



SATIN CREDITCARE NETWORK LTD.

Reaching out!

November 9, 2016

To,

**The Manager,
National Stock Exchange of India Ltd.**
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra East,
Mumbai-400051

**The Manager
BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400023

**The Manager,
The Calcutta Stock Exchange Ltd**
7, Lyons Range
Kolkata 700001

Scrip Code: SATIN

Scrip Code: 539404

Scrip Code: 30024

Dear Sir/Madam,

Sub: Investor Presentation;

Pursuant to Regulation 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and in terms of other applicable laws, if any, please find herewith annexed the **Investor Presentation** for the quarter/half year ended on September 30, 2016.

We request you make this presentation public by disclosing the same at your website.

Thanking You,

Yours Sincerely,
For **Satin Creditcare Network Limited**

(Choudhary Runveer Krishanan)
Company Secretary & Compliance Officer

Encl: a/a

SATIN CREDITCARE NETWORK LIMITED



INVESTOR PRESENTATION - 2Q FY17

NOV 2016

BSE: 539404 | NSE: SATIN | CSE: 30024
Corporate Identity No. L65991DL1990PLC041796



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Business Highlights

1. Fresh Equity Capital Raised via QIP



Successfully Raised Rs. 2.50 bn in Oct'16

- The board of directors of SCNL at their meeting held on June 30, 2016, passed an enabling resolution to raise funds for an aggregate amount not exceeding Rs. 2.50 bn. This was approved by the shareholders of SCNL at the Annual General Meeting held on July 30, 2016.
- The issue opened on September 26, 2016 and closed on September 29, 2016.
- SCNL issued 4,529,970 equity shares to qualified institutional buyers (QIBs) at an issue price of Rs. 551.88 per equity share (including premium of Rs. 541.88 per share), after giving a discount of up to 5% to the SEBI floor price of Rs. 580.92 per equity share as per the SEBI Regulation, 2009, as amended.
- On October 3, 2016, SCNL successfully completed the allotment of 4,529,970 equity shares to the QIBs. The new shares allotted have started trading from October 5, 2016.

Allottees who were allotted more than 5% of the QIP issue size

Name of Allottee	Category	% of Total issue
Citigroup Global Markets Mauritius Private Ltd.	FII	14.66%
DB International (Asia) Ltd.	FII	12.00%
Birla Sun Life Trustee Company Pvt. Ltd.	MF	10.40%
Tata Trustee Company Account Ltd.	MF	10.00%
Morgan Stanley Investments Mauritius Ltd.	FII	9.93%
DSP Blackrock Mutual Fund	MF	9.00%
Prince Street (India) Fund Pte. Ltd.	FPI-II	8.53%
Swiss Finance Corporation (Mauritius) Ltd.	FII	6.67%
TOTAL		81.19%

Shareholding Pattern of SCNL : Pre and Post QIP

Particulars	Pre QIP		Post QIP (as of Oct 3, 2016)	
	No. of shares	%	No. of shares	%
Promoters	12,413,981	37.57%	124,13,981	33.04%
Public				
Private Equity Investors				
MV Mauritius Limited	3,495,520	10.58%	34,95,520	9.30%
SBI FMO Emerging Asia Financial Sector Fund Pte. Ltd.	3,313,609	10.03%	33,13,609	8.82%
NMI Fund III Ks	2,772,304	8.39%	27,72,304	7.38%
Mutual Funds	928,047	2.81%	22,59,865	6.02%
Foreign Portfolio Investors	3,837,964	11.62%	68,42,114	18.21%
Alternate Investment Funds	-	-	58,102	0.15%
Others	5,800,849	17.56%	59,36,749	15.80%
ESOP Trust	476,543	1.44%	4,76,543	1.27%
TOTAL	33,038,817	100.00%	375,68,787	100.00%

2. Rating Upgraded by CARE Ratings



CARE RATINGS upgraded SCNL in Oct 2016

Facilities Type	OLD RATING	NEW RATING
Long Term Bank Facilities (Rs. 22.00 bn)	CARE BBB+	CARE A- (Single A minus)
NCDs	CARE BBB+	CARE A- (Single A minus)
Preference Shares	CARE BBB (RPS)	CARE BBB+ (RPS) (Triple B plus)
NCD (Sub Debt of Rs. 210 mn)	CARE BBB	CARE BBB+ (Triple B plus)

Note: RPS - Redeemable Preference Share

3. Acquired Taraashna Services Private Limited (TSPL)



TSPL acquisition effective September 1, 2016

- Taraashna Services Private Limited (“TSPL”), was incorporated on May 22, 2012. It acts as a Business Correspondent (BC) for banks and provides similar services to other financial institutions in rural and semi-urban areas.
- As on March 31, 2016, the issued, subscribed and paid-up capital of TSPL was Rs. 90.83 mn divided into 9,082,732 equity shares of Rs. 10 each.
- On June 30, 2016, the Board of Directors approved the acquisition of TSPL as a subsidiary through purchase of shareholding in TSPL from existing shareholders via a share swap transaction.
- Further on August 30, 2016, the Board of Directors of SCNL approved the allotment of 1,087,456 equity shares of SCNL of Rs. 10.00 each at an issue price of Rs. 457.82 for purchase of 7,977,239 equity share of TSPL, thus making TSPL a 87.83% subsidiary of SCNL effective September 1, 2016.
- The acquisition of TSPL was on the basis of a swap ratio of 1.00 : 7.33 (one share of SCNL for 7.33 shares of TSPL), as determined by the valuation report dated June 30, 2016 and issued by Corporate Professionals Capital Pvt. Ltd, Category I Merchant Bankers.
- In December 2013, SCNL and TSPL had entered into a revenue sharing agreement wherein TSPL agreed to pay 10% of its gross monthly receipts to SCNL for providing expertise, knowledge, skill and guidance.
- On August 10, 2016 the Board approved termination of this Revenue Sharing agreement between SCNL and TSPL on account of TSPL being made a subsidiary of SCNL and to help address the growing needs of TSPL as it further scales up.
- The period ended September 30, 2016, would be the first quarter of consolidation of the TSPL as a subsidiary of SCNL.

Shareholding Pattern of SCNL : Pre and Post TSPL Acquisition

Particulars	Pre TSPL acquisition		Post TSPL acquisition (as of Sep 1, 2016)	
	No. of shares	%	No. of shares	%
Promoters	115,64,728	36.19%	124,13,981	37.57%
Public				
Private Equity Investors				
MV Mauritius Limited	34,95,520	10.94%	34,95,520	10.58%
SBI FMO Emerging Asia Financial Sector Fund Pte. Ltd.	31,90,000	9.98%	33,13,609	10.03%
NMI Fund III Ks	26,57,710	8.32%	27,72,304	8.39%
Mutual Funds	9,28,047	2.90%	9,28,047	2.81%
Foreign Portfolio Investors	41,90,878	13.12%	41,90,878	12.68%
Alternate Investment Funds	-	-	-	-
Others	54,47,935	17.05%	54,47,935	16.49%
ESOP Trust	4,76,543	1.49%	4,76,543	1.44%
TOTAL	319,51,361	100.00%	330,38,817	100.00%

Corporate Overview

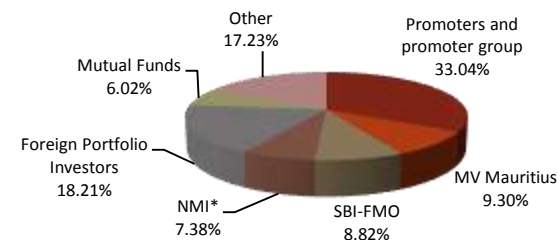
Company Overview



- Satin Creditcare Network Ltd. ('Satin' or 'SCNL') was India's fifth largest Microfinance Institution (MFI) in terms of Gross Loan Portfolio (Mar'16)[#] with a strong presence in North India
- As of Sep'16, Satin had 681^(A) branches spread across 16 states
- Listed on CSE* (May'15), NSE (Aug'15) and BSE (Oct'15)
- Led by Mr. H P Singh, who has experience of over 25 years in retail finance industry; and supported by an experienced management team
- Offers a comprehensive bouquet of financial products focused on financial inclusion - **MFI Segment** (consisting of lending under Joint Liability Group model, loans to individual businesses, Individual Micro Loan, product financing, loans for water and sanitation) and **Non-MFI Segment** (consisting of loans to MSMEs, services including sourcing clients for low ticket loan-against-property, and business correspondent services and similar services to other financial institutions - through its recently acquired subsidiary TSPL)
- Has 6,546^(A) employees, 681^(A) branches and ~2.59^(A) million active clients** as on Sep'16
- Satin has strong presence in under-penetrated regions of Uttar Pradesh, Bihar, MP, Punjab and Uttarakhand
- Relationship with a large number of lenders including banks, domestic and foreign Financial Institutions (FIs) and Development Financial Institutions (DFIs)
- Multiple rounds of fund infusion from six PE investors and complete exit to three investors
- Raised INR 2.50 bn via QIP in Oct'16
- Promoter and promoter group continues to be the largest shareholder in the company, having invested at regular intervals
- Track record of robust financial performance with high loan book growth, impressive RoE and one of the lowest operating expense ratio among top MFIs[#]
- Credit rating of A- (CARE); MFI grading of MFI 1 (CARE). In Jul'16, received "Client Protection Certificate" under the Smart Campaign – 2016 from M-CRIL
- High focus on strengthening IT and risk management systems through enhanced technological initiatives, including moving towards cashless collections; During Sep'16, cashless collections accounted for 22.48% of total collections made by Satin

*Calcutta Stock Exchange; **Active clients refer to unique number of clients and not to number of loan accounts as on a date, since in some cases, a single client has availed more than one offering from SCNL or TSPL. The definition of Active Client base is valid for each of the entities respectively, however there could be customers who might have availed a loan from both SCNL and TSPL.

Shareholding Pattern – October 3, 2016



*NMI – Norwegian Microfinance Initiative

Share Price Performance

Particulars	Nov 7, 2016
Share price movement since listing ⁽¹⁾	6.58x
CMP (Rs.) ⁽¹⁾	559.40
No. of shares o/s (mn)	37.57
M.Cap (Rs. mn) ⁽²⁾	21,015.98

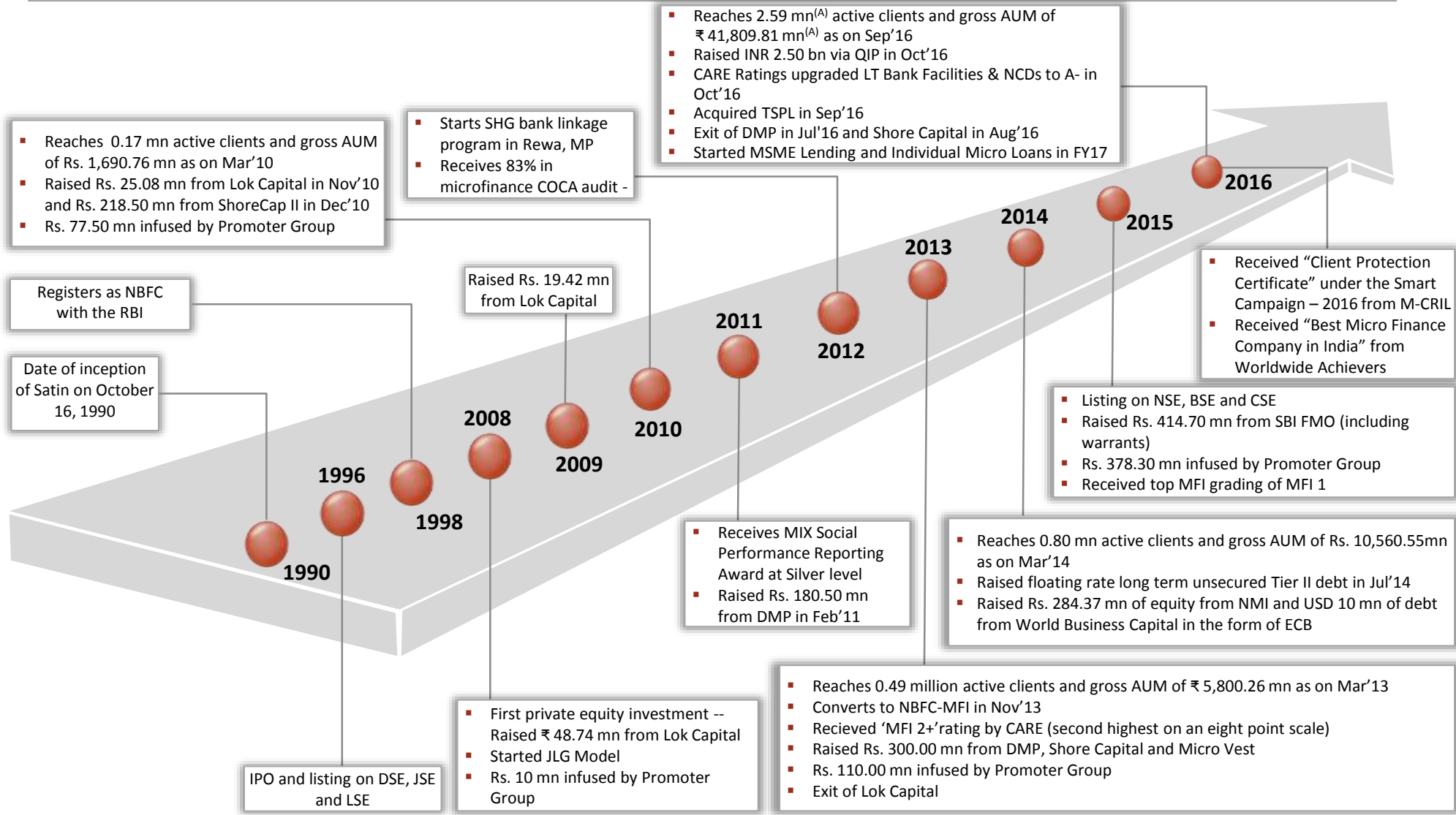
(1) Source – NSE; (2) Source – NSE, BSE

Financials

Rs. mn	FY14	FY15	FY16	1H FY17 ^(A)
Equity ⁽¹⁾	1,384.40	1,934.85	3,240.06	4,293.19
Gross AUM/ Gross Loan Portfolio ⁽²⁾	10,560.55	21,406.50	32,707.60	41,809.81
On-book AUM	7,848.30	14,644.77	22,747.24	27,920.24
Off-book AUM	2,712.25	6,761.73	9,960.36	9,596.98
TSPL (Managed AUM)	-	-	-	4,292.59
Total Debt	9,086.43	16,300.66	27,483.17	33,512.70
Net Interest Income ⁽³⁾	855.78	1,466.66	2,686.63	2,103.99
PAT	155.58	317.16	579.41	510.63
PAT (post Pref. Dividend and Minority Interest)	154.82	308.25	573.52	510.10
Return on Avg. Assets (RoA) ⁽⁴⁾	1.67%	2.03%	2.18%	2.74%
Return on Avg. Equity (RoE) ⁽⁵⁾	11.81%	18.57%	22.17%	27.09%
Cost to Income (%) ⁽⁶⁾	62.01%	61.57%	59.49%	57.12%
CRAR (%)	15.31%	15.67%	16.82%	18.29%

(1) Includes equity share capital, share warrants and reserves and surplus; (2) Including off-book AUM; (3) Represents total income less interest expense; (4) RoA represents ratio of PAT to the Average Total Assets; (5) RoE represents PAT (post Preference Dividend and Minority interest) to the Average Equity (i.e., networth excluding preference share capital); (6) All expenses including depreciation and excluding credit cost and int. exp) / (Total Income less Int exp).

