

Notice

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of Satin Creditcare Network Limited will be held on Friday, July 06, 2018 at 10.30 A.M. (IST) at Little Theatre Group Auditorium, 1, Copernicus Marg, Mandi House, Opp. Doordarshan Bhawan, Near Connaught Place, New Delhi, Delhi 110001, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements and the reports of the Directors' and Auditors' thereon

To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial statements) of the Company for the financial year ended on March 31, 2018 and the Report of Board of Directors of the Company and Auditors thereon.

2. Declaration of Dividend

To declare following final Dividend on Preference Shares for the financial year 2017-18 and interim dividend on Preference Share (owing to the exercise of conversion option by Capital First Limited).

Preference Share(s)	Type of Dividend	No. of Preference Shares	Dividend Per Shares (In Rs.)
12.10% Rated, Cumulative, Non-Convertible and Compulsorily Redeemable Preference Shares	Final	2,50,00,000	1.2100
0.01% Optionally Convertible Cumulative Redeemable Preference Shares	Final	13,43,283	0.0003
0.01% Optionally Convertible Redeemable Preference Shares	Final	12,30,098	0.0006
0.01% Optionally Convertible Redeemable Preference Shares	Interim	12,30,098	0.0002

3. Appointment of Director

To appoint a Director in place of Mr. Arthur Sletteberg (DIN: 07123647), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider, discuss and approve the issuance of Non-Convertible Debentures, in one or more series/tranches pursuant to section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier special resolution passed at the Twenty Seventh Annual General Meeting held on July 6, 2017 and pursuant to the provisions of sections 42 and 71 and all other applicable provisions of the Companies Act, 2013 and rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the **“Board”** which terms shall be deemed to include any Committee duly constituted by the Board or any Committee, which the Board may hereafter constitute), to issue/offer/invite for subscription of Secured/Unsecured/Subordinated/Senior, Rated/Unrated, Listed/Unlisted, Non-Convertible Debentures (**“Debentures”**) by way of Private Placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the Debentures, aggregating upto Rs. 3,000 Crore (Rupees Three Thousand Crore only) on such terms and conditions and at such times whether at par/premium/discount, as may be decided by the Board to such person or persons including one or more Company(ies), Bodies Corporate, Statutory Corporation(s), Commercial Bank(s), Domestic and Multilateral Lending Agency(ies), Financial Institution(s), Insurance Company(ies), Mutual Fund(s), Pension Fund(s), Family Office(s), and Individual(s), as the case may be or such other person/persons/investors as the Board may so decide/approve, for a period of one year or for such other period as permissible under applicable laws, from the date of approval of the Members, within the overall borrowing limits of the Company, as approved by the members of the Company from time to time.

RESOLVED FURTHER THAT in connection with the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

5. Amendments in the Articles of Association of the Company under section 14 of the Companies Act, 2013

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), the new set of altered articles of association in substitution of existing articles of association of the Company be and is hereby approved and adopted.

RESOLVED FURTHER THAT Mr. H P Singh, Chairman cum Managing Director (DIN: 00333754) and Choudhary Runveer Krishanan, Company Secretary & Compliance Officer be and are hereby singly and severally authorised, to sign, execute, file all the requisite documents with Registrar of Companies, NCT of Delhi and Haryana and other authorities as may be required and to do all such other acts, deeds, matters and things as deem necessary, proper or expedient to give effect to the above resolution.”

6. To increase the borrowing power of Board of Directors u/s 180(1)(c) of the Companies Act, 2013

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** consent of the members be and is hereby accorded pursuant to section 180(1)(C) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder read with Article 67 of the Articles of Association of the Company, to the Board of Directors of the Company to raise or borrow from time to time such sum or sums as they may deem appropriate for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the paid-up share capital, free reserves and securities premium of the company not set apart for any specific purpose provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed Rs. 10,000 Crore (Rupees Ten Thousand Crore only) at any time.

RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.”

