

23rd ANNUAL REPORT
2012-2013



SATIN CREDITCARE NETWORK LIMITED

BOARD OF DIRECTORS

Sh. H P Singh
Sh. Satvinder Singh
Sh. Rakesh Sachdeva
Sh. Sujan Singh Chawla
Sh. Naresh Khanna
Sh. Davis Frederick Golding
Smt. Deepa A. Hingorani
Sh. Sundeep Kumar Mehta
Sh. Richard Benjamin Butler

Chairman cum Managing Director
Director
Director
Director
Director
Director
Additional Director
Additional Director

**COMPANY SECRETARY
& COMPLIANCE OFFICER:**

Choudhary Runveer Krishanan

AUDITORS

A. K. Gangahar & Co.
Chartered Accountants

BANKERS & OTHER LENDERS

- Andhra Bank
- Axis Bank
- Bank of Maharashtra
- BNP Paribas
- Central Bank of India
- Corporation Bank
- Dena Bank
- Development Credit Bank Limited
- Dhanlaxmi Bank
- HDFC Bank Limited
- ICICI Bank
- IDBI Bank
- IFMR Capital Finance Private Limited
- Indian Bank
- IndusInd Bank
- ING Vysya Bank
- MV Microfinance Private Limited
- Maanaveeya Development & Finance Private Limited
- Mahindra & Mahindra Financial Services Limited
- MAS Financial Services Limited
- Oriental Bank of Commerce
- Reliance Capital Limited
- Small Industries Development Bank of India
- Standard Chartered Bank
- State Bank of India
- State Bank of Mauritius
- Syndicate Bank
- The Karur Vysya Bank Limited
- The Ratnakar Bank Limited
- The South Indian Bank Limited
- United Bank of India
- Yes Bank

REGISTERED OFFICE

306, Lusa Tower,
Azadpur Commercial Complex, Delhi-110033, INDIA

CORPORATE OFFICE

5th Floor, Kundan Bhawan,
Azadpur Commercial Complex, Delhi- 110033, INDIA

**REGISTRAR & TRANSFER
AGENT(EQUITY SHARES)**

Link Intime India Pvt. Ltd.
44, Community Center, 2nd floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall, New Delhi-110028

**REGISTRAR & TRANSFER
AGENT(NON CONVERTIBLE
DEBENTURES)**

Karvy Computershare Pvt. Ltd.
Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad-500081

WEBSITE

www.satincreditcare.com



SATIN CREDITCARE NETWORK LTD

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of **SATIN CREDITCARE NETWORK LIMITED** will be held on Monday, the 30th September, 2013 at 10 a.m. at 'TYAGI FARMS', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi - 110043, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit & Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rakesh Sachdeva, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Deepa A. Hingorani, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Statutory Auditors for the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's Branches.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"Resolved That Sh. Sundeep Kumar Mehta, who was appointed as an additional director by the board under Section 260 of the Companies Act, 1956 and as per Articles of Association of the Company and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"Resolved That Sh. Richard Benjamin Butler, who was appointed as an additional director by the board under Section 260 of the Companies Act, 1956 and as per Articles of Association of the Company and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation."

7. To consider and if thought fit to pass the following resolution, with or without modification, as an ordinary resolution:

"Resolved That consent be and is hereby accorded to the Board of Directors of the Company pursuant to section 293 (1) (d) of the Companies Act, 1956, for borrowing from time to time any sum or sums of money which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the bankers of the company in the ordinary course of business including the cash credit limit) shall not exceed in aggregate, at any one time, Rs. 2,000.00 Crores (Rupees Two Thousand Crores only) notwithstanding that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

8. To consider and if thought fit to pass the following resolution, with or without modification, as an ordinary resolution:

"Resolved That pursuant to section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company authorizing them to create charge on the movable and immovable properties of the Company, by way of hypothecation, mortgage or otherwise subject to the conditions that the aggregate amount of charges so created in favour of the Bankers, Financial Institutions and other lenders shall not at any time exceed the amount of Rs. 2,000.00 Crores (Rupees Two Thousand Crores only)."

9. To consider and if thought fit to pass the following resolution, with or without modification, as a special resolution:

"Resolved That pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to revise the monthly remuneration payable to Sh. H P Singh, Chairman Cum Managing Director of the Company with effect from 1st April, 2013 for the remaining period of his tenure i.e. up to



30th September, 2015 as follows:

- a. Salary: Rs. 4,00,000/- per month
- b. Perquisites

CATEGORY A

1. Medical Benefits for Self & family

Reimbursement of expenses actually incurred for self and family, 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 & dependent children once in a year to and fro from any place in India subject to the condition that only actual fare & no hotel expenses etc. will be allowed. This is further subject to maximum of one month 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.

CATEGORY B

1. 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.

2. Gratuity

Gratuity not exceeding half month's salary for each completed year of service.

3. Leave

Encashment of Leave as per rules of the Company at the end of the tenure.

The value of perquisites under Category 'B' shall not be included in the computation of the ceiling on remuneration specified in Section II of Part II of Schedule XIII of the Companies Act, 1956.

CATEGORY C

1. Car with driver and telephone facilities at residence for use on Company business.

Resolved Further That other terms and conditions/contents shall be as per earlier resolution and remain unchanged.

Resolved Further That in terms of Section II of Part II of Schedule XIII of the Companies Act, 1956, the required disclosure be and is hereby also given."

By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

Place : Delhi

Dated : 29th May, 2013

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. The proxy in order to be effective must be lodged at the Regd. Office of the Company at 306, Lusa Tower, Azadpur Commercial Complex, Delhi-110033 at least 48 hours before the commencement of the meeting.
3. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
4. Members are requested to bring their copies of the Annual Report to the meeting.



5. The register of members and share transfer books of the Company shall remain closed from 16th September, 2013 to 30th September, 2013 (both days inclusive).
6. Members who are holding Company's shares in dematerialization form are requested to bring details of their depository A/c Number for identifications.
7. Members holding equity shares in physical form are hereby requested to notify change of their address, if any, quoting folio number.
8. The Company has a dedicated e-mail address "investor@satincare.com" for shareholders to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.
9. The Company's website "www.satincare.com" has a dedicated section on investors.
10. SEBI has placed the Company's shares under compulsory demat i.e. transactions in the Company's shares are required to be done only in the demat form. Further considering the advantages of scripless trading like exemption from stamp duty, elimination of bad deliveries, reduction in transaction costs, improved liquidity etc., members are requested to consider dematerialisation of their shareholding, if not already done, to avoid inconvenience in future.

By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

Place : Delhi
Dated : 29th May, 2013



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956
ATTACHED ALONGWITH THE NOTICE DATED 29TH MAY, 2013.**

Item No. 5

Sh. Sundeep Kumar Mehta joined the Company on 13th February, 2013 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956 he will hold office as a Director only till the date of this Annual General Meeting. The Company has received a notice as prescribed under Section 257 of the Companies Act, 1956 from a member along with a deposit of Rs. 500/- signifying his intention to propose Sh. Sundeep Kumar Mehta as a Director of the Company liable to retire by rotation.

Sh. Sundeep Kumar Mehta is not disqualified from being appointed as Director under Section 274(1)(g) of the Companies Act, 1956 and has complied with the requirement of obtaining the Director Identification Number in terms of Section 266A of the Act.

The Board of Directors recommends the passing of the resolution.

None of the Directors, except Sh. Sundeep Kumar Mehta is in any way concerned or interested in the said resolution.

Item No. 6

Sh. Richard Benjamin Butler joined the Company on 29th May, 2013 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956 he will hold office as a Director only till the date of this Annual General Meeting. The Company has received a notice as prescribed under Section 257 of the Companies Act, 1956 from a member along with a deposit of Rs. 500/- signifying his intention to propose Sh. Richard Benjamin Butler as a Director of the Company liable to retire by rotation.

Sh. Richard Benjamin Butler is not disqualified from being appointed as Director under Section 274(1)(g) of the Companies Act, 1956 and has complied with the requirement of obtaining the Director Identification Number in terms of Section 266A of the Act.

The Board of Directors recommends the passing of the resolution.

None of the Directors, except Sh. Richard Benjamin Butler is in any way concerned or interested in the said resolution.