Key Milestones



All information above is Based on Calendar Year;

(A) On consolidated basis with prior periods on standalone basis as TSPL acquisition was effective Sep 1, 2016

Select Accolades & Key Highlights



- Received “Client Protection Certificate” under the Smart Campaign – 2016 from M-CRIL
- Received certificate for being the ‘Best Micro Finance Company in India’ from Worldwide Achievers at the Business Leaders’ Summit and Awards, 2016
- Received “India Iconic Name in Microfinance” Award-2015 from IIBA
- Special Jury Award 2015 for serving MSME’s from CIMSME
- First MFI to receive funding from Mudra Bank
- Raised multiple rounds of sub debt from reputed financial institutions (domestic and international) and ECB from World Business Capital
- First NBFC-MFI to raise funds from a domestic bank against guarantee by Asian Development Bank and IFMR Capital

Award by
MF Transparency Organization



Client Protection Certificate
Smart Campaign - 2016



Award by Microfinance Information Exchange



Product Portfolio

Product Portfolio - Diversification Underway⁽¹⁾



MFI Lending

- Started operations in 1990 with an objective to provide 'doorstep' credit and savings services to individual businesses engaged in productive, trading and services activities in urban areas; gradually forayed into semi-urban and rural areas also
- Started the Joint Lending Group (JLG) model in May'08 which is based on the 'Grameen Model' for providing collateral free, microcredit facilities to economically active women in both rural and semi-urban areas
- JLG portfolio accounted for more than 99% of total loan portfolio as of Sep'16
- Presence across 16 states and Union Territories – Strong position in states like UP, Bihar, MP, Punjab and Uttarakhand
- Total Gross Loan Portfolio (GLP) under MFI Lending has grown at a CAGR of 75.68% p.a. during FY14 – FY16 and has reached Rs. 37,401.49 mn (Sep'16) while maintaining high asset quality
- Active client base as on Sep'16 was ~2.27 mn has grown at a CAGR of 52.42% over FY14-FY16
- Also, in FY16, Satin piloted a new offering - loans for development of water connection and sanitation facilities in certain states to Satin's existing clients

New Initiatives – Product Financing; Individual Micro Loans; MSME Financing

- **Product Financing (Part of Satin's MFI Segment)**
 - Loan product for financing Solar Lamps was started in Oct'15, in semi-urban and rural areas of UP, Bihar and Haryana
 - Existing clients of Satin can avail this loan with a tenor of 9 to 12 months
 - The business has 124,291 loans accounts and gross loan portfolio of Rs. 20.19 mn as on Sep'16
- **Individual Micro Loans (IML), started piloting in fiscal 2017 (Part of Satin's MFI Segment)**
 - Loan product for clients who have a credit track record with Satin and in particular such clients who have successfully completed at least one loan cycle under the JLG model
 - Loans for business expansion and revenue generating activities
 - The ticket size of IMLs will range between Rs. 50,000 to Rs. 100,000 with a tenure ranging from 24 to 48 months depending upon the loan amount, and the interest rates charged will be up to 24.00%.
- **MSME financing (Part of Non – MFI Segment), started in fiscal 2017**
 - Loan product for traders, small manufacturers and service providers for expansion of business activity and for working capital requirements
 - The business has been launched in Delhi NCR as of Apr'16, and expanded operations to other cities in Punjab and Haryana
 - Portfolio stood at Rs. 95.54 mn as of Sep'16

Product Portfolio – Details



	MFI Segment ⁽¹⁾		Non-MFI Segment	Business Correspondent services ⁽²⁾
<i>Product features as on Sep'16</i>	MFI Lending	Product Financing (Loan for Solar lamps)	Loans to MSME ⁽³⁾	TSPL ⁽⁴⁾
Start Date	May'08 (JLG)	Oct'15	Apr '16	May'12 ⁽⁴⁾
Ticket Size Range	Rs. 5,000 – Rs. 50,000	Rs. 695	Rs. 100,000 – Rs. 1,000,000	Rs. 15,000 – Rs. 30,000 (JLG - Microfinance)
Tenure	12 - 24 months	9 - 12 months	24 – 60 months	12 - 24 months
Frequency of Collection	Bi-Weekly / 2 Bi-Weekly	Bi-Weekly / 2 Bi-Weekly	Monthly	Bi-Weekly / 2 Bi-Weekly
No. of States/UTs	16	3	3	7
No. of Branches	541*		5*	137
Gross Loan Portfolio (Rs. mn)	37,401.49	20.19	95.54	4,292.59
No. of loan accounts	2,322,748	124,291	178	313,671
Avg. Ticket Size during 1H FY17	Rs. 26,000 (JLG)	Rs. 695	Rs. 560,000	21,700

Notes - (1) As on Sep'16, MFI Segment included MFI Lending (loans under JLG model, water & sanitation loans and loans to individual businesses) and Product Financing (Loans for solar lamps). Going forward, MFI Segment will also include individual micro loans (please see slide 12 for details) disbursement for which was started after Jun'16; (2) Other service offerings have been discussed in subsequent slide; (3) MSME: Micro, Small & Medium Enterprises; (4) TSPL acquisition is effective Sep 1, 2016

* Of the total branches of MSME, there are 3 unique branches and 2 are common with the MFI segment

Product Portfolio – Other Service Offerings



Loan Against Property (LAP)

- Have entered into an agreement with Reliance Capital Limited (“RCL”) in Dec’13 to provide certain services to RCL for providing loans against property (“LAP”) with a view to leverage on our rural reach
- Under the arrangement, Satin sources clients for RCL in Delhi NCR region, who need financing against residential/commercial property for productive purposes
- Other services include carrying out KYC procedures, address verification, credit appraisal, assistance in security creation and follow-up for recovery.
- The loan is directly booked to RCL and Satin earns a fee equivalent to the interest over and above 15% per annum.
- The credit risk shifts from RCL to Satin in case there is a delay in loan repayment by the client and loan becomes overdue for more than 90 days.

Business Correspondent services and other similar services

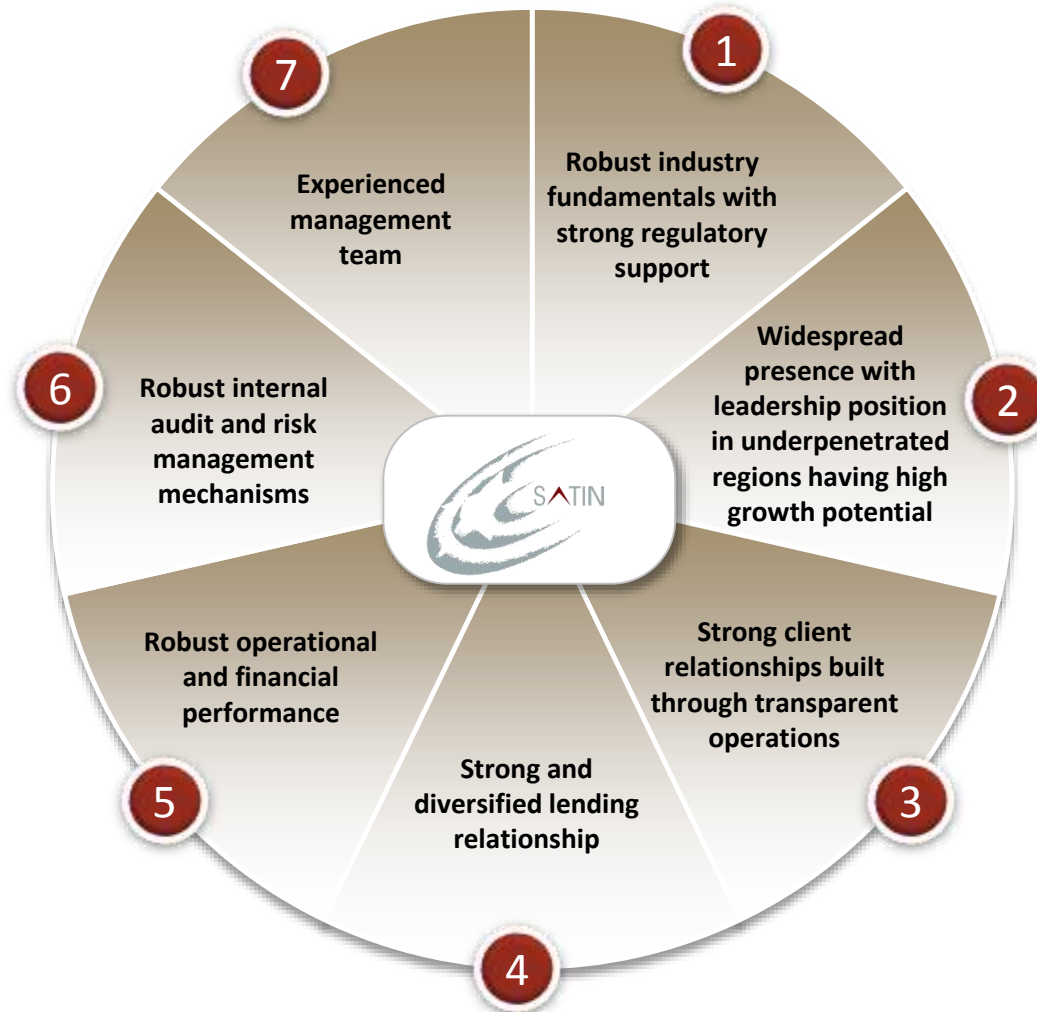
- Satin has recently acquired majority stake in TSPL which acts as a business correspondent for various banks and provides similar services to other financial institutions in rural and semi-urban areas which have limited access to banking network
- TSPL has partnered with four private sector banks and two NBFCs, including RBL, DCB, IFMR and IndusInd
- Offers both microfinance and small business loans in rural and semi-urban areas
- Have been providing loans both under JLG as well as Self Help Group (SHG) models; Recently from Jun’16 onwards, TSPL has discontinued operations under SHG model
- TSPL had 137 branches across MP, Gujarat, Bihar, Rajasthan, Chhattisgarh, Maharashtra and Punjab, and provides services in respect of gross loans aggregating to Rs. 4,292.59 million as on Sep’16
- In the current fiscal year, TSPL has also commenced providing BC services for secured loans to small businesses

TSPL - Key details	FY14	FY15	FY16	1H FY17
Networth (Rs. mn)	70.02	122.15	177.13	187.47
Total LT & ST borrowings (Rs. mn)	-	11.31	23.09	51.19
Total assets (Rs. mn)	200.15	259.45	380.08	482.87
Total income (Rs. mn)	51.88	215.60	322.65	195.24
Profit/(loss) after tax (Rs. mn)	6.54	24.36	5.25	10.34
Amount of loans sourced (Rs. mn)	1,271.12	2,880.26	3,723.34	2,896.62
No. of loans disbursed during the period	66,072	147,492	185,792	132,879
Managed loan portfolio (Rs. mn)	1,157.92	2,602.93	3,457.59	4,292.59
No. of borrowers sourced	77,817	194,227	277,355	313,650
No. of active branches	42	69	112	137
No. of states of operation	3	4	6	7

Note –TSPL used to share 10% of its gross receipts with Satin till Jul’16 as per an agreement.

Key Investment Theses

Key Investment Thesis



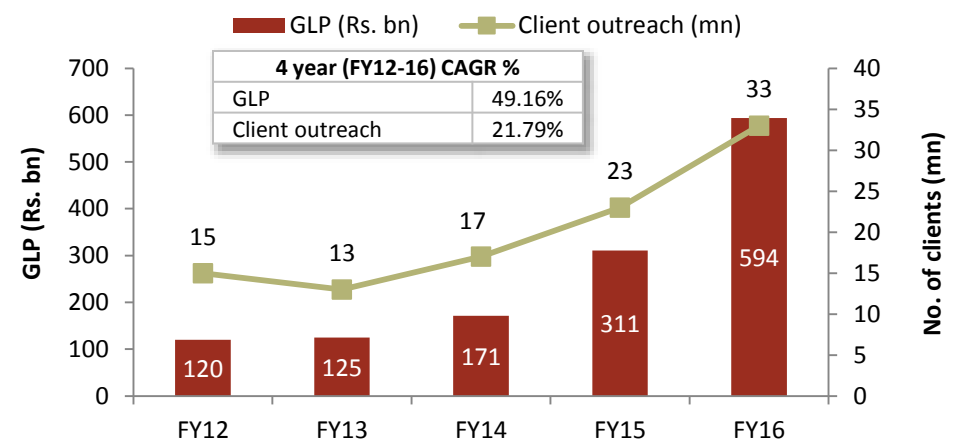


Microfinance – Supportive Industry Dynamics and Robust Fundamentals; Strong Growth to Continue

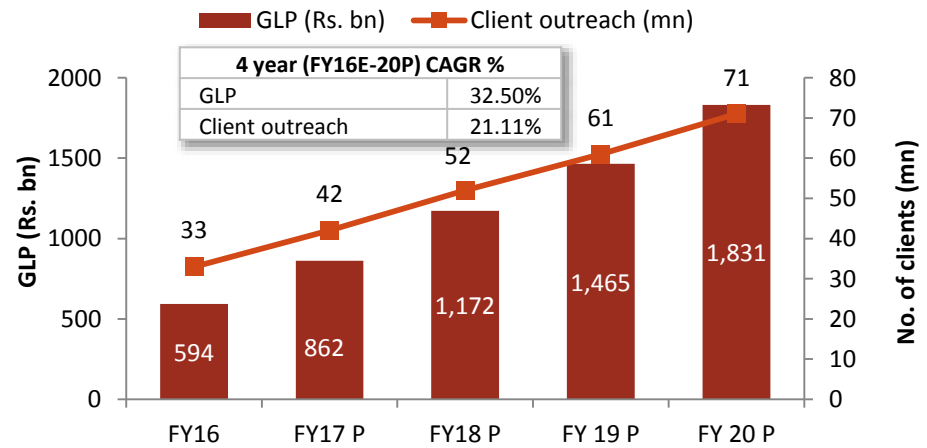
Industry Snapshot

- High level of credit under-penetration in rural areas
 - Rural areas accounted for only 10% of overall o/s bank-credit while comprising of 2/3rd households and contributing ~47% of GDP in India in fiscal 2015
- Massive government thrust to boost financial inclusion – as of Jul'16, 225 mn+ new bank accounts opened with a deposit base of over Rs. 400 bn since Aug'14
- Microfinance sector – NBFC-MFIs with 35.8mn borrowers and outstanding Gross Loan Portfolio of Rs. 601.65 bn (Jun'16*) – is poised to play a key role in furthering this
- Presence across 30 states/union territories with a total of 10,458 branches employing 98,287 people (Jun'16*)
- Yet, it is highly underpenetrated with a pan India average MFI penetration of 14%
- CRISIL estimates total domestic microfinance market potential of Rs. 2.5 tn of which Rs. 1 tn is being served by banks and MFIs – high degree of unorganised play
- With client base expected to grow at 21.11% CAGR and average ticket size at 8.10% CAGR over FY16-20, MFI market is expected to grow at 32.50% CAGR over the same period to reach Rs. 1.8 tn by FY20