7. Creation of Charges on the Movable and Immovable properties of the Company, both present and future, in respect of borrowings u/s 180(1)(a) of the Companies Act, 2013

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** consent of the members of the Company be and is hereby accorded pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 read with Article 67 of the Articles of Association of the Company and the rules made thereunder, to the Board of Directors of the Company to pledge, mortgage and/or create charge on all or any part of the Moveable or Immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any Movable or Immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed Rs. 10,000 Crore (Rupees Ten Thousand Crore only) at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertakings as may be necessary for giving effect to the above resolution.”

8. To approve the revision in overall remuneration to be paid to Mr. H P Singh (DIN: 00333754), Chairman cum Managing Director of the Company

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** in furtherance of the ordinary resolution passed by the members of the Company at their Twenty Fifth Annual General Meeting held on July 8, 2015 pursuant to which their consent was accorded for the appointment of Mr. H P Singh (DIN: 00333754) as Chairman cum Managing Director for 5 years with effect from October 1, 2015 till September 30, 2020 and the remuneration to be paid to him for holding the office of Chairman cum Managing Director and pursuant to sections 196 and 197 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the approval of the members of the Company be and is hereby accorded for revision in the remuneration as set out below, to Mr. H P Singh, Chairman cum Managing Director, for the period commencing from August 1, 2018 until September 30, 2020 or for such other period as may be determined in accordance with applicable laws and subject to receipt of the requisite approvals, if any:

- A. **Salary:** Rs. 13,32,600 per month
- B. **Perquisites:** The value of perquisites under the following categories shall be determined in terms of the provisions of section 197 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder, as amended from time to time:

Category A

1. **Medical Benefits for Self and family**
Reimbursement of expenses actually incurred for self and family ("Family" means the spouse, dependent children and dependent parents), the total cost of which should not exceed one month's salary per year or three months' salary in a period of three years.
2. **Leave Travel Concession**
For self, wife and dependent children payable once in a year as per the rules of the Company. This is further subject to maximum of one month's salary.
3. **Club Fees**
Club subscription fees for membership of maximum two clubs. This will, however, not include admission fees and life membership fees. This will be further subject to a ceiling of Rs. 5,000 per year.
4. **Provident Fund**
Participation in a recognized Provident Fund as per rules of the Company and to the extent not taxable under the Income Tax Act, 1961.

Category B

1. **Gratuity payable at a rate not exceeding half a month's salary for each completed year of service as per rules/Policy of the Company and in terms of applicable laws as amended from time to time.**
2. **Encashment of Leave as per rules/policy of the Company and in terms of applicable laws as amended from time to time.**

Category C

1. **Car with driver and telephone facilities at residence for official purpose.**

RESOLVED FURTHER THAT if in any financial year during the currency of his remaining tenure, the Company has no profits or its profits are inadequate, remuneration as fixed above by way of salary, perquisite and other allowances or any contribution thereof shall be the minimum remuneration payable to Mr. H P Singh subject to the provisions contained in schedule V of the Companies Act, 2013 and the approval of Central Government, if required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the scope of remuneration of Mr. H P Singh, Chairman cum Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limit specified under the Companies Act, 2013 and rules framed thereunder.

RESOLVED FURTHER THAT any one of the Director or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

**By Order of the Board of Directors
For Satin Creditcare Network Limited**

**Choudhary Runveer Krishanan
Company Secretary & Compliance Officer
FCS:7437**

**Place: Delhi
Date: May 30, 2018**

NOTES:

