



**SATIN CREDITCARE NETWORK LTD.**

*Reaching out!*

## **PRESS RELEASE**

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24 April 2017

### ***Asian Development Bank and Promoters infuse capital in Microfinance Institution in India - Satin Creditcare Network Limited***

**New Delhi, April 24, 2017:** Satin Creditcare Network Limited (SCNL) [BSE: 539404; NSE: SATIN, CSE: 30024] announces today the success of its capital raise of Rs. 64.3 crore from the Asian Development Bank (ADB) and Rs. 7.5 crore from Trishashna Holdings & Investments Private Limited (THIPL), a Promoter group company. With this, the shareholding of ADB stands at 3.95%, while the Promoter and Promoter group shareholding stands at 31.74%.

SCNL today is a leading microfinance company in India, with key markets in north and central part of the country. SCNL provides doorstep financial services to India's urban and rural poor, specifically those who lack access to funds from any other financial institution at affordable rates to support productive activities.

The proceeds of Rs. 71.8 crore from this transaction will strengthen SCNL's equity capital. SCNL now has additional financial resources that will allow it to pursue its development objectives while maintaining a solid financial structure.

As part of the preferential allotment, SCNL has allotted 1,543,187 equity shares to ADB at a price of Rs. 416.67, and has allotted 658,690 fully convertible warrants to THIPL at a price of Rs. 455.45. An additional amount of Rs. 22.5 crore will come into the company upon the conversion of warrants by THIPL. Post conversion of warrants, ADB's post-shareholding will be 3.88% while the Promoter and Promoter group post-shareholding will be 32.87%.

Speaking on this transaction, Mr. H P Singh, Chairman and Managing Director - SCNL, said, "We welcome the support of like-minded stakeholders like the Asian Development Bank and look forward to working closely with ADB towards our common development agenda. Having successfully navigated the demonetization phase, we are now gearing up for growth and for providing more valued added services to our large and expanding customer base. With ADB coming on board, it is a proud moment for us as those that have inspired us along the way now believe in our model enough to support it. This is a huge compliment and very meaningful for me personally and for the financial inclusion agenda of Satin."

Christine Engstrom, Director - Financial Institutions Division, Private Sector Operations Department – ADB, said, "ADB is very pleased to become a shareholder in SCNL. ADB has had a relationship with SCNL since 2012 when it became the first microfinance institution to join ADB's Microfinance Risk Participation Program. SCNL has an excellent track record of providing much needed access to finance primarily to lower income women with a large portion of its lending in less developed states in India – two key strategic areas for ADB's financial institutions funding in India."

## About Satin Creditcare Network Limited

Satin Creditcare Network Limited (SCNL) is one of the largest Microfinance Institutions (MFI) in Northern India, and is the 4<sup>th</sup> largest MFI in the country (Source: MFIN, Micrometer Issue 20). Incorporated in October 1990 as a Non-Banking Finance Company, SCNL started as an individual lending microfinance company. In May 2008, SCNL launched its group lending microfinance business. Today SCNL is an RBI-registered NBFC-MFI, and in addition to its microfinance business, SCNL also provides funding to MSMEs, and acquired Taraashna Services Private Limited (TSPL), business correspondent company, as its subsidiary in Sep 2016. In Apr 2017, SCNL incorporated a wholly owned housing finance subsidiary to provide funding for the affordable housing segment. At present, SCNL has a strong presence and serves its clients across Bihar, Chandigarh, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu, Jharkhand, Maharashtra, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand and West Bengal (16 states). SCNL went public in 1996, and its shares were listed on the Delhi, Jaipur and Ludhiana stock exchanges. SCNL is presently listed on the Calcutta Stock Exchange (CSE), National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

## About Asian Development Bank

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific region through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, ADB is celebrating 50 years of development partnership in the region. It is owned by 67 members—48 from the region. More information on Asian Development Bank can be found at [www.adb.org](http://www.adb.org)

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