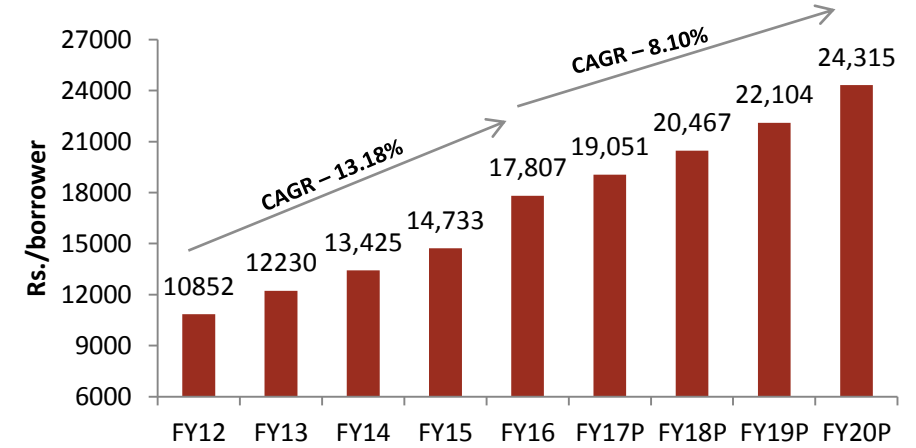
Sector has seen high growth in GLP and client reach**



Rising penetration driving phenomenal growth ; GLP to cross 1 Tn and client base to cross 50 Mn in the next 2 years**



Increasing average ticket size (Rs./borrower)



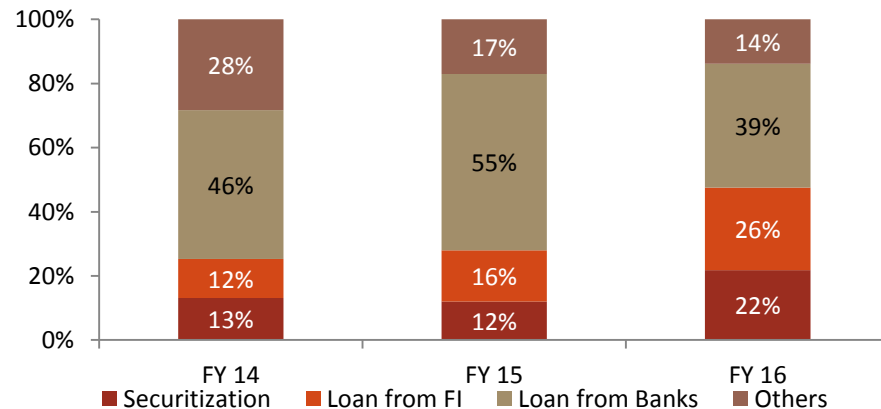
Source – CRISIL Report ; MFIN
 *MFIN Micrometer, Jun'16 ; **Note – 1. MFIN data assumed to represent over 90% of the overall market; 2. GLP numbers have been grossed-up to arrive at estimates for prior years; 3. Overall GLP includes only NBFC-MFIs and excludes numbers of Bandhan Financial Services Ltd which has now become a bank

Strong Portfolio Growth Coupled with Low Delinquencies has Ensured Continued Funding

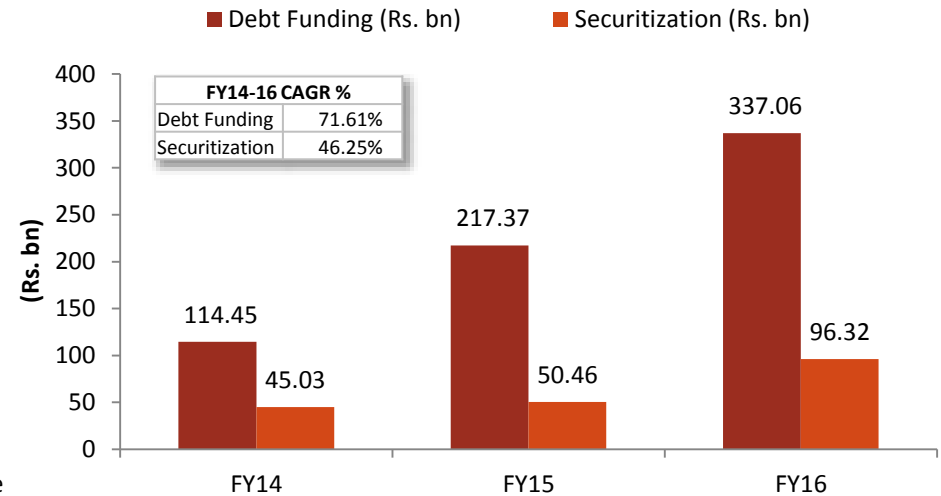
Higher debt and equity funding

- Banks have shown high confidence in the sector and have increased their funding to MFIs
 - Lending to MFI continues to enjoy priority sector status
 - Greater monitoring and regulations from RBI
 - Greater transparency, standardized processes and streamlining of operations have resulted in greater comfort to banks
- High investor interest driven by high returns, strong growth numbers and low delinquency levels
- Securitization also on a rise
 - Securitization also has priority sector benefits
 - Provides a yield of upto 11.5%, which makes it more attractive and further incentivises banks to invest in
- Industry diversifying its liability profile by raising funds through NCD, Preference shares, ECB, Securitization/assignment, sub-debt, etc.

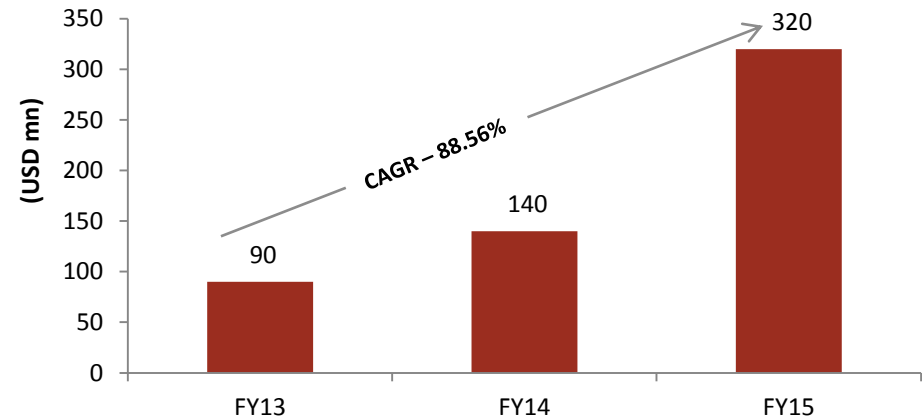
Term loans make up a majority of MFI funding mix; Securitization gaining traction



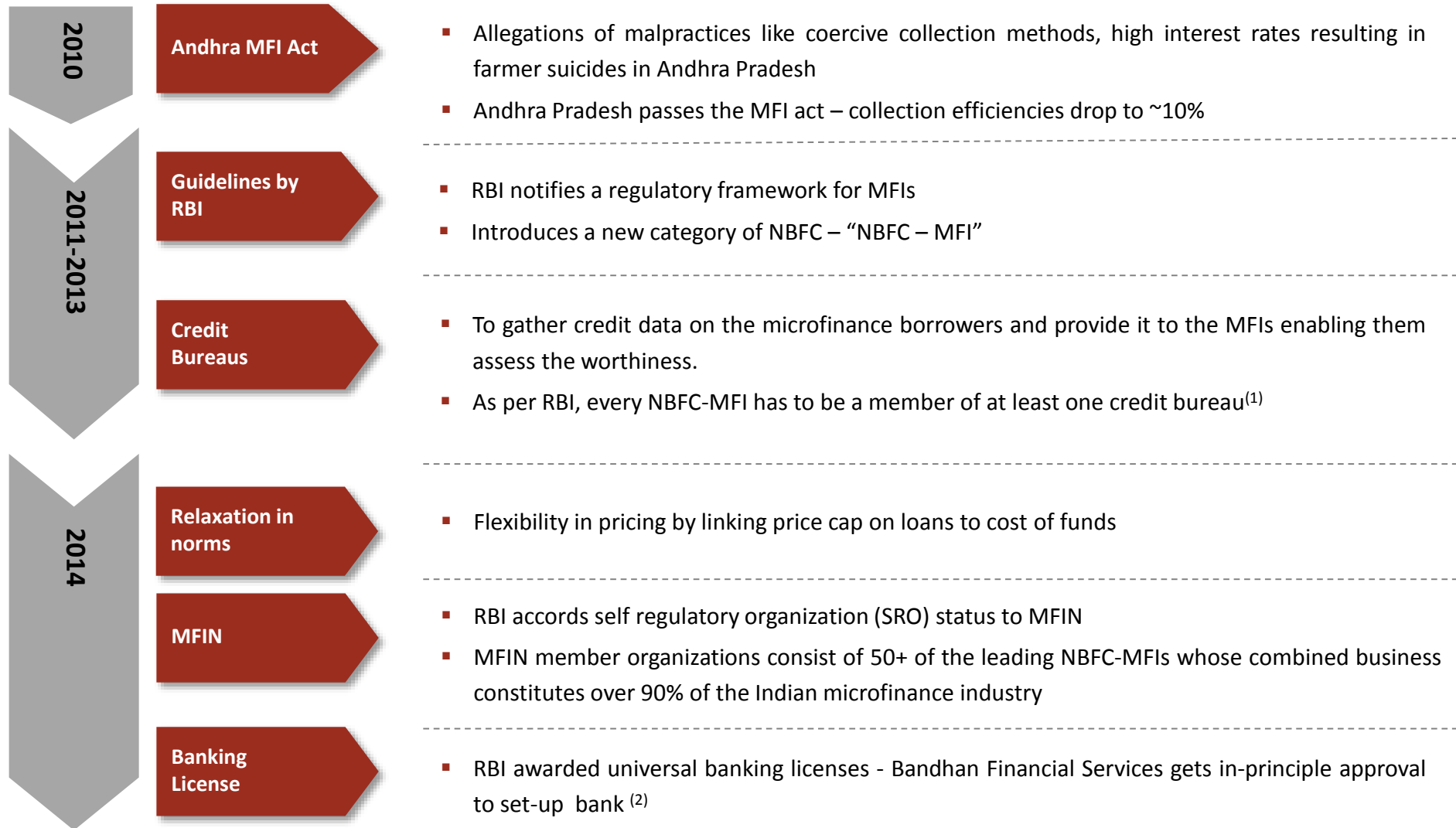
Debt funding and securitization during the period*



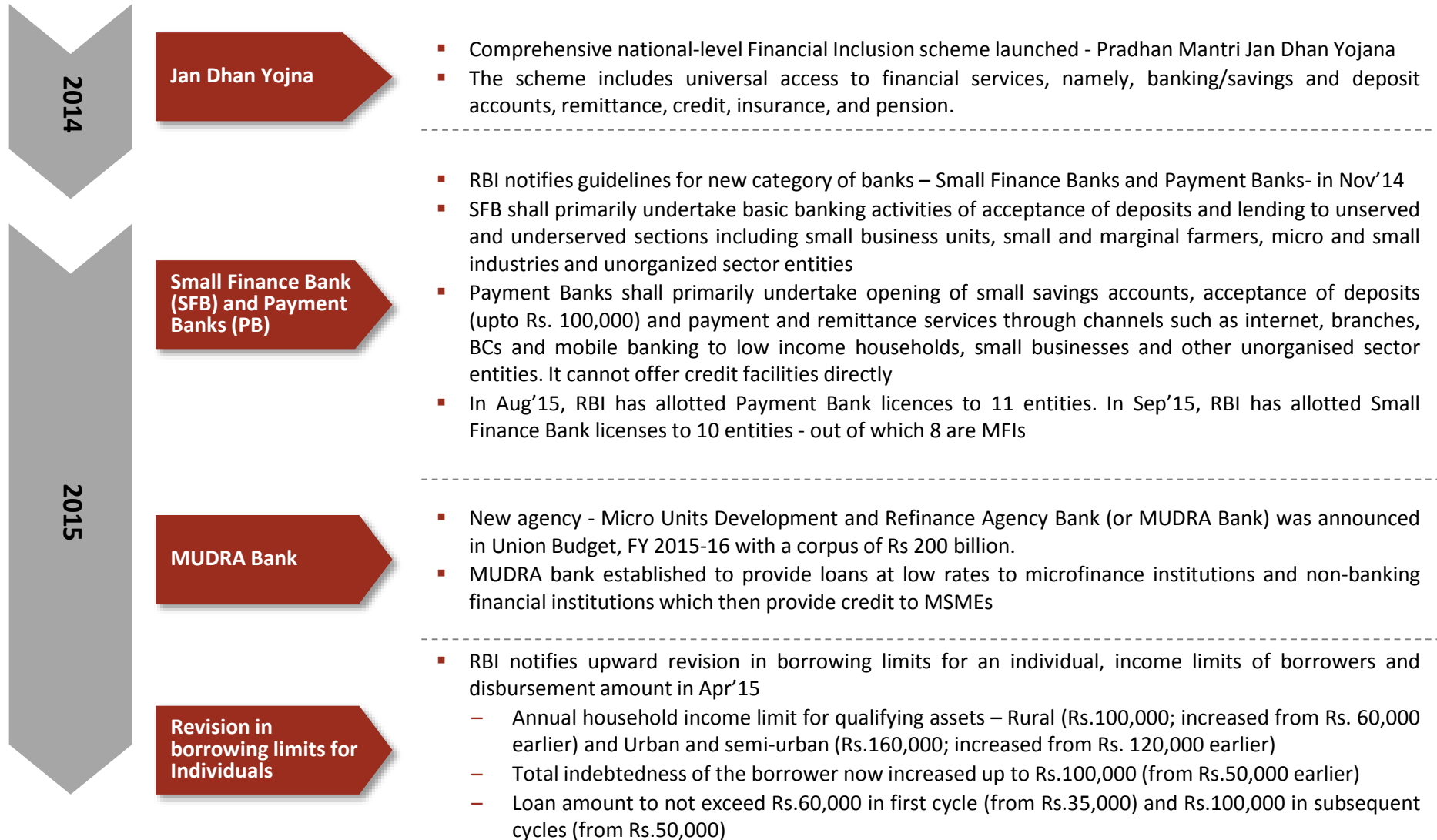
High equity investment continues to flow into MFI space