1. An explanatory statement as required under section 102 of the Companies Act, 2013 in respect of the special business specified above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member. The instrument of Proxy in order to be effective, should be deposited at the Registered/Corporate office of the Company, duly completed and signed, not less than 48 hours (i.e. on or before July 4, 2018, 10:30 A.M. IST) before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company or upload it on the e-voting portal, authorizing their representative to attend and vote on their behalf at the meeting.
4. The register of members and share transfer books of the Company shall remain closed from June 30, 2018 to July 06, 2018 (both days inclusive) for determining the names of the members eligible for voting at the Meeting. The members whose names appear on the Company's register of members as on June 29, 2018 will be eligible to attend and vote at the meeting.
5. The payment of dividend will be made to all members holding Preference shares (as applicable) in respect of shares held in dematerialized form and/or in physical form (if any), as per the data made available by the National Securities Depository Limited (NSDL) and/or the Central Depository Services (India) Limited (CDSL) and/or Registrar & Share Transfer Agent as of the close of business hours on June 29, 2018.
6. The notice is being sent to all the members of the Company, whose names appear on the register of members/record(s) of depositories as on Friday, the June 08, 2018.
7. Members may also note that the Notice of the Twenty Eighth Annual General Meeting and the Annual Report for year ended March 31, 2018 will also be available on the Company's website www.satincare.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's email id: "secretarial@satincare.com". The Company has a dedicated e-mail address "secretarial@satincare.com" for members to mail their queries or lodge complaints, if any. We will endeavour to reply to your queries at the earliest.
8. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and updates of bank account details by every investors holding securities in physical or electronic mode with the Registrar and Share Transfer Agent.
10. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members, whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode
11. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company's Corporate Office at least 7 (Seven) days before the date of the ensuing Annual General Meeting so that the same can be suitably replied to.
12. Members are requested to bring their copy of the Annual Report to the Meeting and no copy would be provided at the Annual General Meeting venue.

13. Members holding Equity Shares shall have one vote per share as shown against their holding.
14. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office and Corporate Office of the Company during business hours on all days (except Saturdays, Sundays and Public holidays) up to the date of the Annual General Meeting.
15. Members can inspect the register of Director and Key Managerial Personnel and their shareholding, required to be maintained under section 170 of the Companies Act, 2013 during the course of the meeting at the venue. Further, the Register of Contract or Arrangements as maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members during the course of the meeting at the venue of Annual General Meeting.
16. Pursuant to the prohibition imposed vide Secretarial Standard on the General Meeting (SS-2) issued by ICSI and the MCA Circular, no gifts/coupons shall be distributed at the Annual General Meeting.
17. We urge members to support our commitment to environmental protection by choosing to receive their shareholding communication through email. You can do this by updating your email addresses with your depository participants.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
19. Details as required in sub-regulation (3) of regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice attached and **Annexure A**. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

20. VOTING THROUGH ELECTRONIC MEANS

- i. Pursuant to the provisions of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- ii. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- iii. The Board of Directors of the Company has appointed Mr. Rajeev Bhatia, a Practicing Chartered Accountant (ICAI Membership No. 089018) and proprietor of M/s Rajeev Bhatia & Associates, as Scrutinizer to scrutinize the voting at Annual General Meeting and remote e-voting process in a fair and transparent manner. Mr. Bhatia has communicated his willingness to be appointed and will be available for same purpose.
- iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member /beneficial owner as on the cut-off date i.e. Friday, June 29, 2018.
- v. The e-voting period commences on Tuesday, July 03, 2018 (10.00 A.M. IST) and ends on Thursday, July 05, 2018 (5.00 P.M. IST). During this period, Members may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- vi. The instructions and other information for e-voting are as under:
 - (i) The Member should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/Attendance Slip indicated in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant “**180605004-Satin Creditcare Network Limited**” on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a DEMAT account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non – Individual Members and Custodians**
- Non-Individual member (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xx) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

21. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.satincare.com and on the website of CDSL immediately after the declaration of result by the Chairman and communicated to the Stock Exchanges (if any), where the shares of the Company are listed.
22. The route map showing direction to reach the venue of the Annual General Meeting is annexed as **Appendix 1** and form part of the Notice

**By Order of the Board of Directors
For Satin Creditcare Network Limited**

**Choudhary Runveer Krishnan
Company Secretary & Compliance Officer
FCS:7437**

**Place: Delhi
Dated: May 30, 2018**

APPENDIX -1

ROUTE MAP OF TWENTY EIGHTH AGM VENUE: LITTLE THEATRE GROUP AUDITORIUM, 1, COPERNICUS MARG, MANDI HOUSE, OPP. DOORDARSHAN BHAWAN, NEAR CONNAUGHT PLACE, NEW DELHI, DELHI 110001



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ATTACHED ALONG WITH THE NOTICE DATED MAY 30, 2018

Item No. 4

Section 42 of the Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with Private Placement of securities by a Company. Sub-rule (2) of the said rule 14 states that in case of an offer or invitation to subscribe for Non-Convertible Debentures on Private Placement, the Company shall obtain previous approval of its members by means of a special resolution, and it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such debentures during the year.

