



**Satin Creditcare Network Limited reports 43% growth in Consolidated Revenue, and 57% decline in Consolidated Net Profit for the financial year ended Mar 31, 2017**

- Consolidated Gross Lending Portfolio (GLP) increased by 24% YoY to ₹40,666 mn
- Cashless disbursement to clients now live across 27 branches as of Mar 31, 2017
- Plan to grow the MFI portfolio to ₹55,000 mn by Mar 2018

**New Delhi, May 26, 2017:** Satin Creditcare Network Limited (“SCNL”) [BSE: 539404; NSE: SATIN, CSE: 30024] has announced its financial performance for the quarter and financial year ended Mar 31, 2017.

**Financial Highlights - Consolidated:**

▪ **FY17**

- Total Revenue increased by 43.50% to ₹8,015 mn in FY17 from ₹5,585 mn in FY16
- PAT declined by 56.63% to ₹249 mn in FY17 from ₹574 mn in FY16
- ROA of 0.62% in FY17 compared to 2.18% in FY16
- ROE of 5.17% in FY17 compared to 22.17% in FY16

▪ **Q4-FY17**

- Total Revenue increased by 1.25% yoy to ₹1,752 mn in Q4-FY17 from 1,731 mn in Q4-FY16
- Loss of ₹430 mn in Q4-FY17 compared to PAT of ₹163 mn in Q4-FY16

**Financial Highlights - Standalone:**

▪ **FY17**

- Total Revenue increased by 39.06% to ₹7,767 mn in FY17 from ₹5,585 mn in FY16
- Net Interest Income grew by 271.2% to ₹3,415 mn in FY17 from ₹2,687 mn in FY16
- NIM at 9.92% in FY17 compared to 9.93% in FY16
- Cost to income ratio (excluding provisions and write-offs) increased to 72.32% in FY17 compared to 59.49% in FY16
- Opex/Avg. AUM increased to 7.17% in FY17 from 5.91% in FY16 - Primarily on account of expansion of branch network, manpower addition and implementation of new software
- Loan Loss Ratio increased from 0.77% in FY16 to 1.63% in FY17 – Primarily on account of interest reversal and higher provisioning due to a change in provisioning policy
- ROA of 0.61% in FY17 compared to 2.18% in FY16
- ROE of 5.10 % FY17 compared to 22.17% in FY16
- CRAR improved to 24.14% for FY17, compared to 16.82% for FY16
- With RBI dispensation, GNPA stood at 0.46% and NNPA at 0.25%
- Without RBI dispensation, GNPA stood at 12.74% and NNPA at 10.61%

▪ **Q4-FY17**

- Total Revenue decreased by 4.76% to ₹1,648 mn in Q4-FY17 from ₹1,731 mn in Q4-FY16
- Net Interest Income declined by 47.32% to ₹448 mn in Q4-FY17 from ₹850 mn in Q4-FY16
- NIM of 5.14% in Q4-FY17 compared to 11.70% in Q4-FY16



Commenting on the results, **Mr. H P Singh, Chairman and Managing Director**, said, “The performance during the quarter was impacted due to demonetization. The states where we were operating were majorly hit, namely Uttar Pradesh, Madhya Pradesh and Punjab, as compared to the rest of the country. We went through this challenging phase with a great deal of motivation and zest. We are pleased to inform that we have been able to improve the collection efficiencies in all these states significantly compared to the early days of demonetization. The situation on the ground is now returning back to near normalcy in most of our geographies. We are encouraged by the strong improvement in collections seen since last November. The recent investment by ADB is a testimony to our legacy of supporting financial inclusion in the country. Having successfully navigated the demonetization phase, we are now gearing up for growth. For this we have taken the Board’s approval to raise Rs. 3,000 mn of fresh equity capital. The new technology, now implemented across 180 branches, will be fully rolled out across all branches by Sep end and this will give us better operating efficiencies going forward.”

#### **Operational Highlights - Consolidated:**

- 24.33% growth in GLP to ₹40,666 mn from ₹32,708 mn as of Mar’16
- 43.01% growth in Active Clients to 2.65 mn from 1.85 mn as of Mar’16
- Branch network expanded to 767 as of Mar’17, from 710 as of Dec’16 and 431 as of Mar’16

#### **Operational Highlights - Standalone:**

- 10.58% growth in GLP to ₹36,168 mn from ₹32,708 mn as of Mar’16
- 24.15% growth in Active Clients to 2.30 mn from 1.85 mn as of Mar’16
- Branch network expanded to 618 as of Mar’17, from 560 as of Dec’16 and 431 as of Mar’16

#### **About Satin Creditcare Network Limited**

Satin Creditcare Network Limited (SCNL) is one of the largest Microfinance Institutions (MFI) in Northern India, and is the 3<sup>rd</sup> largest MFI in the country (Source: MFIN, Micrometer Issue 21). 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 Limited (TSL), 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).

#### **Disclaimer**

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*international economic conditions, changes in government regulations, tax regime and other statutes. The Company does not undertake to revise any forward-looking statement that may be made from time to time by or on behalf of the Company.*

**Satin Creditcare Network Ltd.**

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