Regulatory Tailwind Driving Industry Forward



Regulatory Tailwind Driving Industry Forward

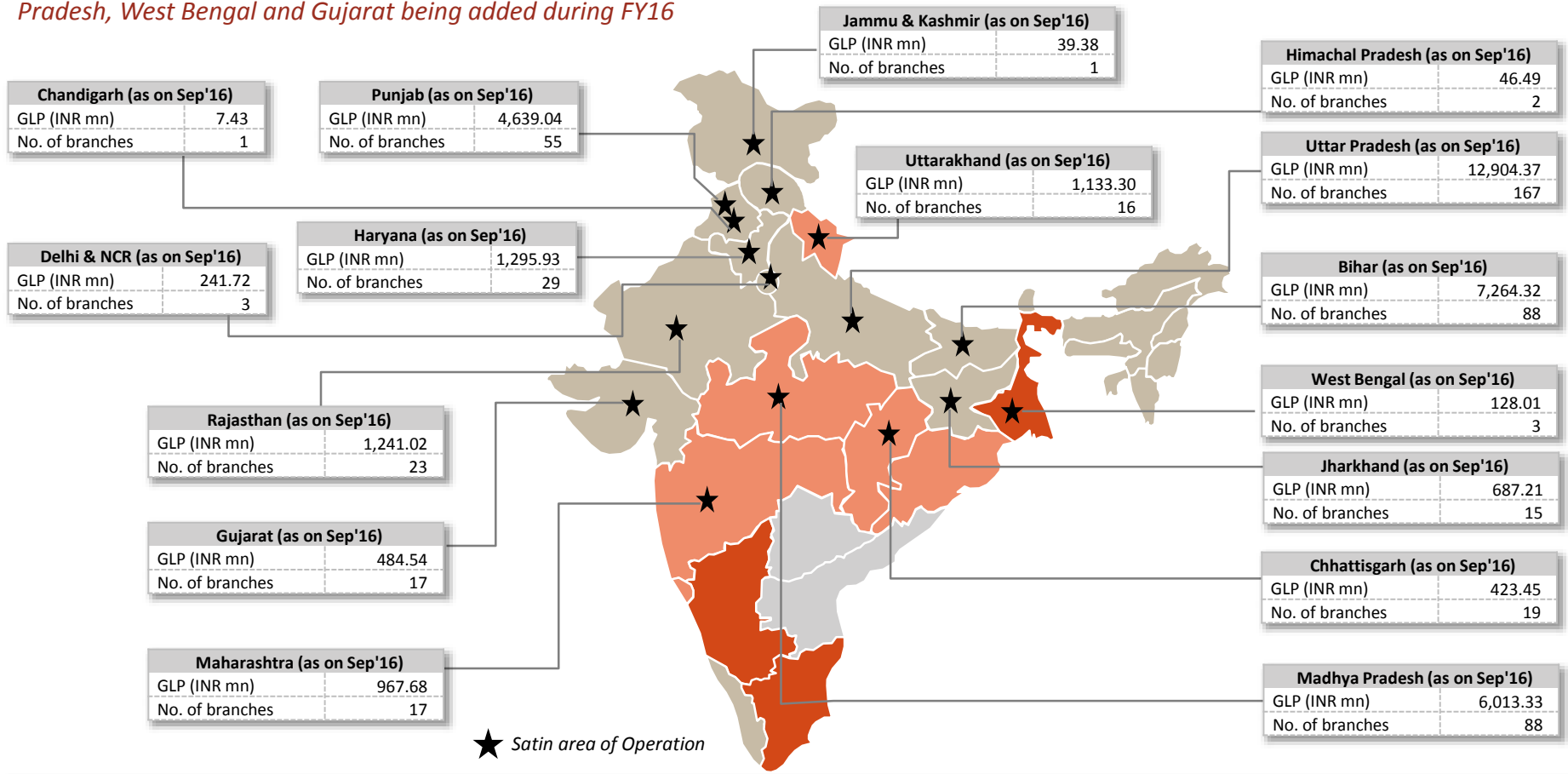




Satin Creditcare - India's Fifth Largest MF, in terms of GLP, with Widespread Presence⁽¹⁾

With strong presence in North India, Satin is steadily building a pan India presence⁽¹⁾

Presence in 16 states, with Chhatisgarh, Jharkhand, Himachal Pradesh, West Bengal and Gujarat being added during FY16



Microfinance Penetration*

- Under Penetrated States (0–10%)
- Moderately Penetrated States (11–20%)
- Highly Penetrated States (>20%)
- No Consideration for Analysis

*Source – CRISIL Report
(1) On standalone basis

Established Presence in Underserved Geographies Leading to Significant Growth Opportunities⁽¹⁾

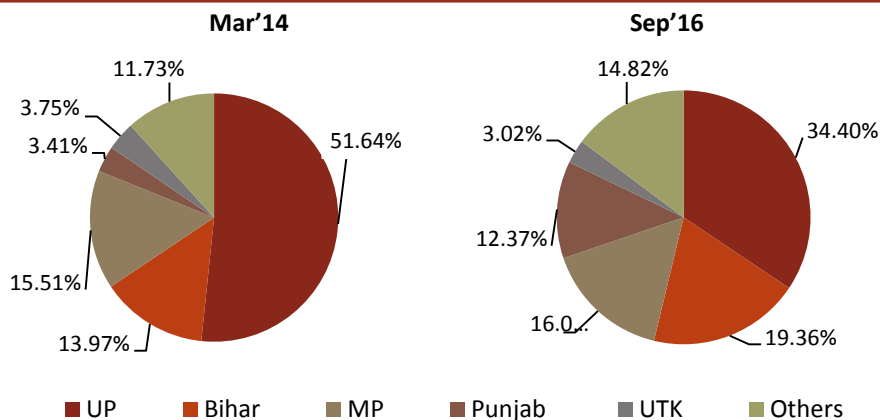
- Satin is present mostly in states of low MFI penetration
- It has significant presence in under-penetrated and high growing markets

Key markets for Satin⁽¹⁾

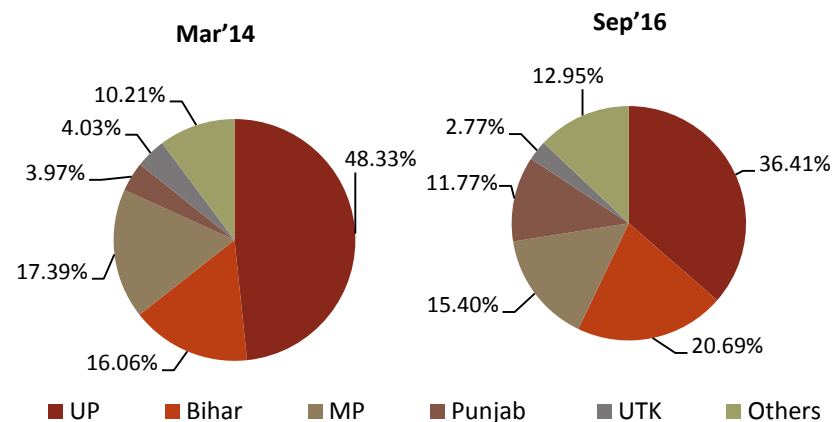
State	GLP – Sep'16 (Rs. mn) ⁽¹⁾	2Q FY17 % mix	MFI penetration in the state % (Mar'16) ⁽²⁾	Satin's market share ^{(3),(4)}	YoY growth in MFI industry GLP (FY16 over FY15) ⁽²⁾
Uttar Pradesh	12,904.37	34.40%	7%	20.37%	84%
Bihar	7,264.32	19.36%	9%	16.76%	90%
Madhya Pradesh	6,013.33	16.03%	18%	11.50%	81%
Punjab	4,639.04	12.37%	9%	32.57%	146%
Uttarakhand	1,133.30	3.02%	15%	16.58%	73%
Others	5,562.96	14.82%	-	-	-
Total	37,517.22	100.00%			

Geographic diversification strategy working as envisaged..

Gross Loan Portfolio – Reducing Geographic concentration⁽¹⁾



Number of loans (#) – Reducing Geographic concentration⁽¹⁾

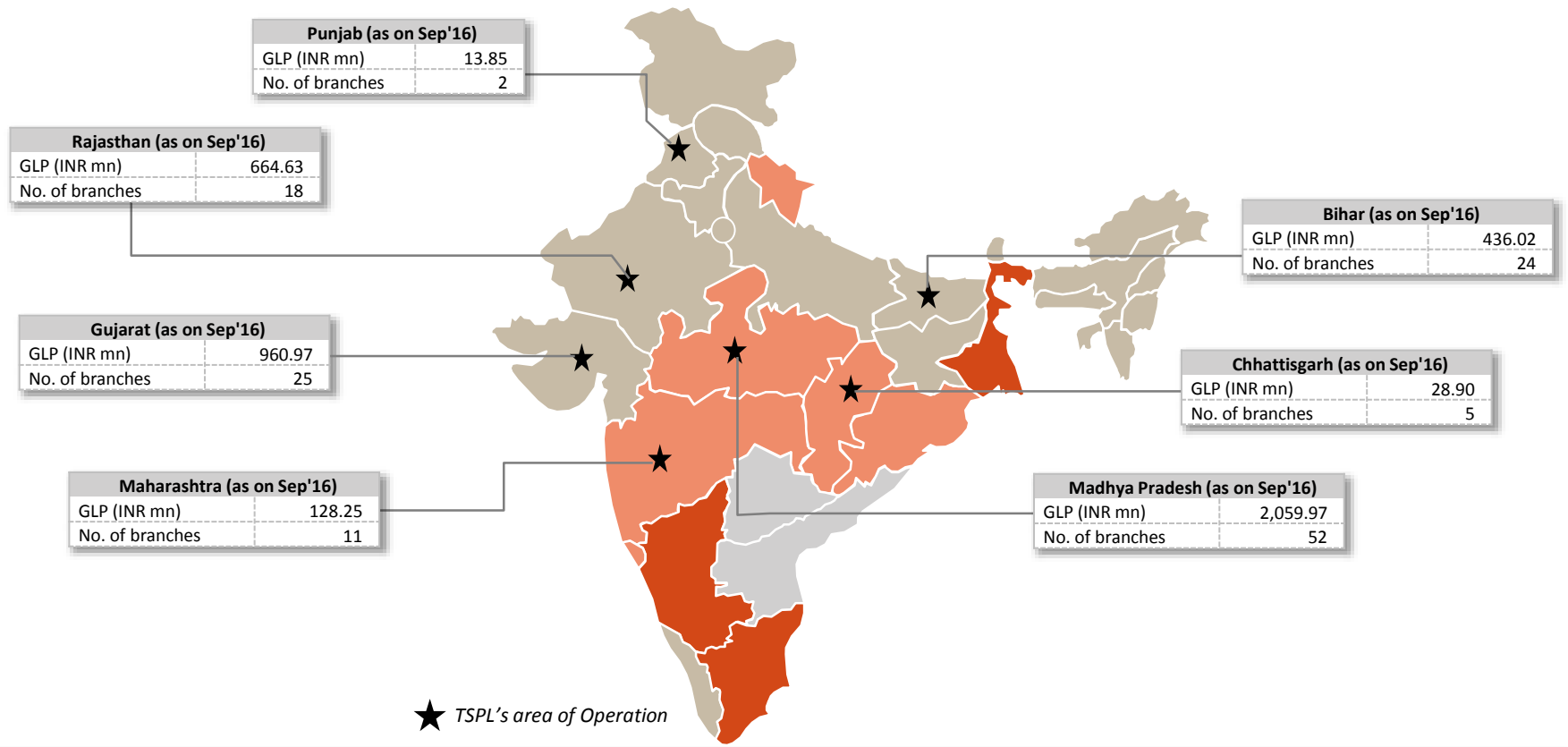


(1) On standalone basis; (2) CRISIL Report; (3) Computed as on Jun'16; (4) Source - MFIL

Strengthening Presence in Underserved Geographies through Acquisition of TSPL

TSPL is serving clients in under penetrated geographies

Presence in 7 states – Punjab have been recently added during FY17



Microfinance Penetration*

Under Penetrated States (0–10%)
 Moderately Penetrated States (11–20%)
 Highly Penetrated States (>20%)
 No Consideration for Analysis

Strong Client Relationships Built Through Transparent Operations⁽¹⁾

- Track record of over 25 years in microcredit space with comprehensive understanding of the industry and client segment
 - Rapidly growing operations despite cyclical changes in the economy as well as the MFI space in the past - Evident during AP crisis in 2010 when GLP grew by 35.81% YoY during FY11 over FY10 while maintaining high portfolio quality
- High borrower addition achieved by focusing on building client confidence through operational methodology (trainings and tests) while maintaining transparency in the overall process
 - First & second time borrowers form 83.31% of Sep'16 GLP ⁽¹⁾, indicating high growth in borrower addition over the years

Trend in Loan Cycle⁽¹⁾

Cycles	Gross Loan Portfolio (Rs. mn)			
	FY14	FY15	FY16	Sep'16
1	5,307.27	9,890.54	17,121.27	20,965.89
2	3,108.02	7,116.12	8,175.45	10,211.44
3	1,141.08	2,619.50	4,712.25	4,081.66
4	755.77	1,094.39	1,511.17	1,272.77
5	243.00	564.81	835.14	593.77
6	5.41	117.17	319.68	259.00
7	-	3.97	31.73	35.80
8	-	-	0.90	1.23
9	-	-	-	0.12
	10,560.55	21,406.50	32,707.60	37,421.68

Cycles	Number of loan accounts			
	FY14	FY15	FY16	Sep'16
1	502,060	642,056	1,335,026	1,581,221
2	189,609	367,903	448,727	539,598
3	65,405	110,687	199,888	216,335
4	34,350	48,312	62,238	64,690
5	8,442	20,024	32,961	31,867
6	162	3,127	10,847	11,977
7	-	93	919	1,309
8	-	-	24	39
9	-	-	-	3
	800,028	1,192,202	2,090,630	2,447,039

Note: Data above excludes MSME segment

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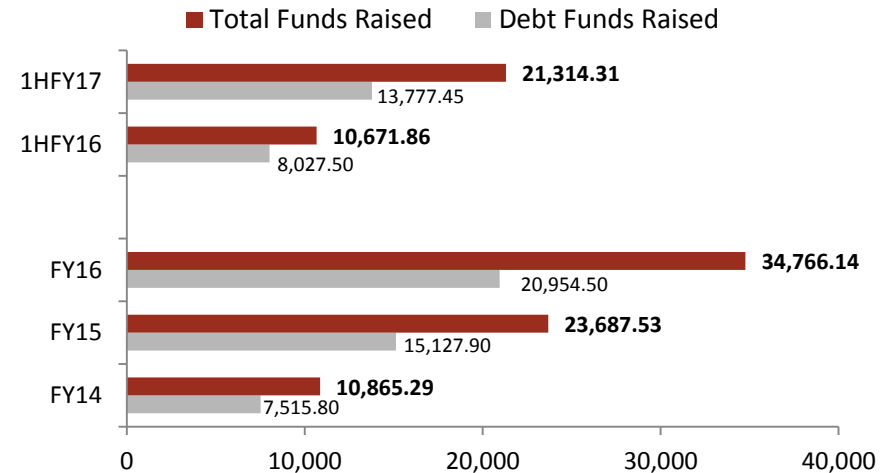
- Focus on further strengthening client relationships - Clients can graduate from the being first cycle borrowers under JLG Model to subsequent loan cycles which includes Individual Micro Loans, a new product under Satin's portfolio

Strong and Diversified Lending Relationships⁽¹⁾

Diversified Lending Portfolio

- Active relationship with 76 banks and financial institutions (Sep'16)
- Spread across Public Sector Banks, Private Banks, Foreign Banks, Development Financial Institutions (DFI) and Foreign Institutions
- The rating of long term debt of the company is CARE A-
- Raised money through instruments like Term Loans, Sub-debt (Tier 2 Capital), NCD, Preference shares, ECB, Commercial Paper, and Securitization/assignment, etc.