In order to augment resources for lending, repayment/refinance of existing debt, working capital requirement, purchase of assets, investments, general corporate purposes etc. the Company may invite subscription for secured/unsecured Redeemable Non-Convertible Debentures (NCDs), in one or more series /tranches on Private Placement basis. The NCDs proposed to be issued, may be issued either at par or at premium or at a discount to face value and the issue price (including premium, if any) shall be decided by the Board on the basis of interest rate/effective yield determined, based on market conditions prevailing at the time of the issue.

Consent of the Members is therefore sought in connection with the aforesaid issue of Non-Convertible Debentures/Bonds from time to time and they are requested to authorize the Board (including any committee of the Board) to issue Non-Convertible Debentures/Bonds during the year on Private Placement basis upto Rs. 3,000 Crore (Rupees Three Thousand Crore only) as stipulated above, in one or more tranches, within the overall borrowing limit of the Company, as approved by the members of the Company from time to time.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

Board of Directors recommends the passing of the resolution as special resolution.

Item No. 5

The Company has entered into Investment Agreements dated July 8, 2017 with Capital First Limited (CFL) and the Promoter Group of the Company which contemplates that at the next general meeting of the Company following the date of conversion of OCRPS into Equity Shares, the Company shall include certain agreed CFL related amendments into the Articles of Association (AOA) of the Company and has also entered into separate Investment Agreements (along with other agreement forming part of investment) dated December 19, 2017 with Kora Investments I LLC, Nordic Microfinance Initiative Fund III KS, IndusInd Bank Limited and the Promoter Group of the Company. The relevant provisions of such Investment Agreements also need to be incorporated in the Articles of Association of the Company. In addition to that, amendments are required for alteration of provisions relating to Common Seal in terms of the Companies (Amendment) Act, 2015.

Further, the Board in its meeting held on May 30, 2018 has subject to the approval of members, approved the above said amendments in the Articles of Association of the Company.

The copy of the new set of Articles of Association of the Company is available for inspection at the Registered Office and Corporate Office of the Company between 10:00 A.M. to 5.00 P.M. on all working days from the date of dispatch of the Notice till July 6, 2018 (during the course of Annual General Meeting) and any Member can send a request for the complete set of the same to Company Secretary & Compliance Officer at secretarial@satincreditcare.com. Members can also download the AOA from website (www.satincreditcare.com) of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their interest as nominee directors and to the extent of their respective shareholding in the Company.

Board of Directors recommends the passing of resolution as special resolution.

Item No. 6 & 7

Being into the business of Micro Finance, the Company requires more funds from various lenders of repute to run its operations smoothly and consistently. The total borrowings from banks and other financial institutions including unsecured loans were Rs. 5,165 Crore as on March 31, 2018. As the business requirements of the Company is growing at a fast pace and to enable an active borrowing program by the Company and to access funds at most competitive rate(s), the Company may consider undertaking different forms of borrowings including but not limited to term loan(s), working capital facilities, inter corporate deposit(s), commercial paper, debentures, sub-debt, other non-convertible or convertible debt instruments and/or other fund based facilities whether secured or unsecured or structured or unstructured as may be allowable to be mobilized by the Company. In this regard, it is, therefore, proposed to increase the present borrowing limits from Rs. 6,000 Crore (Rupees Six Thousand Crore) to Rs. 10,000

Crore (Rupees Ten Thousand Crore) over and above the paid-up share capital, free reserves and securities premium of the Company.