Item No. 7 and 8

Pursuant to the provisions of clause (d) of sub section (1) of section 293 of the Companies Act, 1956, the Board of Directors cannot borrow more than the aggregate amount of the paid up capital of the Company and its free reserves at any one time except with the consent of the shareholders of the Company in the General Meeting. At present, the shareholders have granted approval upto Rs. 1,000 Crores under Section 293(1) (d) of the Companies Act, 1956. The expansion plans of the Company are in full swing and it is expected that Company would need additional funds for the same. The Board of Directors has proposed that the shareholders may allow borrowing from time to time any sum or sums of money which together with the money already borrowed by the Company (apart from temporary loans obtained from the bankers of the company in the ordinary course of business including the cash credit limit) not exceeding in aggregate at any one time Rs. 2,000.00 Crores irrespective of the fact that such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. The resolution at item no. 7 is intended to seek the approval of the shareholders for the said purpose.

Resolution at item no. 8 is intended under section 293(1)(a) of the Companies Act 1956 authorizing the Board of Directors to create charge on the properties of the Company subject to limit of Rs.2,000.00 Crores at any one time by way of security towards monies so borrowed by the Company from Bankers and others.

None of the Directors of your Company is interested, either directly or indirectly, in the said proposal. The Directors recommend your approval thereof.

Item No. 9

Sh. H P Singh was re-appointed as Chairman Cum Managing Director in the Annual General Meeting held on 22nd September, 2010 for a period of five years i.e. from 1st October, 2010 to 30th September, 2015. The salary component of his remuneration was approved @ Rs. 2,00,000 per month along with other perquisites. Remuneration Committee had considered the revision of his remuneration structure in its meeting held on 2nd May, 2013. Keeping in view the cost of living, level of remuneration prevailing in the industry and the improved volume of business of the Company, the Remuneration Committee recommended for increasing the salary component of Sh. H P Singh, Chairman Cum Managing Director to Rs. 4,00,000/- per month (Rupees Four Lacs only). This has also been approved by the Board of Directors. The detailed Remuneration Structure shall be as stated in the accompanying Notice annexed to this Explanatory Statement.

The Board recommends the resolution for the approval of the shareholders.



Sh. H P Singh, himself and Sh. Satvinder Singh being related are interested in the resolution at Item No. 9.

This may also be treated as an abstract of variation in the terms and conditions of appointment of Sh. H P Singh, Chairman Cum Managing Director and Memorandum of Interest of the Directors under Section 302 of the Companies Act, 1956.

**By Order of the Board of Directors
For SATIN CREDITCARE NETWORK LIMITED**

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

Place : Delhi
Dated : 29th May, 2013



STATEMENT CONTAINING INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE XIII OF THE COMPANIES ACT, 1956

Item No. 9

In terms of the Section II of Part II of Schedule XIII, the following Informations are listed:-

The Department of Company Affairs has vide notification dated 16th January, 2002 amended Schedule XIII to the Companies Act, 1956 revising the limits for payment of managerial remuneration by companies in case of loss or inadequacy of profits. Though it is expected that the Company would make sufficient profits but as a matter of abundant caution the following information as prescribed in the amended Schedule XIII to the Companies Act, 1956 is being provided. However, in the event the remuneration exceeds the limits under Schedule XIII the Company will apply to the Central Government for necessary approval.

a. General Information

The Company is a Non Banking Finance Company dealing in Microfinance activities. The Company was incorporated as "Satin Leasing & Finance Private Limited" on 16th October, 1990. Later it was converted into a public limited company on 1st July, 1994. Further, the name of the Company was changed to "Satin Creditcare Network Limited" on 10th April, 2000. The Company is not a new company and is in existence for the last 23 years. The financial performance of the Company for the year ended 31st March, 2013 is as follows:

Total Income	:	Rs. 9,433.06 Lacs
Net Profit after Tax	:	Rs. 389.83 Lacs
Net worth	:	Rs. 12,365.08 Lacs

Three Foreign Investors namely, ShoreCap II Limited, Danish Microfinance Partners K/S and MV Mauritius Limited, had invested in the equity shares of the Company to the tune of 42% (approx.) of total paid up share capital of the Company as on 31st March, 2013. No Export performance was made by the Company during the year. Financial performance of the Company is also very sound as stated in the Annual Report itself.

b. Information about the Appointee

Sh. H P Singh is associated with the Company since its incorporation as a Director of the Company. He is involved in the operations of the Company on whole time basis since its inception. He was appointed as Whole-time Director of the Company after considering his rich experience and dedication in the Company's business on 1st October, 1995. Further, he was re-designated as Chairman Cum Managing Director of the Company on 29th November, 1996. In the year 2008, the salary component of his remuneration was last revised at Rs. 2,00,000/- per month. The entire operations of the Company are managed by Sh. H P Singh. He is also responsible for making growth strategy and to implement the same. Considering his long association with the Company since inception, professional competency and relevant business experience it is proposed to increase the remuneration as detailed in the notice. Further, there is no other pecuniary relationship of Sh. H P Singh with the Company except that he personally holds 4,15,123 equity shares of the Company.

Taking into consideration the profile of Sh. H P Singh, the industry benchmarks, responsibilities, the size of the funds being managed by the Company, the remuneration being paid is comparable with the other persons at similar levels in other Companies.

c. Other information

As the Company is in the state of expansion, therefore, the profits being generated are not sufficient as compared to the Industry trend and it can be easily concluded that the Company is having inadequate profits.

Presently, the Company is engaged in providing Microfinance on individual and joint liability basis and is expanding the operations in new areas and is quite hopeful that situation of inadequate profits will improve.

All the relevant disclosures pertaining to the Directors of the Company and which are required to be disclosed in the Report of the Board of Directors under the heading "Corporate Governance" attached to the Annual Report has been disclosed in this annual report.

d. Disclosures:

The information pertaining to remuneration package of the managerial person is disclosed separately in the column "Report on Corporate Governance" of this annual report.

- (i) *All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- (ii) *Details of fixed component and performance linked incentives along with the performance criteria;
- (iii) *Service contracts, notice period, severance fees;
- (iv) *Stock option details, if any, and whether the same has been issued at a discount as well as the period which accrued and over which exercisable.

[* This is mentioned in segment "Report on Corporate Governance" of this annual report]



DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the Twenty Third Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2013.

(Rs. in Lacs)

Particulars	Current Year	Previous year
Gross Income	9433.06	5622.58
Expenses	8836.67	5345.21
Profit before Depreciation and tax	596.39	277.37
Depreciation and Non Cash Expenditure	61.36	66.61
Profit before Tax	535.03	210.76
Provision for Tax (including Deferred Tax and other adjustment)	145.20	70.86
Profit after Tax	389.83	139.90
Brought forward from Previous Year	702.60	590.68
Profit available for appropriation	1092.43	730.58
Transfer to Statutory Reserve Fund	77.97	27.98
Surplus carried to Balance Sheet	1014.46	702.60

OPERATIONS, PROSPECTS AND FUTURE PLANS

- The financial year 2012-13 has been a good year for the Company and your Company has performed better than last year. The Company remained focused on rural microfinance operations. The Company has opened new branches in the Northern India primarily in the rural and semi urban areas to achieve the greater objective of financial inclusion. The Company continued to provide micro loans on both joint liability basis and individual lending basis. The Company takes all steps to provide best services to its borrower and has very good portfolio quality. Your Company had started operations in Bihar during the financial year 2011-12 and has good experience of working in the state. During the financial year 2012-13, the Company has started its joint liability lending operation in the state of Jammu and Punjab. We are hopeful of achieving even better results in the current financial year.
- The Company has raised Rs. 708.92 Crores during the financial year 2012-13 through term loan, Non Convertible Debentures and securitization transactions. Your Company has been regular in discharging its liabilities to all lenders and is enjoying cordial relationship with all of them.
- During the financial year, the Company has disbursed Rs. 62,640.63 Lacs (Previous Year Rs. 38,750.36 Lacs) showing a growth of 61.65% over the previous year. The gross income during the year has been Rs. 9,433.06 Lacs (Previous Year Rs. 5,622.58 Lacs) showing a growth of 67.77% over the previous year. The Net Profit after Tax has increased from Rs. 139.90 Lacs during the financial year 2011-12 to Rs. 389.83 Lacs during the financial year 2012-13 showing a growth of 178.65%.
- Pursuant to provisions of Section 78 of the Companies Act 1956, during the year the Company has utilized an amount of Rs. 129.23 Lacs (Previous Year Rs. 22.73 Lacs) out of Securities Premium Reserves towards writing off the incidental expenditure incurred in issuing Rated, Listed, Secured, Redeemable Non Convertible Debenture and Equity Shares.
- The Company has received Credit rating BBB- (Triple B Minus) for long-term bank facilities of Rs. 400 Crores from CARE in FY 2012-13. The amount has further been increased to Rs. 600 Crores in FY 2013-14. The present Grading of the Company is MFI 2 by CARE. Your Company has got the Code of Conduct Audit (COCA) done from M2i Consulting in the month of November 2012 and have got 83% score which is amongst best in industry.
- The Company has successfully raised equity of Rs. 4100 Lacs during the financial year 2012-13, which will help to grow the outreach and portfolio.