Funds raised (Rs. mn)



Lending Relationship*

PSBs	Pvt Banks	Foreign Banks	DFI	Foreign Institutions
IDBI Bank	ICICI Bank	HSBC	NABARD	ResponsAbility
State Bank of India	HDFC Bank	Doha Bank	MUDRA	World Business Capital
Andhra Bank	Axis Bank	Standard Chartered	SIDBI	MicroVest
Bank of Baroda	Kotak	Societe Generale		Oikocredit
Bank of Maharashtra	IndusInd Bank	Shinhan Bank		Symbiotics

Resource diversification - Movement of borrowing away from banks

Funding Mix %	FY14	FY15	FY16	YTD Jun'16	YTD Sep'16
Term Loan (Bank)	54.15	39.53	37.69	35.67	32.87
Term Loan (Others)	10.51	12.85	13.58	3.28	15.72
NCD	4.51	8.80	7.56	29.47	11.37
ECB	-	2.68	-	-	-
Commercial Paper	-	-	1.44	-	4.69
Debt Funds Raised	69.17	63.86	60.27	68.42	64.64
Securitized & Assignment Portfolio	30.83	36.14	39.73	31.58	35.36
TOTAL Funds Raised	100.00	100.00	100.00	100.00	100.00

(1) On standalone basis; *List is not exhaustive

Robust Operational Performance Over the Years⁽¹⁾

PARTICULARS	FY14	FY15	FY16	CAGR %	1Q FY17	1H FY17
Gross AUM (Rs. mn)	10,560.55	21,406.50	32,707.60	75.99%	32,782.40	37,517.22
No. of districts	97	121	215	48.88%	222	225
No. of branches	199	267	431	47.17%	458	544
No. of States of operation	10	11	16	26.49%	16	16
No. of Employees	1,958	2,496	3,918	41.46%	4,591	5,537
No. of Loan Officers	1,347	1,710	2,684	41.16%	3,173	3,614
No. of Active Customers	796,816	1,190,999	1,851,113	52.42%	2,018,268	2,277,142
No. of Loan Accounts	800,028	1,192,202	2,090,630	61.65%	2,271,872	2,447,217
Disbursement during the period (Rs. mn)	12,292.03	23,657.60	36,061.13	71.28%	8,574.41	22,368.21
No. of loans disbursed during the period	623,608	1,055,514	1,688,914	64.57%	354,933	883,424
MFI Lending (excl. Prod. Financing & MSME)						
AUM (Rs. mn)	10,560.55	21,406.50	32,594.99	75.68%	32,669.54	37,401.49
No. of Loan Accounts	800,028	1,192,202	1,900,586	54.13%	2,066,512	2,322,748
Disbursement during the period (Rs. mn)	12,292.03	23,657.60	35,920.83	70.95%	8,516.97	22,245.93
No. of loans disbursed during the period	623,608	1,055,514	1,487,039	54.42%	334,034	851,618
Productivity Metrics for MFI Lending						
Disbursement/ Branch (Rs. mn)	61.77	88.61	83.34	16.16%	18.60	41.12
Disbursement/ Employee (Rs. mn)	6.28	9.48	9.17	20.85%	1.86	4.04
GLP/ Branch (Rs. mn)	53.07	80.17	75.63	19.38%	71.33	69.13
GLP/ Loan Officer (Rs. mn)	7.84	12.52	12.14	24.46%	10.30	10.35
No. of Clients/ Branch	4,004	4,461	4,295	3.57%	4,407	4,209
No. of Clients/ Loan Officer	592	696	690	7.98%	636	630
Average Ticket Size	20,000	22,000	24,000	9.54%	25,000	26,000

Robust Operational Performance Over the Years⁽¹⁾ (Contd.)

PARTICULARS	FY14	FY15	FY16	CAGR %	1Q FY17	1H FY17
Prod. Financing						
AUM (Rs. mn)	-	-	112.61	-	70.46	20.19
No. of Active Customers	-	-	190,044	-	205,300	124,291
Disbursement during the period (Rs. mn)	-	-	140.30	-	14.48	22.06
No. of loans disbursed during the period	-	-	201,875	-	20,839	31,628
MSME						
No. of branches	-	-	-	-	1	5
No. of employees	-	-	-	-	8	29
AUM (Rs. mn)	-	-	-	-	42.40	95.54
No. of Active Customers	-	-	-	-	60	178
Disbursement during the period (Rs. mn)	-	-	-	-	42.95	100.22
No. of loans disbursed during the period	-	-	-	-	60	178

Robust Financial Performance Over the Years⁽¹⁾

PARTICULARS (Rs. mn)	FY14	FY15	FY16	CAGR %	1Q FY17	1H FY17
Revenue	1,916.55	3,241.56	5,585.21	45.71%	1,967.54	4,056.76
PBT	234.13	464.54	875.29	86.92%	364.28	757.30
PAT	155.58	317.16	579.41	86.21%	245.89	506.24
PAT (post Pref. Dividend & Minority Interest)	154.82	308.25	573.52	85.22%	245.89	506.24
EPS – Basic	6.83	12.17	20.28	48.46%	7.81	15.99
EPS – Diluted	6.67	11.93	19.97	49.70%	7.70	15.76
Opex Ratio	6.49%	5.65%	5.91%	-	7.03%	6.69%
Loan Loss Ratio	1.11%	0.61%	0.77%	-	0.65%	0.77%
Cost to Income Ratio	62.01%	61.57%	59.49%	-	57.98%	56.82%
ROA	1.67%	2.03%	2.18%	-	2.87%	2.73%
ROE	11.81%	18.57%	22.17%	-	29.44%	26.89%
CRAR	15.31%	15.67%	16.82%	-	17.87%	18.29%
Tier-I	14.32%	9.60%	11.30%	-	11.36%	11.71%
Tier-II	0.99%	6.07%	5.52%	-	6.51%	6.58%
PORTFOLIO QUALITY	FY14	FY15	FY16		1Q FY17	1H FY17
Gross NPA						
No. of Borrowers	2,251	2,014	4,294	-	5,260	8,067
Gross NPA (Rs. mn)	1.93	4.24	54.78	-	61.38	91.58
Gross NPA/ Gross AUM %	0.02%	0.02%	0.17%	-	0.19%	0.24%
Net NPA						
No. of Borrowers	2,251	2,014	4,294	-	5,260	8,067
Net NPA (Rs. mn)	0.97	2.12	27.39	-	30.69	45.79
Net NPA/ Gross AUM %	0.01%	0.01%	0.09%	-	0.09%	0.12%

Robust Internal Audit and Risk Management Mechanisms

Strong Internal Audit Processes and Systems ensure high Portfolio quality

Full fledged in-house Internal Audit department for Group Lending and MSME

Team Strength

- 6 member supervisory/support team at Head Office and a strong field team
- 2 dedicated member in Risk Management Team
- All branches and regional offices are audited quarterly

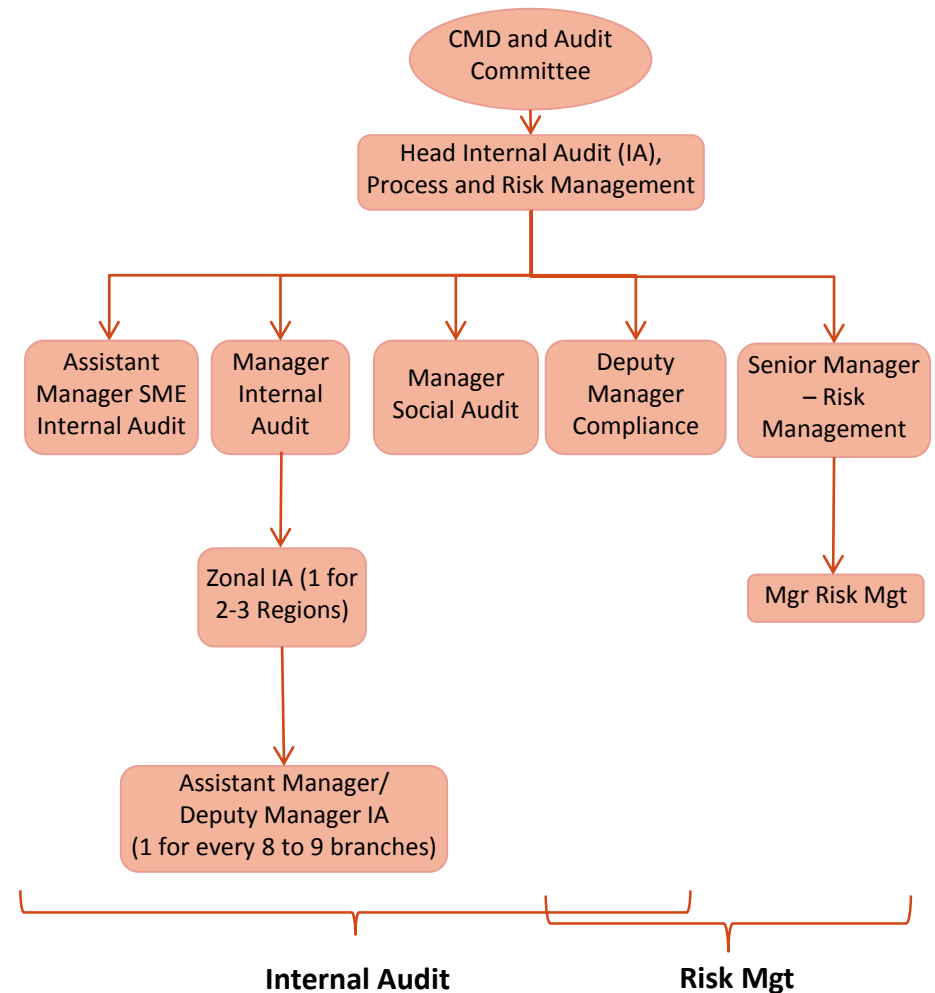
Scope

- Branches – 544
- Branches per Internal Audit staff – 8 to 9
- Regional offices – 29

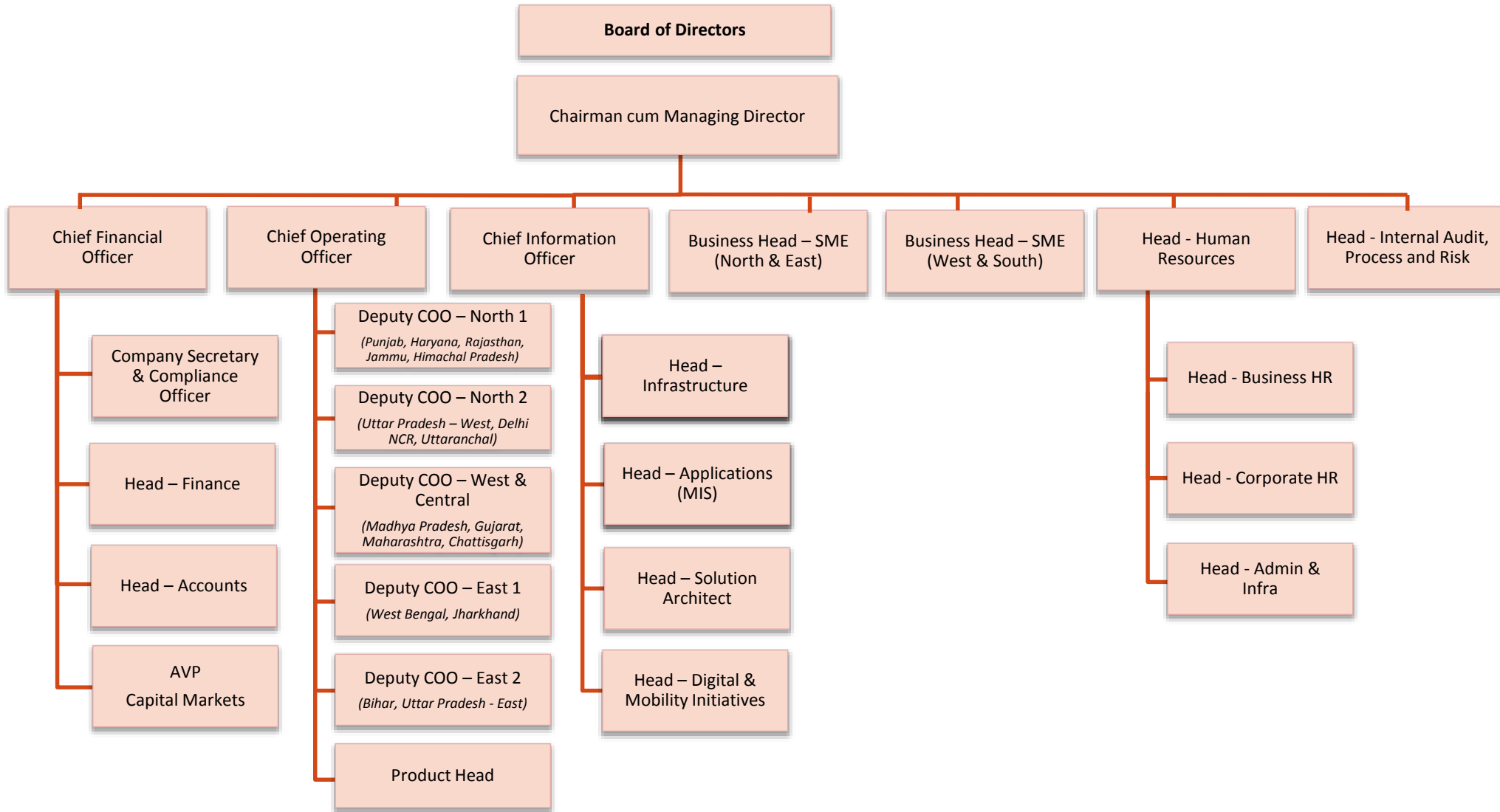
Various Audits conducted	Frequency
Branch Audit	Quarterly
Regional Office Audit	Quarterly
Social Audit	Quarterly
Compliance Audit	Varies depending on feedback from other audits