Pursuant to section 180(1)(c) of the Companies Act, 2013 read with Article 67 of Articles of Association (AOA), a Company will require Members approval if the money borrowed together with the money already borrowed by it exceeds aggregate of paid-up share capital, free reserves and securities premium, apart from temporary loans from its bankers' in the ordinary course of business.

Accordingly, it is proposed to seek approval of the members under section 180(1)(c) of the Companies Act, 2013, to authorise the Board of Directors to borrow monies in excess of the paid-up share capital, free reserves and securities premium of the Company so however, that the total amount so borrowed shall not exceed at any point in time (excluding any interest on such borrowings) a sum equivalent to Rs.10,000 Crore (Rupees Ten Thousand Crore) over and above the aggregate, for the time being, of the paid-up share capital, free reserves and securities premium of the Company, other than borrowings which are to be excluded in computing such limits pursuant to the provisions of the said section.

Further, pursuant to section 180(1)(a) of the Companies Act, 2013 read with Article 67 of AOA, approval of the members by special resolution is required to create charge on the movable or immovable which can be pledged, mortgage and/or charged and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings, subject to the limits approved by members under section 180(1) (a) of the Act. At present, the Company can borrow upto Rs.6,000 Crore (Rupees Six Thousand Crore only).

Accordingly, it is proposed to seek approval of the members under section 180(1)(a) of the Companies Act, 2013, to authorise the Board of Directors to offer and create charge on the movable or immovable which can be pledged, mortgage and/or charged and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a fixed or floating charge on all or any movable or immovable properties of the Company and the whole of the undertaking of the Company, in favour of the Banks, Financial Institutions, any other lenders or debenture trustees for the purpose of securing the borrowing(s) of the Company for a sum equivalent to Rs. 10,000 Crore (Rupees Ten Thousand Crore).

The Board of Directors of the Company in its Board Meeting held on May 30, 2018 has approved the above proposal and recommended passing of the proposed Special Resolution as contained in Item no. 6 and 7 of the Notice, by members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company.

Item No. 8

The members of the Company at their Twenty Fifth Annual General Meeting held on July 8, 2015, had by way of an ordinary resolution, approved the appointment of Mr. H P Singh (DIN: 00333754) as Chairman cum Managing Director of the Company for a period of five years with effect from October 1, 2015 to September 30, 2020 on the terms and conditions including payment of remuneration as mentioned therein. At that time, the Company had adequate profits and the remuneration was well within the limits prescribed under the Companies Act, 2013. On November 9, 2016, the Board had increased the remuneration of Mr. H P Singh within the limits already approved by the members in the Annual General Meeting held on July 8, 2015. As a result of demonetisation, the standalone revenue of your Company dropped to an unforeseen level, as compared to the previous year figures and substantially affected the revenue of Company during the Financial Year 2017-18. Owing to the above factors, Mr. Singh had voluntarily offered to forego, 27% of his remuneration w.e.f. June 01, 2017 and the Board had appreciated such gesture by Mr. Singh and approved the implementation of such reduction in remuneration owing to the above- mentioned circumstances.

Now, as the Company is sailing out of the impact of demonetisation and now owing to positive impact of demonetisation results sound performance of the Company is back on track with positive outlook, Nomination & Remuneration Committee and Board of Directors, after considering Mr. Singh's immense contribution towards the achievements and growth of the Company and its subsidiaries and also in view of his vast experience in microfinance industry, recommends revision in his remuneration (subject to applicable laws) as set out in the Item no. 8, which will commence from August 1, 2018 till September 30, 2020 or for such other period as may be determined in accordance with applicable laws and subject to receipt of the requisite approvals, if any. The Board of Directors of the Company recommends for members' approval by way of special resolution the remuneration to be paid to Mr. H P Singh as Chairman cum Managing Director of the Company which remuneration was also approved earlier by Board in its meeting held on November 09, 2016. Statement pursuant to paragraph (IV) of the Second Proviso of paragraph B of section II of Part II of schedule V to the Companies Act, 2013 in respect of Item no. 8 of this notice is annexed as **Annexure B** to this Notice and details in term of paragraph 1.2.5 of the Secretarial Standard on General Meeting (SS-2) in respect of Item no. 8 of this notice is annexed as **Annexure C**.