- The Company has applied to The Reserve Bank of India to change its category from NBFC to NBFC-MFI.
- During the financial year 2012-13, there is more clarity on the regulations for NBFC - MFIs and hence the confidence of lenders and investors is increasing and they are supporting the microfinance industry. Keeping in view all factors, the Company has budgeted moderate growth for the current financial year. The overall funding position has improved and we are hopeful of performing well during the current financial year.

SUBSIDIARY COMPANIES

The Company had no subsidiary company at any time during the financial year 2012-2013.

DIRECTORS

Sh. Sundeep Kumar Mehta was appointed as an Additional Director of the Company in the Board meeting held on 13th February, 2013. The tenure of his office as Director comes to an end at the commencement of the forthcoming Annual General Meeting of the members of the Company. The Company has received notice together with deposit as required under Section 257 of the Companies Act, 1956 proposing his appointment as Director of the Company. The Nomination Committee has recommended his appointment for consideration of the shareholders.

Sh. Richard Benjamin Butler was appointed as an Additional Director of the Company in the Board meeting held on 29th May, 2013. The tenure of his office as Director comes to an end at the commencement of the forthcoming Annual General Meeting of the members of the Company. The Company has received notice together with deposit as required under Section 257 of the Companies Act, 1956 proposing his appointment as Director of the Company. The Nomination Committee has also recommended his appointment for consideration of the shareholders.

Sh. Rakesh Sachdeva and Smt. Deepa A. Hingorani retire by rotation and being eligible offers themselves for their re-appointment. The Nomination Committee has recommended their re-appointment for consideration of the shareholders.

Sh. Vishal Mehta has resigned from Directorship of the Company on 30th March, 2013. The Directors wish to place on record their appreciation for the contribution made by Sh. Vishal Mehta during his tenure.

EMPLOYEES STOCK OPTION PLAN:

- a) As against 4,25,000 Equity Shares issued to Satin Employees Welfare Trust under Satin ESOP 2009, the Company granted only 1,50,000 Options to the below-mentioned employees as per the terms of Satin ESOP 2009 on 12th January, 2010:

S. No.	Name of Employee	No. of Options
i)	Sh. Jugal Kataria	1,00,000
ii)	Sh. Vivek Tiwari	50,000

Out of 1,50,000 Options granted to the above-stated employees,

1. First 1/3rd of total options were vested to the said employees on 12th January, 2011 which was duly exercised by them on 12th January, 2011. Therefore, 33,333 Equity Shares were transferred from Satin Employees Welfare Trust to Sh. Jugal Kataria and 16,667 Equity Shares to Sh. Vivek Tiwari (subject to lock in period of one year from the date of exercising of options) pursuant to exercising of said options.
2. Second 1/3rd of total options were vested to the said employees on 12th January, 2012 which was duly exercised by them on 12th January, 2012. Therefore, 33,333 Equity Shares were transferred from Satin Employees Welfare Trust to Sh. Jugal Kataria and 16,667 Equity Shares to Sh. Vivek Tiwari (subject to lock in period of one year from the date of exercising of options) pursuant to exercising of said options.
3. Third 1/3rd of total options were vested to the said employees on 12th January, 2013 which was duly exercised by them on 12th January, 2013. Therefore, 33,334 Equity Shares were transferred from Satin Employees Welfare Trust to Sh. Jugal Kataria and 16,666 Equity Shares to Sh. Vivek Tiwari (subject to lock in period of one year from the date of exercising of options) pursuant to exercising of said options.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Satin Creditcare Network Limited (SCNL) is a category 'B' Non Banking Financial Company (NBFC). It has reported satisfactory financial and operating performance during the period under review i.e. financial year 2012-2013. The disbursement during the year has been Rs. 62,640.63 Lacs (Previous Year Rs. 38,750.36 Lacs). The Gross Income during the year has been Rs. 9,433.06 Lacs (Previous Year Rs. 5,622.58 Lacs). Depreciation and Non Cash expenditure during the year has been higher at Rs. 61.36 Lacs (Previous Year Rs. 66.61 Lacs). The net profit after tax during the year has been at Rs. 389.83 Lacs (Previous Year Rs. 139.90 Lacs). SCNL's net worth stood at Rs. 12,365.08 Lacs (Previous Year Rs. 7,994.48 Lacs). The Company plans to concentrate only on Non Banking financial activities during the current financial year.

Resources and liquidity

During the year, the Company relied primarily upon Banks and Financial Institutions for its financial needs. The Company has been availing various credit facilities from Andhra Bank, AXIS Bank Limited, BNP Paribas, Bank of Maharashtra, Dena Bank, Development Credit Bank Limited, Dhanlaxmi Bank, HDFC Bank Ltd, ICICI Bank Limited, IDBI Bank Limited, IFMR Capital Finance Private Limited, Indian Bank, IndusInd Bank Limited, ING Vysya bank, Maanaveeya Development & Finance Private Limited, MAS Financial Services Limited, Oriental Bank of Commerce, Reliance Capital Limited, Small Industries Development Bank of India (SIDBI), Standard Chartered Bank, State Bank of India, State Bank of Mauritius Limited, The Ratnakar Bank Limited and United Bank of India for its microfinance operation which is the main activity of the Company. The Company has raised debt funds through term loan, listed Non Convertible Debenture and also raised funds through securitization transactions. The Company has raised additional equity of Rs. 4100 Lacs to fund the growth. In view of the overall environment in the Microfinance Industry in India and better regulatory clarity, the overall liquidity and funding to MFIs has improved. The Company has been regular in repayment to all its lenders and has excellent relationship with all the financial institutions and banks and is quite hopeful of raising funds in future for growth.

Industry Scenario

The overall industry environment has improved during the financial year 2012-13. The Reserve Bank of India has issued further circulars and guidelines on working of NBFC-MFIs. However, The Micro Finance Institutions (Development and Regulation) Bill 2011 is still pending to be approved by the Parliament.

Business Review

Satin Creditcare Network Limited has emerged as the largest Microfinance Institution based in Northern India engaged in providing microcredit on joint liability basis and individual lending basis. The experience of working in Bihar has been good. The Company has expanded its joint liability operations in the state of Jammu and Punjab during the financial year 2012-13. The Company has opened few branches during the financial year 2012-13 to increase its outreach. The Company is quite focused on its processes and control and has very good portfolio quality. There is huge demand and supply gap in Northern India and hence opportunity to grow the portfolio. The overall funding to the sector has improved. The Company has further raised equity of Rs. 4100 lacs during the financial year 2012-13 which will help Company to further raise debt and increase the portfolio. The Company is hopeful of performing well in the current financial year.

Opportunities

For last many years, there has been focus of the Government and the Reserve Bank of India on financial inclusion and the role of MFIs have been accepted by everybody in achieving this objective. MFIs have played an important role in reaching the unreached and to provide them access to finance at affordable rates. In spite of all the focus, there is still a large segment of society, which does not have access to financial service from the formal financial institutions. The Company is operating in Northern and Central India and the reach of MFIs is comparatively less in these geographies as compared to the Southern and Eastern India and hence there is a huge opportunity to be tapped and large population to be served. The Company is making all efforts to use its experience of working in the same geography for last two decade.