- Internal Audit team focuses on processes, transactions, internal controls and compliance to ensure high quality monitoring, feedback and compliance.
 - Clearly defined structures and scope for each audit team
 - Surprise checks conducted to ensure accurate ground-level monitoring
 - Regular reporting to top management and operation team
 - Strict compliance of gaps identified by audit department

Team Structure



Organizational Structure



Financial & Operational Details - Consolidated

Business Details – Consolidated



PARTICULARS	2Q FY17 ^(A)	2Q FY16	YoY %	1Q FY17	QoQ %
AUM (Rs. mn)	41,809.81	21,558.95	93.93%	32,782.40	27.54%
On-Book AUM (Rs. mn)	27,920.24	16,171.75	72.65%	24,087.09	15.91%
Securitization/ Assignment (Rs. mn)	9,596.98	5,387.20	78.14%	8,695.31	10.37%
TSPL - Business Correspondence (Rs. mn)	4,292.59	na	na	na	na
AUM Mix (Rs. mn)	41,809.81	21,558.95	93.93%	32,782.40	27.54%
MFI Lending (Rs. mn)	37,401.49	21,558.95	73.48%	32,669.54	14.48%
Product Financing (Rs. mn)	20.19	na	na	70.64	-71.34%
MSME (Rs. mn)	95.54	na	na	42.4	125.32
TSPL - Business Correspondence (Rs. mn)	4,292.59	na	na	na	na
No. of branches	681	329	106.99%	458	48.69%
SCNL	544	329	65.35%	458	18.78%
TSPL	137	na	na	na	na
No. of Employees	6,546	2,828	131.47%	4,591	42.58%
SCNL	5,537	2,828	95.79%	4,591	20.61%
TSPL	1,009	na	na	na	na
No. of Loan Officers	4,276	1,942	120.19%	3,173	34.76%
SCNL	3,614	1,942	86.10%	3,173	13.90%
TSPL	662	Na	na	na	na
No. of Active Customers	2,590,792	1,432,383	80.87%	2,018,268	28.37%
SCNL	2,277,142	1,432,383	58.98%	2,018,268	12.83%
TSPL	313,650	Na	na	na	na
Average Ticket Size					
MFI Lending (SCNL)	26,000*	23,000*	13.04%	25,000	4.00%
Product Financing (SCNL)	695*	na	na	na	na
MSME (SCNL)	560,000*	na	na	720,000	na
TSPL	21,700*	20,300*	6.90%	20,800	4.30%

(A) On consolidated basis with prior periods on standalone basis as TSPL acquisition was effective Sep 1, 2016; *Represents ticket size for the first half of the corresponding year;

Balance Sheet – Consolidated



PARTICULARS (Rs. mn)	Sep'16 ^(A)	Sep'15	YoY %	Jun'16	QoQ %
<i>Equity⁽¹⁾</i>	4,293.19	2,673.36	60.59%	3,441.23	24.76%
<i>Preference shares</i>	250.00	60.00	316.67%	250.00	0.00%
Net Worth	4,543.19	2,733.36	66.21%	3,691.23	23.08%
Minority Interest	22.82	na	-	na	-
<i>Long Term Borrowings</i>	16,431.63	9,798.61	67.69%	15,391.78	6.76%
<i>Long Term Provisions</i>	54.96	14.86	269.95%	38.64	42.22%
Total Non Current Liabilities	16,486.59	9,813.47	68.00%	15,430.42	6.84%
<i>Short Term Borrowings</i>	2,101.52	895.86	134.58%	987.50	112.81%
<i>Other Current Liabilities</i>	17,968.75	10,480.22	71.45%	15,117.00	18.86%
<i>Short Term Provisions</i>	282.43	163.04	73.22%	244.26	15.63%
Total Current Liabilities	20,352.69	11,539.12	76.38%	16,348.77	24.49%
Total Liabilities	41,405.30	24,085.95	71.19%	35,470.42	16.73%
<i>Tangible Assets</i>	292.90	104.27	180.90%	268.75	8.99%
<i>Intangible Assets</i>	16.86	6.97	141.89%	18.72	-9.95%
<i>Capital Work-in-progress</i>	85.50	65.50	30.54%	80.02	6.85%
<i>Goodwill</i>	337.07	na	-	na	-
<i>Non Current Investments</i>	0.55	0.55	-0.07%	0.55	0.00%
<i>Deferred Tax Assets (Net)</i>	116.15	60.16	93.09%	94.68	22.68%
<i>Long Term Loans and Advances</i>	8,953.22	3,294.66 ⁽²⁾	171.75%	5,896.85	51.83%
<i>Other Non Current Assets</i>	1,298.12	1,830.41	-29.08%	1,252.63	3.63%
Total Non Current Assets	11,100.38	5,362.52⁽²⁾	107.00%	7,612.20	45.82%
<i>Trade Receivables</i>	74.31	9.90 ⁽²⁾	650.56%	10.94	579.45%
<i>Cash and cash equivalents</i>	9,222.34	4,907.61	87.92%	7,837.32	17.67%
<i>Short Term Loans and Advances</i>	19,256.23	13,039.65 ⁽²⁾	47.68%	18,439.31	4.43%
<i>Other Current Assets</i>	1,752.04	766.37 ⁽²⁾	128.62%	1,570.65	11.55%
Total Current Assets	30,304.92	18,723.43⁽²⁾	61.68%	27,858.22	8.78%
Total Assets	41,405.30	24,085.95	71.19%	35,470.42	16.73%
Book Value Per Share (INR)	130.26	90.08	44.60%	108.03	20.58%

(1) Includes equity share capital, share warrants and reserves & surplus; (2) These figures have been re-grouped/ re-arranged to make them comparable to current period;

(A) On consolidated basis with prior periods on standalone basis as TSPL acquisition was effective Sep 1, 2016

P&L Statement – Consolidated (Quarterly)



PARTICULARS (Rs. mn)	2Q FY17 ^(A)	2Q FY16	YoY %	1Q FY17	QoQ %
Total Revenue					
Interest income on Portfolio Loans	1,308.42	923.72	41.65%	1,319.72	-0.86%
Income from securitization	439.45	165.98	164.76%	369.33	18.99%
Processing Fee income	138.55	67.80	104.35%	86.07	60.97%
Interest on FD	166.33	103.72	60.36%	151.46	9.82%
Income from BC operations for Sep'16	37.27	na	-	na	-
Interest Income on Lien Marked FD for BC operations for Sep'16	1.13	na	-	na	-
Other Income	36.47	9.92	267.64%	40.96	-10.96%
Total Revenue	2,127.63	1,271.13	67.38%	1,967.54	8.14%
Interest Expense	1,016.48	667.92	52.19%	974.69	4.29%
Personnel Expenses	400.93	170.27	135.46%	300.52	33.41%
Credit cost (Provisions for NPAs, Write-offs, etc)	87.29	20.06	335.04%	52.89	65.02%
Administration & Other Expenses	212.95	186.16	14.39%	265.14	-19.69%
Depreciation	12.16	5.80	109.65%	10.02	21.40%
Total Expenses	1,729.80	1,050.22	64.71%	1,603.26	7.89%
Profit before tax	397.83	220.91	80.08%	364.27	9.21%
Extraordinary Items and CSR	-	-	-	-	-
Profit before tax (after Extraordinary items)	397.83	220.91	80.08%	364.27	9.21%
Provision for tax	133.09	75.64	75.94%	118.38	12.43%
PAT	264.74	145.27	82.24%	245.89	7.67%
Minority Interest	0.53	-	-	-	-
PAT	264.21	145.27	81.87%	245.89	7.45%
EPS – Basic	8.31	5.10	62.94%	7.81	6.40%
EPS – Diluted	8.18	4.56	79.39%	7.70	6.23%

(A) On consolidated basis with prior periods on standalone basis as TSPL acquisition was effective Sep 1, 2016

P&L Statement – Consolidated (Half Yearly)



PARTICULARS (Rs. mn)	1H FY17 ^(A)	1H FY16	YoY %
Total Revenue			
Interest income on Portfolio Loans	2,628.14	1,750.30	50.15%
Income from securitization	808.78	360.36	124.44%
Processing Fee income	224.62	96.42	132.96%
Interest on FD	317.79	189.52	67.68%
Income from BC operations for Sep'16	37.27	na	-
Interest Income on Lien Marked FD for BC operations for Sep'16	1.13	na	-
Other Income	77.43	19.42	298.71%
Total Revenue	4,095.16	2,416.03	69.50%
Interest Expense	1,991.17	1,271.13	56.65%
Personnel Expenses	701.45	326.59	114.78%
Credit cost (Provisions for NPAs, Write-offs, etc)	140.18	29.51	375.09%
Administration & Other Expenses	478.09	376.30	20.75%
Depreciation	22.18	10.58	109.74%
Total Expenses	3,333.06	2,014.10	65.49%
Profit before tax	762.10	401.93	89.61%
Extraordinary Items and CSR	-	-	-
Profit before tax (after Extraordinary items)	762.10	401.93	89.61%
Provision for tax	251.47	136.00	84.90%
PAT	510.63	265.93	92.02%
Minority Interest	0.53	-	-
PAT	510.10	265.93	91.82%
EPS – Basic	16.12	9.68	66.53%
EPS – Diluted	15.88	8.91	78.23%

(A) On consolidated basis with prior periods on standalone basis as TSPL acquisition was effective Sep 1, 2016

Financial & Operational Details - Standalone

Operational Details – Standalone



PARTICULARS	2Q FY17	2Q FY16	YoY %	1Q FY17	QoQ %
Gross AUM	37,517.22	21,558.95	74.02%	32,782.40	14.44%
No. of districts	225	177	27.12%	222	1.35%
No. of branches	544	329	65.35%	458	18.78%
No. of Regional Offices (RO)	29	12	141.67%	18	61.11%
No. of States of operation	16	13	23.08%	16	0.00%
No. of Employees	5,537	2,828	95.79%	4,591	20.61%
No. of Loan Officers	3,614	1,942	86.10%	3,173	13.90%
No. of Active Customers	2,277,142	1,432,383	58.98%	2,018,268	12.83%
No. of Loan Accounts	2,447,217	1,432,453	70.84%	2,271,872	7.72%
Disbursement during the period (Rs. mn)	13,793.80	6,870.23	100.78%	8,574.41	60.87%
No. of loans disbursed during the period	528,491	294,892	79.22%	354,933	48.90%
MFI Lending (excl. Prod. Financing & MSME)					
AUM (Rs. mn)	37,401.49	21,558.95	73.48%	32,669.54	14.48%
No. of Loan Accounts	2,322,748	1,432,453	62.16%	2,066,512	12.40%
Disbursement during the period (Rs. mn)	13,728.96	6,870.23	99.83%	8,516.97	61.20%
No. of loans disbursed during the period	517,584	294,892	75.52%	334,034	54.95%
Productivity Metrics for MFI Lending					
Disbursement/ Branch (Rs. mn)	25.38	20.88	21.52%	18.60	36.46%
Disbursement/ Employee (Rs. mn)	2.49	2.43	2.06%	1.86	34.12%
GLP/ Branch (Rs. mn)	69.13	65.53	5.50%	71.33	-3.08%
GLP/ Loan Officer (Rs. mn)	10.35	11.10	-6.78%	10.30	0.51%
No. of Clients/ Branch	4,209	4,354	-3.33%	4,407	-4.49%
No. of Clients/ Loan Officer	630	738	-14.57%	636	-0.94%
Average Ticket Size (Rs.)	26,000*	23,000*	13.04%	25,000	4.00%

*Represents ticket size for the first half of the corresponding year;

Operational Details – Standalone (Contd.)



PARTICULARS	2Q FY17	2Q FY16	YoY %	1Q FY17	QoQ %
Prod. Financing					
AUM (Rs. mn)	20.19	na	-	70.46	-71.34%
No. of Active Customers	124,291	na	-	205,300	-39.46%
Disbursement during the period (Rs. mn)	7.58	na	-	14.48	-47.69%
No. of loans disbursed during the period	10,789	na	-	20,839	-48.23%
Average Ticket Size (Rs.)	695	na	-	695	0.00%
MSME					
No. of branches	5	na	-	1	400.00%
No. of employees	29	na	-	8	262.50
AUM (Rs. mn)	95.54	na	-	42.40	125.32%
No. of Active Customers	178	na	-	60	196.67%
Disbursement during the period (Rs. mn)	57.27	na	-	42.95	33.33%
No. of loans disbursed during the period	118	na	-	60	96.67%
Average Ticket Size (Rs.)	490,000	na	-	720,000	-21.81%

GLP BY ECONOMIC ACTIVITY – Excluding MSME	Sep'16	Mar'16
Agri/ Allied Activities	65.19%	62.83%
Service/ Trade	27.43%	29.00%
Production	7.19%	7.82%
Other	0.19%	0.35%
TOTAL	100.00%	100.00%

Financial Performance – Standalone



RoE Tree	2Q FY17	2Q FY16	1Q FY17
Gross Yield ⁽¹⁾	23.78%	24.35%	24.03%
Financial Cost Ratio ⁽²⁾	11.55%	12.80%	11.91%
Net Interest Margin ⁽³⁾	12.23%	11.56%	12.13%
Operating Expense ratio ⁽⁴⁾	6.82%	6.94%	7.03%
Loan Loss Ratio ⁽⁵⁾	0.94%	0.38%	0.65%
RoA ⁽⁶⁾	2.72%	2.57%	2.87%
Leverage (Total Debt / Total Net Worth)	7.79x	7.41x	8.49x
RoE ⁽⁷⁾	26.94%	22.23%	29.44%
Cost to Income Ratio	55.74%	60.05%	57.98%
CRAR	18.29	19.60	17.87
Tier-I	11.71	13.09	11.36
Tier-II	6.58	6.51	6.51
GNPA			
GNPA (Rs. mn)	91.58	44.42	61.38
No. of Clients	8,067	3,086	5,260
GNPA %	0.24%	0.21%	0.19%
NNPA			
NNPA (Rs. mn)	45.79	22.21	30.69
No. of Clients	8,067	3,086	5,260
NNPA %	0.12%	0.11%	0.09%

1. Gross Yield represents the ratio of Total Income in the relevant period to the Average AUM
2. Financial Cost Ratio represents the ratio of Interest Expense in the relevant period to the Average AUM
3. Net Interest Margin represents the difference between the Gross Yield and the Financial Cost Ratio
4. Operating Expenses Ratio represents the ratio of the Operating Expenses (expenses including depreciation but excluding Credit Cost and Interest Expense) to the Average Gross AUM
5. Loan Loss Ratio represents the ratio of Credit Cost to the Average AUM
6. RoA represents ratio of PAT to the Average Total Assets
7. RoE represents PAT (post Preference Dividend) to the Average Equity (i.e., net worth excluding preference share capital)