Under section 197 of the Companies Act, 2013, if in any financial year a company has no profits or its profits are inadequate, payment of remuneration to its directors including any managing or whole time director (exclusive of sitting fees payable to directors) may be made only in accordance with the provisions of schedule V of the Companies Act, 2013.

For remuneration to be paid at double the amount of the limit set out in schedule V, approval of the members of the company by way of a special resolution at a general meeting of the company is required for payment of such remuneration for a period not exceeding three years. Therefore, the Board has recommended the resolutions listed at Item no. 8 for the approval of the members by way of special resolution.

Except Mr. H P Singh and Mr. Satvinder Singh, none of the Directors, Key Managerial Personnel of the Company/their relatives are in any way concerned or interested, financially or otherwise, in the special resolution set out at Item no. 8 of the Notice.

**By Order of the Board of Directors
For Satin Creditcare Network Limited**

**Choudhary Runveer Krishanan
Company Secretary & Compliance Officer
FCS:7437**

**Place: Delhi
Dated: May 30, 2018**

ANNEXURE 'A' TO THE NOTICE

ADDITIONAL INFORMATION ON DIRECTORS BEING APPOINTED/RE-APPOINTED AS REQUIRED UNDER REGULATION 36 (3) THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IN THE ORDER OF THE ITEMS MENTIONED IN THE NOTICE:

Name of the Director	Mr. Arthur Sletteberg
Director Identification Number (DIN)	07123647
Date of Appointment	May 25, 2015
Date of Birth	May 24, 1960
Brief Profile/ Nature of Expertise	Mr. Arthur Sletteberg, aged 58 years, is a Nominee Director for Nordic Microfinance Initiative Fund III KS on the Board of our Company. He holds a master's degree in business administration from Norwegian School of Economics and Business Administration, Bergen and the equivalent of a master's degree in International Economic Policy Research from Institute for the World Economy, Germany. He has an experience of 30 years in central banking, commercial banking, pension fund management and investments. He is currently the managing director of Nordic Microfinance Initiative AS and has previously worked with Norges Bank, DNB, Storebrand, OPF and Ferd.
Names of other companies in which the person also holds the directorship	None
Names of companies in which the person also holds the membership of Committees of the Board	NIL
Number of Equity Shares held in the Company	NIL
Relationship between directors inter-se	Mr. Arthur is not related to any Director.

ANNEXURE 'B' TO THE NOTICE

STATEMENT PURSUANT TO PARAGRAPH (IV) OF THE SECOND PROVISO OF PARAGRAPH B OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NO. 8 OF THE NOTICE:

I. GENERAL INFORMATION

1. Nature of Industry

The Company is engaged in the business of providing micro-finance in semi-urban and rural areas with operations in 18 states.

2. Date or expected date of commencement of commercial production

Not applicable (The Company has already commenced its business activities).

3. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus

Not applicable

4. Financial performance based on given indicators

(Rs. In Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue	97,664	77,667	55,852
Total Expenses	97,304	73,947	47,099
Profit / (Loss) after tax	403	2,450	5,794
Paid up Equity Share Capital	4,727	3,714	3,150
Reserve & Surplus	100,522	60,008	29,251
Total Portfolio (Net of Provision)	498,973	355,598	324,801
No. of Branches	809	618	431

5. Foreign investments or collaborations, if any

The Company does not have any foreign collaboration. The Company has foreign direct investment and investments done by Foreign Institutional Investors (FII)/Foreign Portfolio investor/other foreign body corporate acquired through secondary market and/or through qualified institutional placements/preferential allotment. As per the shareholding pattern of the Company as on March 31, 2018, the composite foreign investment in the Company stands at 41% comprising of:

- (i) 16.48% by foreign portfolio investors;
- (ii) 23.86% by foreign bodies corporate; and
- (iii) 0.66% by non-resident Indians.

