0.95%	0.01%	0.09%	0.01%

#### Notes:

- The above results have been reviewed by the Audit Committee meeting held on 27th May 2016 and approved by the Board of Directors at its meeting held on 30th May 2016 in accordance with the requirement of Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015.
- The Company has allotted following series of NCD during the reporting period:
  - 125 (One Hundred and Twenty Five) Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures bearing Face Value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lac only) on private placement basis on 5th April 2016.
  - 125 (One Hundred and Twenty Five) Rated, Listed, Secured, Redeemable, Non-Convertible Debentures bearing Face Value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lac only) on private placement basis on 28th March 2016.
  - 250 (Two Hundred and Fifty) Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures bearing Face Value of Rs. 10,00,000/- (Rupees Ten Lakhs) each, aggregating to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) on private placement basis on 30th December 2015.
  - 4,644 (Four Thousand Six Hundred and Forty Four) Rated, Listed, Secured, Redeemable, Non-Convertible Debentures bearing Face Value of Rs. 1,00,000/- (Rupees One Lakh) each, aggregating to Rs. 46,44,00,000/- (Rupees Forty Six Crores Forty Four Lac only) on private placement basis on 22nd December 2015.
  - 2,628 (Two Thousand Six Hundred and Twenty Eight) Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures bearing Face Value of Rs. 1,00,000/- (Rupees One Lakh) each, aggregating to Rs. 26,28,00,000/- (Rupees Twenty Six Crores Twenty Eight Lac only) on private placement basis on 05th October 2015.
- The Board of Directors of the Company vide their resolution passed on 10th February 2016 has allotted 14,70,000 (Fourteen Lacs Seventy Thousand) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs. 130/- each (Rupees One Hundred and Thirty only) to Promoter entities pursuant to conversion of Equivalent number of Warrants. The Working Committee of Board of Directors of the Company vide their resolution passed on 21st March 2016 has allotted 14,00,000 (Fourteen Lacs only) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs. 130/- each (Rupees One Hundred and Thirty only) to entities under Non Promoter Category pursuant to conversion of Equivalent number of Warrants. In terms of Regulation 77 of the SEBI (ICDR) Regulations, 2009, the Equity Warrants to be converted into Equity Shares on or before eighteen months.
- The Company has redeemed 60,00,000 Preference Shares (i.e. 12% Cumulative, Rated, Non-Participative, Non-Convertible, Compulsory Redeemable Preference Share) of Rs. 10/- (Rupees Ten Only) each vide Circular Resolution passed by the Board of Directors on 24th November 2015. The total dividend pay-out for the period of 241 days (dividend payment date: 27th November 2015) amounted to Rs. 48.08 Lacs (excluding dividend distribution tax).
- The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of Accounting Standard 17 on 'Segment Reporting' specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. Further Company operates in a single geographical segment i.e. domestic.
- Figures of the half year ended 31st March 2016 and 31st March 2015 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the half year 30th September 2015 and 30th September 2014 respectively.
- Previous year/periods figures have been regrouped/rearranged to make them comparable to current year/period figures.

Place: Delhi  
Dated: 30th May 2016



By order of the Board of Directors  
For Satin Creditcare Network Limited

(M P Singh)  
Chairman cum Managing Director  
DIN No.00333754

CERTIFIED TRUE COPY

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Corporate Office :  
909-914 ABC, 9th Floor, Kundan Bhawan,  
Building-18, Barakhamba Road,  
New Delhi-110033, India

Registered Office :  
5th Floor, Kundan Bhawan,  
Azadpur Commercial Complex,  
Azadpur, New Delhi-110033, India

CIN : L65991DL1990PLC041796  
Landline No : (011) 4754 5000  
E-Mail ID : info@satincreditcare.com  
Website : www.satincreditcare.com