Balance Sheet – Standalone



PARTICULARS (Rs. mn)	Sep'16	Sep'15	YoY %	Jun'16	QoQ %
<i>Equity⁽¹⁾</i>	4,289.33	2,673.36	60.45%	3,441.23	24.65%
<i>Preference shares</i>	250.00	60.00	316.67%	250.00	0.00%
Net Worth	4,539.33	2,733.36	6.07%	3,691.23	22.98%
<i>Long Term Borrowings</i>	16,384.97	9,798.61	67.22%	15,391.78	6.45%
<i>Long Term Provisions</i>	48.43	14.86	226.00%	38.64	25.32%
Total Non Current Liabilities	16,433.40	9,813.47	67.46%	15,430.42	6.50%
<i>Short Term Borrowings</i>	2,096.99	895.86	134.08%	987.50	112.35%
<i>Other Current Liabilities</i>	17,734.59	10,480.22	69.22%	15,117.00	17.32%
<i>Short Term Provisions</i>	282.02	163.04	72.97%	244.26	15.46%
Total Current Liabilities	20,113.60	11,539.12	74.31%	16,348.77	23.03%
Total Liabilities	41,086.34	24,085.95	70.58%	35,470.42	15.83%
<i>Tangible Assets</i>	281.68	104.27	170.14%	268.75	4.81%
<i>Intangible Assets</i>	15.19	6.97	117.91%	18.72	-18.87%
<i>Capital Work-in-progress</i>	85.50	65.50	30.54%	80.02	6.85%
<i>Non Current Investments</i>	498.41 ⁽³⁾	0.55	na ⁽³⁾	0.55	na ⁽³⁾
<i>Deferred Tax Assets (Net)</i>	113.16	60.16	88.12%	94.68	19.52%
<i>Long Term Loans and Advances</i>	8,950.39	3,294.66 ⁽²⁾	171.66%	5,896.85	51.78%
<i>Other Non Current Assets</i>	1,214.66	1,830.41	-33.64%	1,252.63	-3.03%
Total Non Current Assets	11,159.00	5,362.52⁽²⁾	108.09%	7,612.20	46.59%
<i>Trade Receivables</i>	9.39	9.90 ⁽²⁾	-5.12%	10.94	-14.11%
<i>Cash and cash equivalents</i>	8,966.24	4,907.61	82.70%	7,837.32	14.40%
<i>Short Term Loans and Advances</i>	19,251.12	13,039.55 ⁽²⁾	47.64%	18,439.31	4.40%
<i>Other Current Assets</i>	1,700.58	766.37 ⁽²⁾	121.90%	1,570.65	8.27%
Total Current Assets	29,927.34	18,723.43⁽²⁾	59.84%	27,858.22	7.43%
Total Assets	41,086.34	24,085.95	70.58%	35,470.42	15.83%
Book Value Per Share (INR)	130.14	90.08	44.48%	108.03	20.47%

(1) Includes equity share capital, share warrants and reserves & surplus; (2) These figures have been re-grouped/ re-arranged to make them comparable to current period; (3) Increase versus prior periods on account of investment in subsidiary - TSPL

P&L Statement – Standalone (Quarterly)



PARTICULARS (Rs. mn)	2Q FY17	2Q FY16	YoY %	1Q FY17	QoQ %
Total Revenue					
Interest income on Portfolio Loans	1,308.42	923.72	41.65%	1,319.72	-0.86%
Income from securitization	439.45	165.98	164.76%	369.33	18.99%
Processing Fee income	138.55	67.80	104.35%	86.07	60.79%
Interest on FD	166.33	103.72	60.36%	151.46	9.82%
Other Income	36.47	9.92	267.64%	40.96	-10.96%
Total Revenue	2,089.22	1,271.13	64.36%	1,967.54	6.18%
Interest Expense	1,014.66	667.92	51.91%	974.69	4.10%
Personnel Expenses	380.89	170.27	123.69%	300.52	26.74%
Credit cost (Provisions for NPAs, Write-offs, etc)	82.57	20.06	311.54%	52.89	56.11%
Administration & Other Expenses	206.58	186.16	10.97%	265.14	-22.09%
Depreciation	11.50	5.80	98.19%	10.02	14.74%
Total Expenses	1,696.19	1,050.22	61.51%	1,603.26	5.80%
Profit before tax	393.03	220.91	77.91%	364.27	7.90%
Extraordinary Items and CSR	-	-	-	-	-
Profit before tax (after Extraordinary items)	393.03	220.91	77.91%	364.27	7.90%
Provision for tax	132.68	75.64	75.41%	118.38	12.08%
PAT	260.35	145.27	79.22%	245.89	5.88%
Minority Interest	-	-	-	-	-
PAT	260.35	145.27	79.22%	245.89	5.88%
EPS – Basic	8.18	5.10	60.39%	7.81	4.74%
EPS – Diluted	8.06	4.56	76.75%	7.70	4.68%

P&L Statement – Standalone (Half Yearly)



PARTICULARS (Rs. mn)	1H FY17	1H FY16	YoY %
Total Revenue			
Interest income on Portfolio Loans	2,628.14	1,750.30	50.15%
Income from securitization	808.78	360.36	124.44%
Processing Fee income	224.62	96.42	132.96%
Interest on FD	317.79	189.52	67.68%
Other Income	77.43	19.42	298.71%
Total Revenue	4,056.76	2,416.03	67.91%
Interest Expense	1,989.35	1,271.13	56.50%
Personnel Expenses	681.41	326.59	108.65%
Credit cost (Provisions for NPAs, Write-offs, etc)	135.46	29.51	359.11%
Administration & Other Expenses	471.72	376.30	25.36%
Depreciation	21.52	10.58	103.45%
Total Expenses	3,299.46	2,014.10	63.82%
Profit before tax	757.30	401.93	88.42%
Extraordinary Items and CSR	-	-	-
Profit before tax (after Extraordinary items)	757.30	401.93	88.42%
Provision for tax	251.06	136.00	84.60%
PAT	506.24	265.93	90.37%
Minority Interest	-	-	-
PAT	506.24	265.93	90.37%
EPS – Basic	15.99	9.68	65.19%
EPS – Diluted	15.76	8.91	76.88%

Financial & Operational Details - TSPL

Operational Details – TSPL



PARTICULARS	Q2FY17	Q2FY16	YoY %	Q1FY17	QoQ
Gross AUM (Rs. mn)	4,292.59	2,700.40	58.96%	3,715.00	15.55%
No. of districts	78	42	85.71%	70	11.43%
No. of branches	137	82	67.07%	131	4.85%
No. of Regional Offices (RO)	8	5	60.00%	7	14.29%
No. of States of operation	7	5	40.00%	6	16.67%
No. of Employees	1,009	788	28.05%	881	14.53%
No. of Loan Officers	662	577	14.73%	580	14.14%
No. of Active Customers	313,650	210,450	49.04%	297,003	5.60%
Disbursement during the quarter (Rs. mn)	1,754.09	690.26	154.12%	1,142.53	53.53%
No. of loans disbursed during the quarter	78,077	33,474	133.25%	54,802	42.47%
Productivity Metrics					
Disbursement/ Branch (Rs. mn)	12.80	8.42	52.10%	8.72	46.80%
Disbursement/ Employee (Rs. mn)	1.74	0.88	98.46%	1.30	34.05%
GLP/ Branch (Rs. mn)	31.33	32.93	-4.86%	28.36	10.49%
GLP/ Loan Officer (Rs. mn)	6.48	4.68	38.55%	6.41	1.23%
No. of Clients/ Branch	2,289	2,566	-10.79%	2,267	0.98%
No. of Clients/ Loan Officer	474	365	29.90%	512	-7.48%
Average Ticket size (Rs.)	21,700*	20,300*	6.90%	20,800	4.33%

*Represents ticket size for the first half of the corresponding year;

Balance Sheet – TSPL



PARTICULARS (Rs. mn)	Sep'16	Sep'15	YoY %	Jun'16	QoQ %
<i>Share Capital</i>	90.83	90.83	0.00%	90.83	0.00%
<i>Reserves and Surplus</i>	96.64	93.42	3.45%	87.52	10.43%
Net Worth	187.47	184.25	1.75%	178.34	5.12%
<i>Long Term Borrowings</i>	46.67	13.74	239.56%	6.67	600.00%
<i>Long Term Provisions</i>	6.53	2.59	151.76%	7.82	-16.47%
Total Non Current Liabilities	53.20	16.34	225.62%	14.48	267.27%
<i>Short Term Borrowings</i>	4.53	1.89	139.29%	2.30	96.69%
<i>Trade payables</i>	142.82	53.31	167.87%	106.87	33.63%
<i>Other Current Liabilities</i>	94.45	56.54	67.06%	68.35	38.20%
<i>Short Term Provisions</i>	0.41	0.12	248.96%	0.41	0.00%
Total Current Liabilities	242.21	111.86	116.52%	177.93	36.12%
Total Liabilities	482.87	312.45	54.54%	370.76	30.24%
<i>Tangible Assets</i>	11.22	8.10	38.52%	10.22	9.83%
<i>Intangible Assets</i>	1.67	0.96	74.62%	2.85	-41.42%
<i>Capital Work-in-progress</i>	-	-	-	-	-
<i>Deferred Tax Assets (Net)</i>	2.99	1.25	139.16%	1.86	60.77%
<i>Long Term Loans and Advances</i>	2.83	1.17	142.78%	2.71	4.53%
<i>Other Non Current Assets</i>	83.46	52.58	58.71%	48.31	72.78%
Total Non Current Assets	102.17	64.06	59.50%	65.94	54.94%
<i>Trade Receivables</i>	68.03	-	-	52.61	29.31%
<i>Cash and cash equivalents</i>	256.10	179.75	42.47%	199.28	28.51%
<i>Short Term Loans and Advances</i>	46.62	10.33	351.32%	43.59	6.97%
<i>Other Current Assets</i>	9.94	58.31	-82.94%	9.34	6.51%
Total Current Assets	380.70	248.39	53.27%	304.82	24.90%
Total Assets	482.87	312.45	54.54%	370.76	30.24%

P&L Statement – TSPL



PARTICULARS (Rs. mn)	Q2FY17	Q2FY16	YoY %	Q1FY17	QoQ %
Total Revenue	106.42	85.00	25.20%	88.82	19.82%
Interest Expense	3.01	1.61	86.96%	2.57	17.12%
Personnel Expenses	55.81	40.30	38.49%	54.74	1.95%
Credit cost (Provisions for NPAs, Write-offs, etc.)	10.82	1.75	518.25%	4.18	158.71
Administration & Other Expenses	21.66	33.69	-35.71%	23.88	-9.29%
Depreciation	2.1	0.81	159.26%	1.1	90.91%
Total Expenses	93.40	78.16	19.50%	86.47	8.01%
Profit before tax	13.02	6.83	90.63%	2.35	454.04%
Extraordinary Items and CSR	-	-	-	-	-
Profit before tax (after Extraordinary items)	13.02	18.38	-29.16%	2.35	454.04%
Provision for tax	3.89	2.28	70.61%	1.13	244.25%
PAT	9.13	4.55	100.66%	1.22	648.36%

PARTICULARS (Rs. mn)	1H FY17	1H FY16	YoY %	FY16	FY15
Total Revenue	195.24	163.35	19.52%	322.65	215.60
Interest Expense	5.57	3.78	47.35%	9.71	1.33
Personnel Expenses	110.55	75.46	46.50%	178.46	71.99
Credit cost (Provisions for NPAs, Write-offs, etc.)	15.00	1.75	757.14%	13.30	-
Administration & Other Expenses	45.54	62.48	-27.11%	109.43	103.85
Depreciation	3.20	1.49	114.77%	3.92	2.16
Total Expenses	179.86	144.96	24.08%	314.82	179.33
Profit before tax	15.37	18.38	-16.38%	7.83	36.27
Extraordinary Items and CSR	-	-	-	0.38	0.57
Profit before tax (after Extraordinary items)	15.37	18.38	-16.38%	7.45	35.70
Provision for tax	5.03	6.08	-17.27%	2.20	11.34
PAT	10.34	12.30	-15.93%	5.25	24.36

Annexure

Top 10 Shareholders

Shareholding Pattern post QIP



Top 10 Shareholders as of 3 Oct 2016

Entity	Share holding %
PROMOTER	33.04
MV MAURITIUS LIMITED	9.30
SBI FMO	8.82
NMI FUND III KS	7.38
MORGAN STANLEY MAURITIUS COMPANY LTD	4.34
MORGAN STANLEY ASIA (SINGAPORE) PTE.	2.95
CITIGROUP GLOBAL MARKETS MAURITIUS PVT LTD	1.77
BHAWANI FINVEST PVT LTD	1.59
GOVERNMENT PENSION FUND GLOBAL	1.57
DB INTERNATIONAL (ASIA) LIMITED	1.45
TOTAL	72.21

Top 10 Institutional Shareholders as of 3 Oct 2016

Entity	Share holding %
MORGAN STANLEY MAURITIUS COMPANY LTD	4.34
MORGAN STANLEY ASIA (SINGAPORE) PTE	2.95
CITIGROUP GLOBAL MARKETS PVT LTD	1.77
GOVERNMENT PENSION FUND GLOBAL	1.57
DB INTERNATIONAL (ASIA) LIMITED	1.45
MORGAN STANLEY INVESTMENTS MAURITIUS	1.20
DSP BLACKROCK EQUITY FUND	1.08
PRINCE STREET (INDIA) FUND PTE LTD	1.03
BLACKROCK INDIA EQUITIES (MAURITIUS) LTD	0.98
BIRLA SUN LIFE	0.92
TOTAL	17.29

Annexure

Future Business Strategy

Future Business Strategy



Product	Market size*	Future Business Strategy
Core operations (MFI Lending)	<p>Rs. 590 bn+ market; expected to grow at 32% CAGR over next 4 years</p> <p>Note: 1. MFIL data assumed to represent over 90% of the overall market. 2. Overall GLP includes only NBFC-MFIs and excludes numbers of Bandhan Financial Services Ltd which has now become a bank.</p> <p>Satin's positioning - Fifth largest MFI in India in terms of GLP (Mar'16*)</p>	<ul style="list-style-type: none"> Geographic diversification – Broadbase operations and reduce any geographic concentration in states such as Uttar Pradesh Increase penetration in existing states – through existing branches and by establishing new branches across Northern, Eastern and Central India Expand operations to new geographies <ul style="list-style-type: none"> Enter new states – In FY16, Satin started operations in 5 new states May look to explore options for undertaking allied financial services outside India in future

New Products

- Satin continues to explore cross selling opportunities by leveraging upon company's wide branch network, large client base and client relationships with a view to diversify revenue stream and increase ticket size of products

Product	Market opportunity*	Future Business Strategy
Product Financing	NA	<ul style="list-style-type: none"> Continue to explore product financing of need based items relevant to company's existing clients by innovating and designing new products for them
Individual Micro Loan	NA	<ul style="list-style-type: none"> Higher ticket size business; focus on scaling up loan book under this segment to individuals who have credit track record with Satin
BC operations and allied services (through the subsidiary – TSPL)	650 mn+ BC transactions (Value: INR 1.6-1.8 tn) during FY16E spread across 485,000 BCs	<ul style="list-style-type: none"> Recently, in Aug'16, Satin acquired majority stake in TSPL for Rs. 497.86 mn under a share-swap arrangement in a view to leverage on its expertise in financial sector and diversify revenue stream to include fee income

Future Business Strategy (Contd.)