II. INFORMATION ABOUT MR. H P SINGH, CHAIRMAN CUM MANAGING DIRECTOR

a. Background details

Mr. H P Singh is a law graduate and a fellow member of The Institute of Chartered Accountants of India since 1984. He has almost three decades of microfinance experience and pioneered the unique concept of daily collection of repayments of loans. Besides an expert in lending (especially microfinance) he has experience in the field of auditing, accounts, project financing, advisory services and company law matters.

Past Remuneration

The details of past remuneration drawn by Mr. H P Singh is as under:

(In Rupees)

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Gross salary:			
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,19,65,200	1,45,96,940	84,67,100
(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (Including Value of Car Perquisite)	20,89,660	27,04,800	55,66,840
(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
- as % of profit			
- Others, specify			
Provident Fund	14,83,824	17,51,630	10,16,050
Total	1,55,38,684	1,90,53,370	1,50,49,990

b. Recognition or awards

He has participated in HBS Accion Program on Strategic Leadership for Microfinance in 2009 and leadership program organized by Women's World Banking at Wharton Business School, University of Pennsylvania in 2011. Further, he was awarded as "Social Innovator" by Time Ascent of World HRD Congress held at Taj, Mumbai on February 15, 2017 and also received an "Exemplary Leader Award" at Global Globe Tigers Award held at Kuala Lumpur, Malaysia on April 23, 2018.

c. Job profile and his suitability

Mr. Singh has almost three decades of microfinance experience and pioneered the unique concept of daily collection of repayments of loans. Besides an expert in lending (especially microfinance) he has experience in the field of auditing, accounts, project financing, advisory services and company law matters. His financial engineering experience of almost three decades has helped the Company in operational strategy and efficiency.

d. Remuneration proposed

The remuneration proposed to be paid is detailed in resolution hereinabove read with the explanatory statement.

e. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The Company is in micro finance business and has two subsidiaries, (i) Taraashna Services Limited (TSL), which is in business correspondent services; and (ii) Satin Housing Finance Limited (SHFL) which is engaged in housing finance business. With increase in size and gross loan portfolio, it is imperative for any NBFC-MFI company to have highly experienced person having specialized knowledge and skills to understand and project the market trend, client behavior, financial needs assessment skills and relevant indicators for organisational growth. The Company and its subsidiaries also require expertise for appropriate fund allocation, optimum utilization of various resources in the business. Also, in current scenario, the deliverables as indicated and specified by regulators are quite comprehensive. Considering the responsibility shouldered by Mr. H P Singh of the enhanced business activities of the Company, proposed remuneration is commensurate with industry standards in similar sized organisations and for and similarly held Board level position. Mr. Singh has successfully proved his expertise in an effective manner and has driven the Company towards the growth over a long period of time. Hence, the Board of Directors considers that the remuneration being proposed is justified when compared with other organisations of the similar type, size and nature in the MFI / financial services industry.

f. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

In addition to the remuneration and perquisites detailed above, Mr. H P Singh, directly and indirectly holds 1,30,72,671 equity shares in the Company. Apart from this, he has no other pecuniary relationship directly or indirectly with the Company or its managerial personnel.

III. OTHER INFORMATION

a. Reasons for loss or inadequate profits

The Company had adequate profits upto the financial year ended March 31, 2017 and the remuneration paid to the Managing Directors was well within the applicable limits prescribed under the Companies Act, 2013. However, as a result of demonetisation, standalone revenue of your Company dropped to an unforeseen level and substantially effected the revenue of Company during the Financial Year 2017-18 and also Company being in the expansion phase had acquired one subsidiary Taraashna Services Limited which is into the Business Correspondent and also incorporated one wholly owned subsidiary Satin Housing Finance Limited, which is into the business of Housing Finance resulting into lower profits during the previous financial year.

b. Steps taken or proposed to be taken for improvement

The Company has been earning profits in the past consistently on standalone basis and we expect to do well in future, however to regain that position, the Company is looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the Company.