Challenges

Microfinance Industry in India has gone through the most challenging times during the last two years. There was lack of regulatory clarity and perception of all stakeholders was negative towards the sector. There were news about multiple lending, excessive interest rates, coercive recovery practices, lack of transparency etc. in the media and hence the overall opinion of all stakeholders was not positive for the sector in spite of the fact that MFIs were providing credit to a large segment of the unbanked population. The funding to the sector (both debt and equity) was drying. The Reserve Bank of India has issued a series of circulars and notifications to give the required regulatory clarity. The MFI industry has also collectively worked to bring back the confidence of all stakeholders by working responsibly. The issue of over indebtedness has been addressed by using Credit Bureau report. The confidence of the stakeholders is increasing and the required debt and equity funding is now available.

The Company has a strong and experienced Board of Directors and senior management team, comfortable capital adequacy, geographical advantage, time tested systems and processes, effective internal audit and risk department, association with a large number of lenders and clean repayment track record, good credit rating in the sector. This has helped the Company to perform well in comparison to its peers.

Outlook

The overall outlook for the Microfinance Industry has improved during the financial year 2012-13. The Reserve Bank of India has issued a number of circulars and provided the required regulatory clarity. Many domestic banks have restarted lending to the sector which has provided the much needed liquidity. The MFIs have also performed responsibly and hence the overall outlook of all stakeholders has become positive.

Risk & Concerns

The Company is exposed to risks like volatility in the Indian economy, change in government policies, regulatory uncertainty, increasing borrowing cost, competition from the banking sector / other MFIs, volatile economic cycle, market risks, concentration risks and credit risks. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

Adequacy of internal controls

SCNL has proper and adequate internal controls to ensure that all activities are monitored and controlled against any unauthorised use or disposition of assets and that all the transactions are authorised, recorded, reported and monitored correctly. The Company works in computerised environment and all its operations including accounts and MIS are electronic.

SCNL ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

An audit committee is in place to review and strengthen the adequacy of internal control.

Strengthening of internal audit and procedure is a continuous process.

Human Resource Development

SCNL has a team of young, able, experienced and dedicated team of professionals at all levels to support the management. The number of employees as at 31st March, 2013 stood at 877 (Previous Year 768).

DEPOSITS

The Company is a category B Non deposit taking Non Banking Finance Company and has no public deposit.

RESERVE BANK OF INDIA-REGISTRATION AND DIRECTIONS

Your Company has been following all relevant guidelines issued by Reserve Bank of India from time to time. The Company has decided not to accept the public deposits with effect from 20th November, 2004. The Company had intimated the same to Reserve Bank of India. Now in compliance with the new circular from Reserve Bank of India (RBI/2012-13/319DNBS.CC.PD.No.312 / 03.10.01/2012-13 dated 7th December, 2012) the company has submitted fresh application for changing the status of the Company as NBFC-MFI. Further, your company has Capital Adequacy Ratio of 23.43% as on 31st March, 2013.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanations relating to material departures;
2. That they have selected such accounting policies and applied them consistently except where otherwise stated in the notes on accounts, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
4. That they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

As required under Clause 49 (VI) of the Listing Agreement entered into by the company with the Stock Exchanges, a detailed report on corporate governance has been provided in a separate section which forms part of this annual report. The company has complied with the requirements of Corporate Governance that have to be made in this regard. The requisite certificate from M/s A. K. Gangaher & Co., the statutory auditors of the company regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed to this report.

AUDITORS & THEIR REPORT

A. K. Gangaher & Co., Chartered Accountants, the existing auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. The retiring auditors have furnished a certificate of their eligibility for re-appointment under section 224 (1B) of the Companies Act, 1956. The same was discussed in the Audit Committee. Your directors recommend their reappointment. The Company has received audit report from A. K. Gangaher & Co., Chartered Accountants and your Directors do not observe any adverse remark therein.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee who was getting remuneration of Rs. 5,00,000 per month / Rs. 60,00,000/- per annum or more as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 duly amended by Notification dated 31st March, 2011.

LISTING WITH STOCK EXCHANGES

Your Company is listed with following stock exchanges:

For Rated, Listed, Secured Redeemable Non Convertible Debentures:

1. Bombay Stock Exchange Limited, Floor 25, P J Towers, Dalal Street, Mumbai - 400001.

For Equity Shares:

1. Delhi Stock Exchange Limited, DSE House, 3/1 Asaf Ali Road, New Delhi - 110002.
2. Jaipur Stock Exchange Limited, Stock Exchange Building, Jawahar Lal Nehru Marg, Malviya Nagar, Jaipur - 302017.
3. Ludhiana Stock Exchange Limited, Feroze Gandhi Market, Ludhiana - 141001.

Your Company has paid up to date listing fee to each of above named stock exchanges.

OTHER INFORMATION

Information pursuant to clause (e) of sub section (1) of section 217 of the Companies Act, 1956 read with Companies (Disclosures of particulars in the report of Board of directors) Rules, 1988 being not applicable and hence not being disclosed.

FOREIGN EXCHANGE TRANSACTIONS

	Particulars	Current Year (Rs.)	Previous Year (Rs.)
I	Expenditure/Remittances (Outward) in Foreign Exchange Travelling Expenses Fees and Subscription	12,31,332.00 117,569.00	10,29,523.00 3,82,011.00
II	Earning/Remittances (Inward) in Foreign Exchange Share Application Money Reimbursement of Expenses	30,00,00,177.00 Nil	Nil 2,66,829.000

ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the cooperation received from lenders, our valued customers and shareholders. The Board, in specific, wishes to place on record its sincere appreciation of the contribution made by all the employees towards growth of the Company.

For and on behalf of the Board of Directors

Place : Delhi
Dated : 29th May, 2013

H P Singh
(Chairman Cum Managing Director)



CORPORATE GOVERNANCE REPORT

Company's Philosophy on Code of Corporate Governance

Company's philosophy on corporate governance is to bestow greater transparency and openness in the management and to ensure best performance by rank and file of staff at all levels and to maximize the operational efficiency as to enhance shareholders' value.

Board of Directors

The Company has an Executive Chairman. As on 31st March, 2013, the Board of Directors of the Company comprises of 8 Directors out of which four are independent and four non-independent directors (including two directors nominated by two investors). As at 31st March, 2013, the Company has seven non-executive directors and one executive director i.e. the Chairman. Composition of the Board and category of directors are as follows:

Name of Director along with Designation	Category
Sh. H P Singh, Chairman Cum Managing Director	Promoter and Executive Director
Sh. Satvinder Singh, Director	Non Executive and Non-Independent Director
Sh. Davis Frederick Golding, Director	Non Executive and Non-Independent Director
Smt. Deepa A. Hingorani, Director	Non Executive and Non-Independent Director
Sh. Sujan Singh Chawla, Director	Non Executive and Independent Director
Sh. Rakesh Sachdeva, Director	Non Executive and Independent Director
Sh. Naresh Khanna, Director	Non Executive and Independent Director
Sh. Sundeep Kumar Mehta, Additional Director	Non Executive and Independent Director

Post 31st March, 2013, Sh. Richard Benjamin Butler has been appointed as Non Executive and Non-Independent Director on the board of the company. After the aforesaid changes and as on date of this report, the board comprises of nine directors, out of which one is an executive director and non independent (Chairman cum Managing Director of the Company), four are independent directors and four are Non Executive and Non-Independent Directors.

Attendance of each Director at the Board meetings, last Annual General Meeting and number of other Directorships, memberships and chairpersonships of committees in various companies, are given below:

Name of Director	No. of Board meetings held during the year	Board meetings attended	Attendance at the last Annual General Meeting held on 29 th Sept., 2012	No. of Directorships in other Companies ¹	No. of Membership(s)/ Chairmanship(s) of the Board Committees ²
Sh. H P Singh Chairman Cum Managing Director	4	4	Yes	Nil	Nil
Sh. Satvinder Singh, Director	4	4	Yes	1	2 (including as Chairman)
Sh. Davis Frederick Golding Director	4	4	No	Nil	Nil
Smt. Deepa A. Hingorani Director	4	3	No	1	Nil
Sh. Sujan Singh Chawla Director	4	Nil	No	Nil	2
Sh. Rakesh Sachdeva Director	4	4	Yes	Nil	2 (Both as Chairman and Member)
Sh. Naresh Khanna Director	4	1	No	1	1
Sh. Sundeep Kumar Mehta Director*	4	1	No	1	Nil
Sh. Vishal Mehta**	4	4	No		Nil

¹ The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.

