



Satin Creditcare to raise Rs 205 crore from Foreign Investors, Promoters and IndusInd Bank

Ties up with IndusInd bank for business correspondent services for microfinance

New Delhi, November 27, 2017: Satin Creditcare Network Limited (“SCNL”), the second largest microfinance company in India, recently announced at its board meeting held on November 24, 2017 that it is in the process of raising Rs. 205 crore from overseas investors, Promoters and IndusInd Bank via a preferential allotment. Approved by the Board, this preferential allotment is a combination of equity and debt instruments to augment the capital base and support business growth.

As part of the current round of capital raise, Rs. 160 crore will be raised via issuance of equity securities to investors and promoters, while Rs. 45 crore will be through issuance of debt securities to IndusInd Bank. Of the equity investment, Rs. 80 crore will be from Kora Investments and Rs. 20 crore from Nordik Microfinance Initiative, an existing investor in Satin. Promoter and Promoter Group will be subscribing to Fully Convertible Warrants for Rs. 60 crore, to be converted within 18 months from date of allotment.

The company has also entered into a tie-up with IndusInd Bank under which Satin will act as a business correspondent agent to IndusInd for microfinance business on mutually agreed terms and conditions.

Speaking on the company's new development, **Mr. H P Singh, the Chairman and Managing Director of Satin Creditcare** said, "The fund raising has invigorated our confidence even further. It will not only help elevate the company's capital base but also support company's future growth plans. We believe, this development will surely boost the confidence of the overall microfinance sector, which has been through a tough period post the currency ban announcement in November 2016."

Mr. Singh further added, "Having said that, Satin as a microfinance company has been doing very well. In the second quarter of FY17-18, Satin has recorded a net profit of Rs. 11.3 Crore. With our new business arrangement with IndusInd Bank, we have been able to secure funding lines for growth of our microfinance portfolio."

Prior to this, Satin had also raised Rs. 150 crore by way of a Qualified Institutions Placement (QIP) in October 2017.

About Satin Creditcare Network Limited

Satin Creditcare Network Limited (SCNL or “Satin”) was conceptualized and founded in 1990 by Mr. HP Singh - a qualified Chartered Accountant with over 25 years of experience in retail finance industry. In around 27 years since its inception, Satin today is India's second largest MFI (Micrometer Issue 23, Sep 2017) having started its journey with individual micro loans to urban shopkeepers. Today, the Company has an established, scalable and a sustainable business model. On a consolidated basis, Satin had an AUM of Rs. 4,493 Crores as on Sep 30, 2017. SCNL offers its clients a variety of loan products under the MFI segment. The company also offers a bouquet of financial products



in the Non-MFI segment (comprising of loans to MSMEs), and business correspondent services & similar services to other financial Institutions through TSL, a business correspondent company and an 88% subsidiary of SCNL.

In April 2017, SCNL also incorporated a wholly owned housing finance subsidiary for providing loans to the affordable housing segment. This is a logical extension of Satin's mission to provide financial products that cater to the underserved segments of the market. As of Sep 2017, SCNL had 845 branches covering 18 states and union territories. At present, SCNL has its strong presence and serves its 2.6 million clients throughout Uttar Pradesh, Bihar, Madhya Pradesh, Punjab, and Haryana among others. The strong hold of TSL is Madhya Pradesh, Gujarat, Bihar, and Rajasthan.

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