New Products

Product	Market opportunity*	Future Business Strategy
BC operations and allied services (through the subsidiary – TSPL)	<p>Amount transacted through BCs (Rs. bn) - RHS Number of BC transactions (mn) - LHS</p>	<ul style="list-style-type: none"> TSPL seeks to enter into arrangements with various other banks and financial institutions to scale the business correspondent and allied services business
MSME loans	<p>Overall MSME market loan book: Rs. 11.6 tn (FY16) Catered by NBFCs : Rs.0.8 tn</p> <p>MSME Industry (INR bn) NBFCs Share (INR bn)</p> <p>11-13% CAGR 22-25% CAGR</p>	<ul style="list-style-type: none"> Expand operations to new geographies – Presently operating only in Delhi NCR, Satin would look to enter new states

- Strengthen IT and risk management infrastructure
 - New Chief Information Officer - Mr. Sanjay Mahajan – has been recently appointed in Jan’16
 - Key technological initiatives include e-KYC authentication, digitization of client supporting documents, visibility of client’s credit history, biometric authentication, real-time integration with credit agencies, centralized repository of information and integration of employee management and HR system, etc.
 - Further deepen penetration of cashless collection in partnership with ITz Cash, a payment solutions company (During Jun’16, cashless collections accounted for 10.90% of total collections) and plan to move towards cashless disbursement
- Vision – To become a one-stop solution for the clients by continuing to innovate and design need-specific products

*Source – CRISIL Report

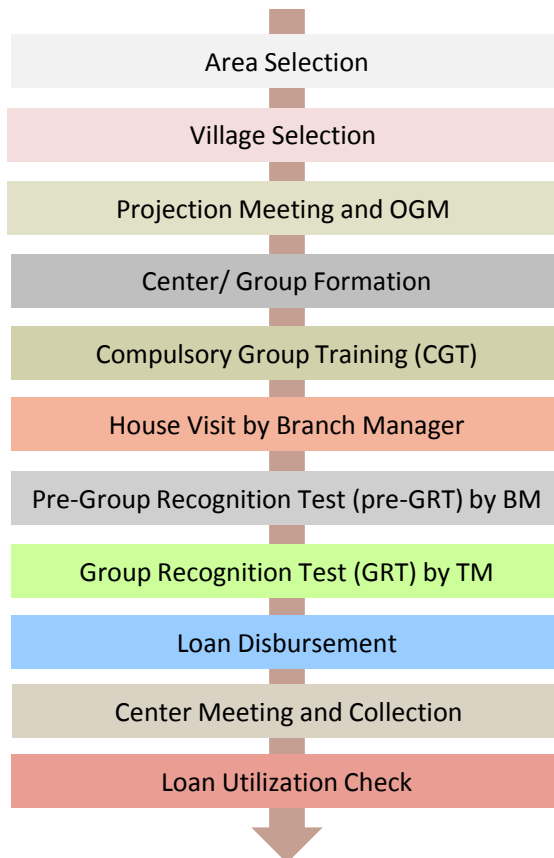
Annexure

Operational Process Overview

Operational Methodology



Trend in Loan Cycle



CSO – Community Service Officer (Loan Officer)
 BM – Branch Manager
 TM – Territory Manager
 OGM – Open General Meeting
 CDS – Collection & Demand Sheet

Area Selection

- SCNL’s Business Development team conducts thorough area surveys for identification of suitable locations for launch of microfinance business.
- The team assimilates, analyzes several variables including population, household incomes, employment, crime rate, and competitive intensity in the area.
- A detailed Area Survey report is provided to the COO for review & approval of the identified area.

Village Selection

- CSO surveys villages by collecting information on number of households, literacy rate, sources of incomes, primary economic activities, financial dependency, irrigation facility, etc.
- Based on the Village Mapping Exercise, the TM decides whether to start operations in a particular village.

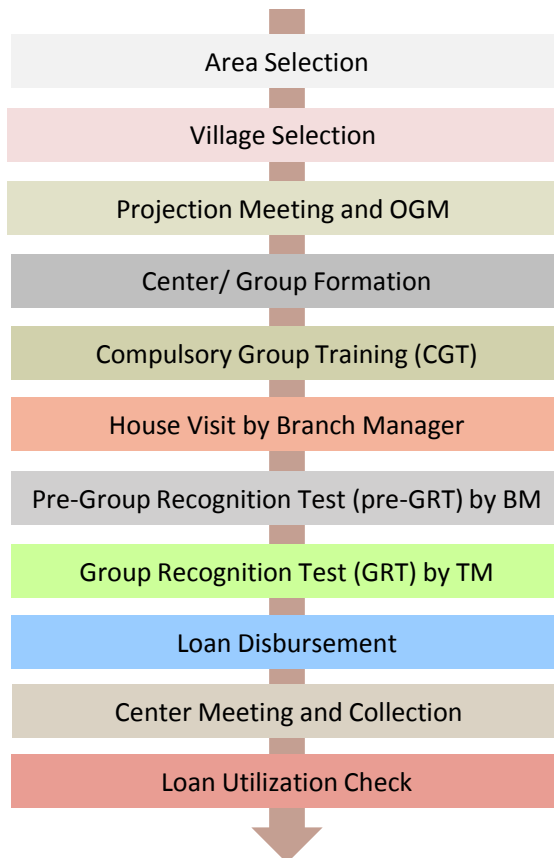
Client Selection Criteria (JLG)

- Clients must be women between 18-65 years.
- Clients must be low income generating, self-employed or working women, living in rural, semi-urban or urban slums
- The gross annual household income from all sources should not exceed Rs. 100,000 in rural areas and Rs. 160,000 in urban and semi-urban areas
- Clients are sourced within a maximum radius of 30-35 km from a branch
- Clients must have a valid proof of Identity such as Aadhar Card, Ration Card, Voter ID card, Driving license or a certificate from Gram Pradhan / Government Official.

Operation's Methodology (Contd.)



Trend in Loan Cycle



CSO – Community Service Officer (Loan Officer)
 BM – Branch Manager
 TM – Territory Manager
 OGM – Open General Meeting
 CDS – Collection & Demand Sheet

Center / Group Formation

- Upon approval of a village by TM, the CSO conducts an Open General Meeting in the village.
- CSO educates the women about SCNL and its credit programs.
- CSO asks the women to form groups and reconvene at a specified time and place.
- Each such group is formed voluntarily

Compulsory Group Training (CGT)

- CGT aims to develop an environment of credit discipline and to provide all members with at least basic level of financial literacy, understanding of SCNL's group lending microfinance program's rules and regulations and the clients' rights and responsibilities.
- A critical part of the CGT process is ensuring that Group members are willing to take joint liability of each other.
- The CSO ensure that the clients understand the discipline required for the program.
- After all center members have clearly understood the rules and regulations and Center Leaders have clearly understood their duties and responsibilities, CSOs fill the loan application forms, collect KYC documents and after verification of these documents submits them to BM.

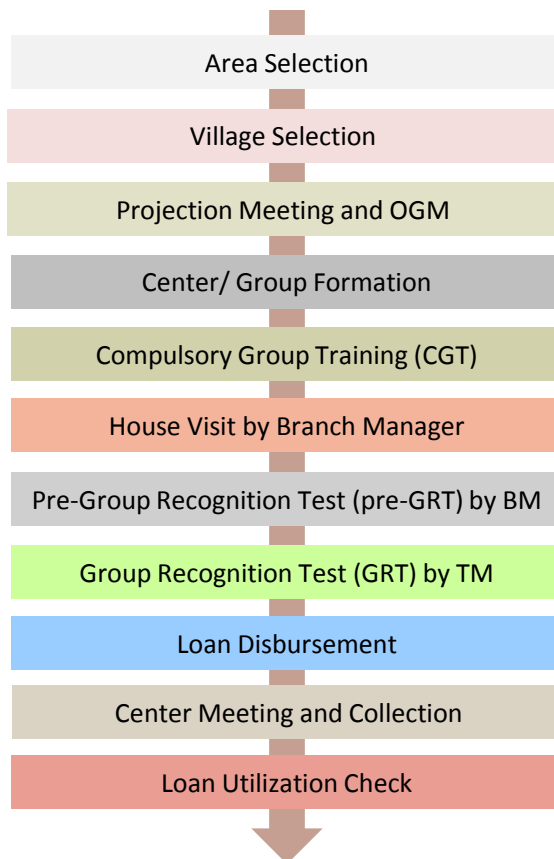
Pre-GRT and GRT

- BMs conduct Pre-GRT to verify information in the KYC Form and to ensure that all members have understood SCNL's rules and regulations. BMs visit each client's house during pre-GRT.
- Thereafter, TMs conduct GRT to verify information in the KYC Form and to ensure that members have understood SCNL's rules and regulations. TMs visit 33% of households in each group.

Operation's Methodology (Contd.)



Trend in Loan Cycle



CSO – Community Service Officer (Loan Officer)
 BM – Branch Manager
 TM – Territory Manager
 OGM – Open General Meeting
 CDS – Collection & Demand Sheet

Disbursement (and approval/ rejection of loan)

- Loan proposal (application) qualifies for disbursement after necessary checks done by BM during Pre-GRT and by the TM during GRT.
- Prior to generation of sanction letters, loan proposals recommended by BM are required to undergo a mandatory credit check by recognized credit bureau (Equifax and CRIF High Mark).
- Clients are intimated about the amount sanctioned and the date of disbursement through a loan sanction letter.
- Disbursement always happens at the Branch, and in presence of at least 2 officers from the same branch.
- The Branch Manager re-iterates the entire process and discipline expected from the clients.

Center Meeting & Collection

- Center meeting, between the JLG members, happens at a pre-decided time and venue.
- Center meeting is held at a place other than the residence of the Center Leader.
- Members are encouraged to come to the center meeting and actively participate in the conduct of the center meeting.
- Collection of installment takes place in a predefined manner, i.e., members deposit the money with the Group Leader, who in turn deposit the same with the Center Leader.
- Center Leader passes on the collection to the CSO.
- SCNL is actively engaged in migrating to a cashless environment in the days to come to mitigate the risk of cash handing.

Loan Utilization Check

- This check is conducted within 2 installments from the date of disbursement.
- The CSO/BM/TM visits the client's place and checks the asset.
- After ensuring satisfactory utilization the concerned officer updates the same in the CDS.
- SCNL's MIS is equipped to capture the loan utilization data and produce analytical reports.

Annexure

Information Technology Overview

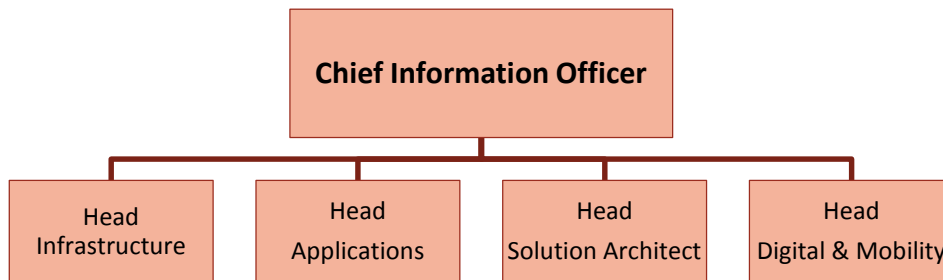
Scalable Business Model supported by a strong IT Infrastructure



Information Technology Vision Statement

- Information Technology at SCNL is where business, innovation and technology come together to create competitive advantage. Our strategy is to deliver Robust Technology Solutions that support our organization intent to maximize their reach to financially excluded population at the bottom of the pyramid & help them enhance their livelihood.
- We have a strong team of IT business leaders with a breadth of experience across multiple business(s) & depth of expertise in areas like Application, Infrastructure, Digital / Mobility, Analytics & Information security.

IT Leadership Structure



- We currently operate from 29 regional offices & 544 branches across India.
- To support these business operations, our IT organization is defined as follows:
 - 1 Asst. Manager (IT) at each Region
 - 1 MIS Officer mapped for 3 branches

Our Current Technology Footprint

<h3>Business Applications</h3> <ul style="list-style-type: none"> Microfinance SME Cashless Collections 	<h3>IT Systems and Architecture</h3> <ul style="list-style-type: none"> Tier- 4 Data Center Robust Connectivity Enterprise Email & Collaboration Tool Video Conferencing
<h3>Information Security</h3> <ul style="list-style-type: none"> Intrusion detection & prevention technology. Sanity of Financial Data information Standardised End user system protection. 	<h3>Data Archival Strategy</h3> <ul style="list-style-type: none"> Business Applications End User Backup Email Backups. Offsite storage of backups.

Business Applications – Current Footprint



Microfinance & SME Business

- ✧ Core Microfinance Application for Group Lending vertical has been developed by Force Ten Technologies and customized as per SATIN business requirements.
- ✧ The software is primarily build on .Net framework with SQL as core database.
- ✧ Solution is highly capable of managing SCNL's landing solution , accounting, reporting, and business monitoring demands.
- ✧ During Q2 2016-17 , SATIN has taken a big step forward & successfully migrating their 8 year old **Decentralized Technology** solution to a **Centralized environment**. Some of the key highlights & advantages are as follows :
 - This whole migration of 500+ branches was successfully completed in a record 35 days effort.
 - Our technology touch points still starts from regional offices , however now all regions are connected to a one single server & a centralized database.
 - Which means any transaction happening at RO (KYC Entry , CB checks , Disbursement or collections) are now visible to all stakeholders on a real time basis at Regional offices or HO.
 - This change will significantly help business in taking right actions at the right time based on real time information.
 - Bringing lot of productivity improvement e.g closing books on a faster turnaround , many possible automations now on account of moving to centralize database environment . This is helping in reducing lot of additional data entry activities.
- ✧ The new migrated software has the capacity to track every client, group, center, branch, territory, region, zone and the Company in its entirety.

Annexure

CSR & Social Performance Management (SPM)

Recent CSR & SPM Initiatives



Committed towards social initiatives - conducted regular campaigns including organizing campaigns to increase financial literacy

Contribution to various CSR projects undertaken by independent implementing agencies

Year	CSR project	Name Of implementing Agency
FY15	“Improving Dhokara craft Artisan Livelihood opportunity”	World Act NGO
FY15	Primary Health care on wheels and comprehensive free medical health camps in Jharkhand	Daya Memorial Charitable Trust
FY16	“Because we care” - To provide free of cost Medical consultancy and Medicines to economically weaker section patients	Maharaja Agrasen Charitable Trust



Contact Information



For any queries, please contact:

Mansi Verma

AVP – Capital Markets

Satin Creditcare Network Limited

E: mansi.verma@satincreditcare.com

T: +91 11 4754 5000 (Ext – 243)



Thank You