² In accordance with Clause 49, Memberships / Chairmanships of only the Audit Committees, Shareholders' / Investors' Grievance Committees and Remuneration Committees in all Public Limited Companies (including Satin Creditcare Network Limited) have been considered.

* Inducted on 13th February, 2013.

**Resigned w.e.f. 30th March, 2013.

Number of Board Meetings held and the dates of Board meetings

During the year 4 (four) Board Meetings were held. These Board Meetings were held on 22nd May, 2012, 8th August, 2012, 7th November, 2012 and 13th February, 2013.

Information on Directors Re-appointment/Appointment

A brief resume of the Director proposed for re-appointment at the ensuing Annual General Meeting, the nature of their experience in specific functional areas and name of Companies in which they hold Directorship and Membership of committees of the Board as furnished below:

Re-appointments

- **Smt. Deepa A. Hingorani** - Smt. Deepa A. Hingorani represents Danish Microfinance Partners K/S on the Board of SCNL. She is Masters in Finance and Control (Delhi), Executive MBA (Scandinavian International Management Institute, Copenhagen). She works with IFU, (an Investment Fund owned by the Danish Government). "IFU invests together with Danish companies in projects in developing countries and is also an investor in Danish Microfinance Partners K/S." She has been associated with IFU for past 16 years working out of Chennai, Copenhagen, Singapore and New Delhi. Prior to working with IFU, she worked in Ballarpur Industries Limited, India, a large industrial group engaged in production of paper, chemicals, glass, etc. Apart from this, she serves as member of Board of Directors for a number of organizations. She is not related to any of the Directors of the Company. She is also member of the Compensation Committee of the Board of Directors.
- **Sh. Rakesh Sachdeva** - Sh. Rakesh Sachdeva joined SCNL's Board in April 1999. He is a Fellow of the Institute of Chartered Accountants of India. He previously served as Executive Director at SCNL and is now actively involved in evaluating the Company's macro issues. Prior to joining SCNL, he has worked with Apollo Tyres Ltd. and was Vice President of Corporate Finance at U.K. Paints Group, controlling M/S Berger Paints (India) Ltd., Rajdoot Paints Ltd. and Malibu Estate Pvt. Ltd. He is not related to any of the Directors of the Company. Sh. Rakesh Sachdeva holds the position of member/chairman in various committees of the Board of Director of the company, viz., Audit Committee, Remuneration Committee, Compensation Committee, Share Transfer Committee and Nomination Committee.

Appointments

- **Sh. Sundeep Kumar Mehta** - Sh. Sundeep Kumar Mehta joined the Company on 13th February, 2013 as an Additional Director. Sh. Sundeep Kumar Mehta heads International Quality Management Systems and First HR based at Noida, as Director, specializing in strategic redirection, trainer, consultant and advisor HRD and OD, as well as Trainer and Consultant for Quality Management Systems. He worked in the capacity of GM - Human Resources accountable for HR, Administration & Corporate Affairs functions for group companies, Devyani Beverages Ltd., Varun Beverages Ltd., and Pepsicola Nepal Pvt. Ltd. He Excelled at HR Head Levels with Eicher R & D, Bata India Ltd., Escorts Ltd. He was Chief Manager-HRD with Escorts Limited, He has undertaken various assignments and completed for Panacea Biotech Ltd., Eicher Good Earth Ltd. Prior to becoming a successful professional Sh. Sundeep Kumar Mehta spearheaded an EME workshop as Captain. He is not member/chairman in any committee of the Board of Directors.
- **Sh. Richard Benjamin Butler** - Sh. Richard Benjamin Butler joined the Company on 29th May, 2013 as an Additional Director. Sh. Richard Benjamin Butler is experienced financial executive with a diverse skill and more than thirty year career encompassing micro lending with African Credit Unions, corporate lending in Africa, structuring corporate finance transactions for financial institutions and managing western hemisphere banking operations for a global financial services institution. Currently, he is holding the position as principal & founder in Strategic Capital Advisors Durango, Co. Further, He has served ING Capital, LLC, New York, as Managing Director & Co Head of Corporate Finance for approx. eight years. He has completed his post graduation (Agriculture Economics Masters Program course) from University Of Minnesota, Minneapolis, MN. At present, he is associated with MicroVest (2007 - till Present) and is responsible for investment approval process relating to Micro Finance institutions located in Latin America, Asia and Africa. He is member of Investment Committee of MicorVest and he is responsible for approving the Fund's debt and equity investments in Micro Finance entities located in emerging markets. He has chaired various special independent director committees representing non-management shareholders as part of corporate restructurings. He is not member/chairman in any committee of the Board of Directors.

Disclosures (As required under Section II, Part II of Schedule XIII)

The Remuneration package payable to all the Directors is as follows:

- Sh. H P Singh, Chairman Cum Managing Director

The proposed remuneration package payable to Sh. H P Singh with effect from 1st April, 2013 is as specified against Item No. 9 of the

accompanying Notice included in this Annual Report.

Apart from Sh. H P Singh, there is no other director who is getting remuneration from the Company.

Further following information is furnished as below:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors; - Except Sh. H P Singh, Chairman cum Managing Director of the Company, none of any directors has been in receipt of any remuneration from the Company.
- (ii) Details of fixed component and performance linked incentives along with the performance criteria; - The Company has no policy as to fixed component and performance linked incentives for any of its directors except Sh. H P Singh, whose salary is disclosed.
- (iii) Service contracts, notice period, severance fees; - Sh. H P Singh was re-appointed as Chairman Cum Managing Director in the Annual General Meeting held on 22nd September, 2010 for a period of five years i.e. from 1st October, 2010 to 30th September, 2015.
- (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. - Not Applicable

Code of Conduct

The Board of Directors has laid down a Code of Conduct for all its Board members and senior management personnel of the Company. The Code of Conduct has also been posted on the website of the Company.

All Board members and senior management personnel have on 31st March, 2013, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the CMD is annexed and part of the report.

Audit Committee

The Audit committee comprises of three non-executive Directors, Sh. Rakesh Sachdeva who is a qualified Chartered Accountant is the Chairman of the Audit Committee. The other two members of the audit committee are Sh. Satvinder Singh and Sh. Sujan Singh Chawla. Sh. Rakesh Sachdeva and Sh. Sujan Singh Chawla are independent directors.

The terms of reference stipulated by the Board for the Audit Committee, as contained under clause 49 of the listing agreement with Stock Exchanges, are as follows:

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information.
- b) Recommending to the Board the appointment and removal of external auditors, fixation of audit fee and also approval for payment of other services.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by the management (iii) qualifications in draft audit report (iv) significant adjustments arising out of Audit (v) the going concern assumptions (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries, relatives etc. that may have potential conflict with the interest of the company at large.
- d) Reviewing with the management, external/internal auditors, adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit functions, discussions with internal auditors; any significant findings and follow up thereon.
- f) Reviewing the finding of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularities or a failure of internal control systems of material nature and reporting the matter to the Board.
- g) Discussion with external Auditors before the audit commences, nature and scope of the Audit as well as post audit discussions to ascertain any area of concern.
- h) Reviewing the company's financial and risk management policies.
- i) To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.
- j) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

During the year, four Audit Committee meetings were held. The Committee meetings held on 19th May, 2012, 6th August, 2012, 3rd November, 2012, 12th February, 2013. These were duly attended by the members as per below-mentioned detail:

Name of Director	No. of meetings held during the year	Meetings attended
Sh. Rakesh Sachdeva, Director (Non Executive)	4	4
Sh. Sujan Singh Chawla, Director (Non Executive)	4	4
Sh. Satvinder Singh, Director (Non-Executive)	4	4

Remuneration of the Directors:

The disclosure in respect of remuneration paid/ payable to whole time director of the Company for the financial year 2012-2013 is given below:

Particulars	Sh. H P Singh, CMD (Rs.)
Salary	24,00,000.00
Provident Fund	2,88,000.00
Gratuity	-
Leave Encashment	-
Approximate value of perquisites	4,00,000.00
Total	30,88,000.00
Present period of agreement	1 st October, 2010 to 30 th September, 2015

No sitting fee was paid to any of the directors during the year.