In addition to the above, certain strategic management changes made during the previous financial year would result in further cost reduction and thereby contributing to the profitability in the years to come.

A new leadership team is in place focusing in technology revamping and entering into new geographical location to take lead in industry. Further, various realignment of business and investment policies in tune with applicable compliances should result in overall reduction in finance and operating cost. These will ensure overall improvement.

c. Expected increase in productivity and profit in measurable terms.

The Company has, post demonetization, which had substantially impacted the profit, implemented cashless system/ digitization in 33 regional offices and 414 branches and has disbursed more than Rs. 1,070 Crore through cashless mode as of March 31, 2018. The Company has also upgraded its operational performances and managed to cut the cost of system by developing in-house application system (Loan Management System, 'LMS') and the Company believes that such technological transformation will surely gain an edge over its competitors. The Company has recently implemented tie-up with a leading commercial bank for the Business Correspondent arrangements which is expected to improve operational efficiencies and reduce cash management costs, thereby improving the overall profitability and resulting in gains from the credibility that the bank has brought in due to its brand recognition and trust of the general public and Company has also entered into business tie up agreement with a large Non-Banking Financial Company.

Based on the current business plans, strict cost control measures, availability of banking limits and continued support from all stakeholders, the Company believes that it would be able to emerge successfully in terms of good turnover and profits in the days to come.

d. Disclosures

The disclosures on remuneration package of Mr. H P Singh and details of all elements of remuneration package, details of fixed components etc. were given in the Corporate Governance Report and Board's Report attached to the Annual Report 2017-18 for the information of the shareholders.

**By Order of the Board of Directors
For Satin Creditcare Network Limited**

**Choudhary Runveer Krishanan
Company Secretary & Compliance Officer
FCS:7437**

**Place: Delhi
Date: May 30, 2018**

ANNEXURE 'C' TO THE NOTICE

DETAILS IN TERM OF PARAGRAPH 1.2.5 OF THE SECRETARIAL STANDARD ON GENERAL MEETING (SS-2) FOR THE DIRECTOR SEEKING REVISION OF REMUNERATION:

Name of the Director	Mr. H P Singh
DIN	00333754
Date of first appointment on the Board	October 16, 1990
Date of Birth and Age	December 24, 1960 (Age- 57 Years)
Qualification	Law Graduate and Chartered Accountant
Experience	Mr. Singh has over three decades of microfinance experience and pioneered the unique concept of daily collection of repayments of loans. Besides an expert in lending (especially microfinance) he has experience in the field of auditing, accounts, project financing, advisory services and company law matters.
Remuneration sought to be paid	The remuneration proposed to be paid is detailed in resolution hereinabove.
Remuneration last drawn by such person	The remuneration last drawn is detailed in the Annexure B of the AGM Notice.
Shareholding in the Company	4,15,123
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Singh is brother of Mr. Satvinder Singh (Director)
The number of Meetings of the Board attended during the FY 2017-18	Six Board Meetings
Other Directorships, Membership/ Chairmanship of Committees of other Boards	<p>Other Directorship:</p> <ul style="list-style-type: none"> - Anushna Estates Private Limited - Satin Creditcare Foundation - Parinita Investments Private Limited - Parishek Finance Private Limited - Riwaaz Investments Private Limited - Satin (India) limited - Niryas Food Products Private Limited - UV Associates Private Limited - Taraashna Services Limited - Satin Media Solutions Limited - Taco Consultants Private Limited - Global Social (India) Foundation - Tomorrows One Global Network Private Limited - The Social Store Pte. Limited - Prestellar Ventures Fund I Pte. Ltd. - Tomorrow's One Capital Pte. Limited - Constellation Partners Pte. Ltd - Satin Housing Finance Limited - Trishashna Holdings & Investments Private Limited <p>Membership/ Chairmanship of Committees of other Boards:</p> <ul style="list-style-type: none"> - Member of Audit Committee of Taraashna Service Limited