



Press release

CARE rating upgrades Satin Creditcare

- Long Term Bank Facilities and NCDs ratings upgraded from BBB+ to A-
- Preference Shares and Sub-debt facilities have been upgraded from BBB to BBB+

New Delhi, 25 October 2016: Satin Creditcare Network Ltd. (SCNL) has received a revision by CARE Ratings for their Long Term Bank Facilities and NCDs from BBB+ to A-. The Preference Shares and Sub-debt facilities have also been upgraded by CARE Ratings from BBB to BBB+.

This revision indicates that the rating agency has upgraded SCNL from a moderate degree of safety regarding timely servicing of financial obligations and moderate credit risk to adequate degree of safety regarding timely servicing of financial obligations with low credit risk.

The upgrade by CARE Ratings will help in lowering the cost of funds for SCNL, which the company is keen to pass on to its borrowers by lowering the rate of interest for its customers.

This revision comes close to the recent capital infusion worth Rs. 2500 million via a QIP. SCNL has been going very strong on growth and this capital infusion will further fuel its growth plans. The rating upgrade reflects the increasing confidence of stakeholders in SCNL which aims to grow at about 60% in the current financial year.

In September 2016, SCNL acquired Taraashna Services Private Limited (TSPL) as its subsidiary for a consideration of Rs. 498 million pursuant to share swap. TSPL acts as a business correspondent for banks and provides similar services to other financial institutions in rural and semi-urban areas. TSPL has partnered with four private sector banks (RBL Bank, IndusInd Bank, Yes Bank and DCB Bank) and two NBFCs (Reliance Capital and IFMR Capital) to provide such services and seeks to expand its association with other banks and financial institutions. Starting April 2016, SCNL has also forayed into MSME Financing.

About Satin Creditcare Network Ltd.



SCNL was the fifth largest microfinance institution in terms of GLP as on March 31, 2016 (*Source: 'Industry Report dated September, 2016 prepared by CRISIL*) with a strong presence in north India. As of June 30, 2016, SCNL had 458 branches, GLP of Rs. 32.78 billion and approximately 2.02 million active clients. SCNL started its operations in 1990 as a provider of individual and small business loan and savings services to urban shopkeepers. SCNL registered as an NBFC with the RBI in 1998 and converted into an NBFC-MFI in November 2013. SCNL's operations are spread across 16 states and union territories in India including Uttar Pradesh, Bihar, Madhya Pradesh, Punjab, Uttarakhand, Rajasthan, Haryana, Maharashtra, Delhi and NCR, Jharkhand, Chhattisgarh, Gujarat, West Bengal, Jammu and Kashmir, Himachal Pradesh and Chandigarh, with a focus on rural and semi-urban areas.