General Body Meetings

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Whether any Special Resolution Passed
2009-2010	'Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhampur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	22 nd Sept., 2010	10.00 A.M.	Yes
2010-2011	'Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhampur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	30 th Sept., 2011	10.00 A.M.	No
2011-2012	'Tyagi Farms' Plot No. 7, Bhawani Nagar, Dhampur, Near Jhatikra Morh, Brijwasan Road, New Delhi - 110 043	29 th Sept., 2012	10.00 A.M.	No

Shareholder /Investor Grievances Committee:

- The Company has a Shareholder /Investor Grievances Committee comprising of Sh. Satvinder Singh who is the Chairman of the committee himself.
- The Board has designated Choudhary Runveer Krishanan as the Company Secretary & Compliance Officer. The complaints relating to Investor Grievances may also be forwarded to the said person at runveer.krishanan@satincreditcare.com email Id.
- There were no complaints received from the Shareholder / Investor during the financial year ended 31st March, 2013.

Share Transfer Committee:

The Company has a Share Transfer Committee under the Chairmanship of Sh. H P Singh. Other members of the Committee are Sh. Satvinder Singh and Sh. Rakesh Sachdeva. The Committee met 1 (One) time in the year. The meeting was held on 10th October, 2012 and attended by all the members.

Borrowing Committee:

The Company has a Borrowing Committee under the Chairmanship of Sh. H P Singh. Other member of the Committee is Sh. Satvinder Singh. The Committee met 22 (twenty two) times in the year. These meetings were held on 26th April 2012, 25th May 2012, 15th June 2012,



24th July 2012, 13th August 2012, 29th August 2012, 7th September 2012, 18th September 2012, 25th September 2012, 30th October 2012, 17th November 2012, 15th December 2012, 18th December 2012, 25th December 2012, 28th December 2012, 29th January 2013, 14th February 2013, 15th February 2013, 26th February 2013, 16th March 2013, 20th March 2013, and 25th March 2013 and attended by all the members.

Banking Operations Committee:

The Company has a Banking Operations Committee under the Chairmanship of Sh. H P Singh. Other member of the Committee is Sh. Satvinder Singh. The Committee met 14 (fourteen) times in the year. These meetings were held on 19th April 2012, 9th May 2012, 23rd May 2012, 4th July 2012, 9th August 2012, 29th August 2012, 16th October 2012, 15th November 2012, 15th December 2012, 24th January 2013, 6th February 2013, 27th February 2013, 16th March 2013, and 25th March 2013 and attended by all the members.

Remuneration Committee:

- The Company has a Remuneration Committee comprising of Sh. Rakesh Sachdeva, Sh. Sujan Singh Chawla and Sh. Naresh Khanna. Sh. Rakesh Sachdeva is Chairman of the committee.
- The committee did not meet during the financial year 2012-2013.

Compensation Committee:

- The Company has a Compensation Committee comprising of Sh. Rakesh Sachdeva, Sh. Naresh Khanna, Sh. Sujan Singh Chawla and Smt. Deepa A. Hingorani. Sh. Rakesh Sachdeva is Chairman of the committee.
- The committee did not meet during the financial year 2012-2013.

Nomination Committee:

- The Company has a Nomination Committee comprising of Sh. H P Singh, Shri Rakesh Sachdeva and Sh. Naresh Khanna. Sh. H P Singh is Chairman of the committee.
- During the year, two meetings were held. The Committee meetings held on 22nd May, 2012 and 12th February, 2013. These were duly attended by the members as per below-mentioned detail:

Name of Director	No. of meetings held during the year	Meetings attended
Sh. H P Singh, Chairman Cum Managing Director (Executive)	2	2
Sh. Rakesh Sachdeva, Director (Non Executive)	2	2
Sh. Naresh Khanna, Director (Non-Executive)	2	1

- a) **Disclosure on materially significant related party transaction i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.**

None of the transactions with any of the related parties was in conflict with the interest of the Company.

Attention of the members is drawn to the disclosure of transactions with the related parties set out in Notes No. 26 (4) of Annual Accounts.

- b) **Detail of non compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any authority, on any matter related to capital markets, during last three years.**

The Company has complied with all the requirements of regulatory authorities on capital market and no penalties or strictures has been imposed on the Company by Stock Exchange, SEBI or any other authority on any matter relating to the capital markets during the last three years.

- c) **Whistle Blower Policy and affirmation that no personnel denied access to the Audit Committee**

The Company has not adopted any Whistle Blower Policy. However, the Company has not denied access to any personnel to approach the Audit Committee on any issue.

d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement and adopted the non-mandatory requirement in regard to constitution of Remuneration Committee, which has been constituted to determine the remuneration package of Executive Directors of the Company, if required.

Shareholding of Non- Executive Directors

The shareholding of Non-Executive Directors of the Company is as follows:

S. No.	Name of Director	Shareholding
1	Sh. Satvinder Singh	2,57,011
2	Sh. Sujan Singh Chawla	NIL
3	Sh. Rakesh Sachdeva	500
4	Sh. Naresh Khanna	NIL
5	Sh. Davis Frederick Golding	NIL
6	Smt. Deepa A. Hingorani	NIL
7	Sh. Sundeep Kumar Mehta	NIL
8	Sh. Richard Benjamin Butler	NIL



DISCLOSURES

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement entered into with the Delhi Stock Exchange Limited, Ludhiana Stock Exchange Limited and Jaipur Stock Exchange Limited as at 31st March, 2013. The detail of the compliance as at 31st March, 2013 is as under:

S. NO.	PARTICULARS	CLAUSE OF LISTING AGREEMENT	COMPLIANCE STATUS YES / NO	REMARKS
	1	2	3	4
I	BOARD OF DIRECTORS	49 I		-
	(A) Composition of Board	49 (IA)	YES	Since the company has executive chairman, Half of total strength of the board are comprises of Independent directors.
	(B) Non Executive Directors' - Compensation and disclosures	49 (IB)	YES	-
	(C) Other provisions as to Board and Committees	49 (IC)	YES	-
	(D) Code of conduct	49 (ID)	YES	-
II	AUDIT COMMITTEE	49 (II)		-
	(A) Qualified and Independent Audit Committee	49 (II A)	YES	-
	(B) Meeting of Audit Committee	49 (II B)	YES	-
	(C) Powers of Audit Committee	49 (II C)	YES	-
	(D) Role of Audit Committee	49 (II D)	YES	-
	(E) Review of information by Audit Committee	49 (II E)	YES	-
III	Subsidiary Companies	49 (III)	YES	The Company has no subsidiary company.
IV	Disclosures	49 (IV)		-
	(A) Basis of related party transactions	49 (IV A)	YES	-
	(B) Disclosure of accounting treatment	49 (IV B)	YES	-
	(C) Board Disclosures	49 (IV C)	YES	-
	(D) Proceeds from Public Issues, rights issues, preferential issues etc.	49 (IV D)	YES	-
	(E) Remuneration of Directors	49 (IV E)	YES	-
	(F) Management	49 (IV F)	YES	-
	(G) Shareholders	49 (IV G)	YES	-
V	CEO/ CFO certification	49 (V)	YES	-
VI	Report on Corporate Governance	49 (VI)	YES	-
VII	Compliance	49 (VII)	YES	-

Means of Communication:

- Half yearly results: These were published in newspapers for information.
- Quarterly results: The Company has published quarterly results in Money Makers (English) and Dainik Mahalaxmi Bhagyodaya (Hindi) both at Delhi.
- The Company has its website namely www.satincreditcare.com. The Company posts its quarterly financial results on the same.
- Though no official newsletters are published, relevant information is communicated to the shareholders through annual report.

General Shareholder Information:

1. Annual General Meeting														
Date and Time	: 30 th September, 2013 at 10.00 A.M.													
Venue	: 'TYAGI FARMS', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi – 110043.													
2. Financial Calendar 2012-13 (tentative) : Results for the quarter ended 30 th June, 2013 upto 14 th August, 2013. Results for the quarter ended 30 th September, 2013 upto 14 th November, 2013. Results for the quarter ended 31 st December, 2013 upto 14 th February, 2014. Results for the quarter ended 31 st March, 2014 upto 30 th May, 2014.														
3. Book Closure date	: 16 th September to 30 th September, 2013 (both days inclusive)													
4. Dividend payment date	: N.A.													
5. Registered Office	: 306, Lusa Tower, Azadpur Commercial Complex, Delhi-110033 Phone : 011-47545000													
6a. Equity Shares Listed on Stock Exchanges at	: 1. Delhi Stock Exchange Limited, Delhi 2. Jaipur Stock Exchange Limited, Jaipur 3. Ludhiana Stock Exchange Limited, Ludhiana													
6b. Annual Listing Fees	: Duly paid to all the above Stock Exchanges for the year 2013–2014.													
7. Stock Code (a) Trading Symbol at	: 119590 at Delhi Stock Exchange Limited, Delhi 956 at Jaipur Stock Exchange Limited, Jaipur SLFL at Ludhiana Stock Exchange Limited, Ludhiana													
b) Demat ISIN Number in NSDL & CDSL	: For Equity Shares - INE 836B01017 : For Non-Convertible Debentures (NCD) of 1) Face Value of Rs.1 Crore per NCD- INE 836B07063 2) Face Value of Rs.25 Lakhs per NCD- INE 836B07022 3) Face value of Rs.10 lacs per NCD- INE 836B07055 4) Face value of Rs. 25 lacs per NCD- INE836B07048 5) Face value of Rs. 25 lacs per NCD- INE836B07030													
8. Stock Market Data: (in Rs./share)														
<table><tr><th colspan="2">The Stock Exchange Delhi</th><th colspan="2">The Stock Exchange Jaipur</th><th colspan="2">The Stock Exchange Ludhiana</th></tr><tr><th>High</th><th>Low</th><th>High</th><th>Low</th><th>High</th><th>Low</th></tr></table>			The Stock Exchange Delhi		The Stock Exchange Jaipur		The Stock Exchange Ludhiana		High	Low	High	Low	High	Low
The Stock Exchange Delhi		The Stock Exchange Jaipur		The Stock Exchange Ludhiana										
High	Low	High	Low	High	Low									
April 2012														
May 2012														
June 2012														
July 2012														
August 2012														
September 2012 *****N O T T R A D E D D U R I N G T H E Y E A R*****														
October 2012														
November 2012														
December 2012														
January 2013														
February 2013														
March 2013														



9. Share price performance in comparison to broad based indices-

During financial year 2012-13, as per the information available, there was no trading of Company's shares at the stock exchanges.

10. Registrar and Transfer Agents

- a. Equity Shares: : **Link Intime India Pvt. Ltd.**
 (Share Transfer and communication : A-40, 2nd floor,
 regarding share certificates, dividend, : Naraina Industrial Area, Phase-II,
 and change of address.) : Near Batra Banquet Hall, New Delhi-110028
- b. Non Convertible Debentures : **Karvy Computershare Pvt. Ltd.**
 Plot No. 17 to 24, Vithalrao Nagar,
 Madhapur, Hyderabad-500081

11. Share Transfer System

Presently, the share transfers in physical form are processed and the share certificates are returned within a period of 10 to 15 days from the date of receipt by the Registrar and Share Transfer Agent, subject to the document being clear in all respects. Shares under objections are returned within two weeks.

12. Distribution of Shareholding as on 31st March, 2013

S. No.	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1	Upto 2500	270	33.251	27892	0.120
2	2501-5000	248	30.542	109646	0.473
3	5001-10000	109	13.424	97052	0.418
4	10001-20000	41	5.049	63950	0.276
5	20001-30000	24	2.956	62000	0.267
6	30001-40000	14	1.724	50800	0.219
7	40001-50000	20	2.463	92200	0.398
8	50001-100000	18	2.217	135111	0.583
9	100001 and above	68	8.374	22555000	97.246
Total		812	100.000	23193651	100.000

13. Categories of Shareholders as on 31st March, 2013

(Category)	(%)
Promoters	37.346
Financial Institution/Banks / Mutual Funds	0.000
NRI/OCBs	0.020
Bodies Corporate	54.357
Others	8.277
Total	100.000

- 14. Dematerialization of Shares :** 74.885 % of the equity shares have been dematerialized up to 31st March, 2013.
 Trading in Equity shares of the company is permitted only in dematerialized form w.e.f. 28th April, 2001 as per notification issued by the Securities and Exchange Board of India (SEBI).

Liquidity : Relevant data of the average daily turnover for the financial year 2012-13 is given below:
 Delhi Stock Exchange (DSE) Ludhiana Stock Exchange (LSE) Jaipur Stock Exchange (JSE)

Shares (in lakhs) : No trading of Company's shares during 2012-2013 at any stock exchange
Shares (in Rs. crore)

15. (a). Investor Correspondence for transfer/ Dematerialisation of shares, payment of dividend on shares, and any other query relating to the shares of the Company	Link Intime India Pvt. Ltd. A-40, 2nd floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028	For shares held in Demat Form to the Depository Participant
15 (b). Investor Correspondence for transfer/ Dematerialisation of debentures, payment of interest and redemption of debentures and any other query relating to the debentures of the Company	Karvy Computershare Pvt. Ltd. Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad-500081	For Debentures held in Demat Form to the Depository Participant
16. Any query on Annual report	: Satin Creditcare Network Ltd. 5 th floor, Kundan Bhawan, Azadpur Commercial Complex, Delhi -110033	
17. Transfer of unclaimed amount to	: No amount is due for transfer to Investors' Education and Protection Fund.	
18. Compliance Certificate by Auditors	: The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in clause 49 of the listing agreements executed with stock exchanges, which is annexed herewith.	

CEO/CFO CERTIFICATION

The requisite certification from the Chairman cum Managing Director and Chief Financial Officer for the Financial Year 2012-13 required to be given under Clause 49(V) of the Listing Agreement was placed before the Board of Directors of the company at its meeting held on 29th May, 2013.

DECLARATION BY CHAIRMAN CUM MANAGING DIRECTOR UNDER CLAUSE 49(1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended 31st March, 2013.

Place : Delhi

Date : 29th May, 2013

H P Singh

(Chairman cum Managing Director)



**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE FOR THE YEAR ENDING 31ST MARCH' 2013
UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

To,

**The Members of
Satin Creditcare Network Limited.
Delhi**

We have examined the compliance of Corporate Governance procedures by **Satin Creditcare Network Limited** for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements with the Stock Exchange have been complied with in all material respect by the Company.

As required by the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that the Registrar and Transfer agent of the company have certified as on 31st March, 2013, there were no investor grievances remaining pending for a period exceeding one month and as explained to us by the management, the Registrar and Transfer agent have reported to the Shareholders/Investors' Grievances Committee regularly on the status of such grievances.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A. K. Gangaher & Co.
Chartered Accountants

A. K. Gangaher
Proprietor
Membership No.083674
Firm ICAI Registration No.004588N

Place : Delhi
Dated : 29th May, 2013

Independent Auditors' Report

To the Members of
Satin Creditcare Network Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Satin Creditcare Network Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2013;
- ii) in the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- iii) in the case of Cash Flow statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- B. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- b. In our opinion proper books of account as required by law have been kept by the Company so far appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act; and
- e. On the basis of written representations received from the Directors as at 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For A. K. Gangaher & Co.
Chartered Accountants

A. K. Gangaher
Proprietor
Membership No.083674
Firm ICAI Registration No.004588N

Place : Delhi
Dated : 29th May, 2013

Annexure to the Independent Auditors' Report

(Referred to in paragraph 5A of our report of even date)

- (i) In respect of fixed assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets acquired on amalgamation of Satin Intellicomm Limited with the company with the appointed date of 1.4.2006 and the effective date as on 3.12.2007 are still in the name of the erstwhile company Satin Intellicomm Limited. The process of transfer of these assets in the name of the company is under process.
 - (b) The fixed assets were physically verified by the management during the year in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion do not constitute a substantial part of fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the company.
- (ii) As explained to us, there are no inventories held by the company as on 31.03.2013
- (iii) (a) The company has not granted any fresh loans to company which is covered under section 301 of the Companies Act, 1956.
 - (b) In our opinion, the provisions regarding the rate of interest and other terms and conditions on which these loans are granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not applicable in this year.
 - (c) The provisions regarding the payment of interest and repayment of principal amounts is not applicable to the company.
 - (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) (a) The company has not taken any loan from any associate company covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - (b) In our opinion, the provisions regarding rate of interest and other terms and conditions on which these loans were taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not applicable in the current year.
 - (c) The provisions regarding repayment of loan and interest are not applicable to the company.
 - (d) The company has not given any loan to any company covered in the register maintained under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and with regard to the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (vi) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and in respect of each party during the year have been made at prices which are reasonable having regard to the prices at which transactions for similar goods, materials and services have been made with other parties.
- (vii) The company being Non Banking Finance Company (NBFC), section 58A of the Companies Act, 1956 is not applicable to the company. In our opinion and according to information and explanation given to us, the company is complying with the provisions of Directives issued by the Reserve Bank of India for Non Banking Financial Companies (Reserve Bank) Directives, 1998, as amended from time to time, with regard to deposits received from the public. The company had stopped accepting deposits from 20.11.2004. There are no deposits outstanding as on 31.03.2013. The company has been reclassified on 04/02/2009 as a Category B -Loan company not accepting public deposits with a new registration certificate no .B- 14.01394 .As per the directions of Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 a separate report dated 29.05.2013 has been submitted to the Directors of the company.
- (viii) In our opinion, and according to the information and explanations given to us, the internal audit functions carried out by the company along with the firm of Chartered Accountants appointed by the management have been commensurate with the size of the company and nature of its business.
- (ix) The provisions regarding maintenance of cost records are not applicable to the company.



- (x) (a) According to the records of the company, the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears as at 31.03.2013 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (xi) The company neither has accumulated losses and nor has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xii) Based on our audit procedures and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- (xiii) In our opinion and according to the information and explanations given to us, the company during the year has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) In our opinion and according to the information and explanations given to us, the company is not a chit fund or a nidhi/mutual benefit fund /society.
- (xv) In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities. The company has invested surplus funds in various investments. According to the information and explanations given to us, proper records have been maintained of the transactions and timely entries have been made therein. The investments are held by the company in its own name.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not given guarantees for loan taken by others from banks or financial institutions.
- (xvii) In our opinion and according to the information and explanations given to us, the term loans (both secured and unsecured) availed by the company were, prime facie, applied by the company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xviii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company and the maturity profile of assets and liabilities with a residual maturity of one year given in the Asset Liability Management Report, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xix) According to the information and explanations given to us, during the year the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 at a price which is prima facie not prejudicial to the interests of the company.
- (xx) According to the information and explanations given to us and records examined by us, securities/charges have been created in respect of all secured redeemable non convertible debentures issued during the year and outstanding at the year end.
- (xxi) During the year covered by our report the company has not raised money by way of public issue. The company in the current year has issued paid up equity share capital on preferential allotment basis for the working capital requirements and further expansion of business. The funds received by the company have been deployed or are in the process of deployment as per the requirements of the company.
- (xxii) According to the information and explanations given to us, no fraud by the company and no material fraud on the company was noticed or reported during the year, although there have been few instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentation by the borrowers, the amounts whereof are not material in the context of the size of the company and the nature of its business and which have not been provided for.

For **A. K. Gangaher & Co.**
Chartered Accountants

A. K. Gangaher
Proprietor
Membership No.083674
Firm ICAI Registration Bo.004588N

Place : Delhi
Dated : 29th May, 2013

BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	22,69,21,010.00	17,84,67,770.00
(b) Reserves and Surplus	4	1,00,95,87,027.83	62,09,79,931.52
Sub-Total Shareholders' Funds		1,23,65,08,037.83	79,94,47,701.52
(2) Non-Current Liabilities			
(a) Long Term Borrowings	5	2,77,97,30,124.33	96,33,46,961.83
(b) Long Term Provisions	6	28,02,885.00	44,21,959.00
Sub-Total Non-Current Liabilities		2,78,25,33,009.33	96,77,68,920.83
(3) Current Liabilities			
(a) Short Term Borrowings	7	75,16,81,546.71	27,79,42,347.48
(b) Other Current Liabilities	8	2,66,87,61,803.55	1,11,36,61,505.98
(c) Short Term Provisions	9	1,24,02,544.06	62,37,332.75
Sub-Total Current Liabilities		3,43,28,45,894.32	1,39,78,41,186.21
TOTAL EQUITY & LIABILITIES		7,45,18,86,941.48	3,16,50,57,808.56
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	4,15,49,343.65	4,14,88,307.65
(ii) Intangible Assets	11	10,65,988.00	8,11,937.00
(iii) Capital Work-In-Progress	12	4,04,07,724.00	3,73,51,116.00
(b) Non-Current Investments	13	68,50,591.33	68,50,591.33
(c) Deferred Tax Assets (Net)	14	67,09,176.78	46,62,477.58
(d) Long Term Loans & Advances	15	6,28,299.00	4,88,810.00
(e) Other Non - Current Assets	16	65,19,82,539.00	23,76,44,277.00
Sub-Total Non-Current Assets		74,91,93,661.76	32,92,97,516.56
(2) Current Assets			
(a) Trade Receivables under Loan Contracts	17	4,53,25,81,381.73	1,90,48,88,616.11
(b) Cash & Cash Equivalents	18	2,05,25,35,738.49	83,39,80,327.62
(c) Short Term Loans and Advances	19	53,86,318.35	47,57,092.80
(d) Other Current Assets	20	11,21,89,841.15	9,21,34,255.47
Sub-Total Current Assets		6,70,26,93,279.72	2,83,57,60,292.00
TOTAL ASSETS		7,45,18,86,941.48	3,16,50,57,808.56

Note No. 1 to 26 form an integral part of the Accounts

As per our report of even date annexed

For A.K. Gangaher & Co.

Chartered Accountants

For and on behalf of the Board of Directors

A.K. Gangaher

Proprietor

M. No. 083674

Firm ICAI Reg.No. 004588N

Place : Delhi

Dated : 29th May, 2013

H P Singh

(Chairman cum Managing Director)

Satvinder Singh

(Director)

Choudhary Runveer Krishanan

(Company Secretary & Compliance Officer)



SATIN CREDITCARE NETWORK LTD

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Note No.	Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
I. Income			
1. Revenue From Operations	21	94,12,80,249.28	56,17,18,181.36
2. Other Income	22	20,26,173.81	5,40,345.07
Total		94,33,06,423.09	56,22,58,526.43
II. Expenses			
1. Finance Cost	23	54,30,34,864.01	26,80,67,359.33
2. Employee Benefit Expenses	24	15,86,19,144.41	15,35,45,144.41
3. Other Expenses	25	18,20,13,046.25	11,29,08,938.60
4. Depreciation	10,11 & 12	61,36,063.00	66,60,906.00
Total		88,98,03,117.67	54,11,82,348.34
Profit Before Exceptional And Extraordinary Items And Tax		5,35,03,305.42	2,10,76,178.09
Exceptional Items		-	-
Profit Before Extraordinary Items And Tax		5,35,03,305.42	2,10,76,178.09
Extraordinary Items		-	-
Profit Before Tax		5,35,03,305.42	2,10,76,178.09
Tax Expense:			
(1) Less : Current Tax		1,65,75,420.00	67,77,180.00
(2) Add/(Less) : Tax Related To Earlier Years		8,349.69	(1,59,777.00)
(3) Add/(Less) : Deferred Tax		20,46,699.20	(1,48,892.56)
Profit After Tax For The Year From Continuing Operations		3,89,82,934.31	1,39,90,328.53

Earning per share (Par Value Rs. 10/- each)

Basic	2.18	0.79
Diluted	2.12	0.76

Note No. 1 to 26 form an integral part of the Accounts

As per our report of even date annexed

For **A.K. Gangaher & Co.**

Chartered Accountants

A.K. Gangaher

Proprietor

M. No. 083674

Firm ICAI Reg.No. 004588N

Place : Delhi

Dated : 29th May, 2013

For and on behalf of the Board of Directors

H P Singh

(Chairman cum Managing Director)

Satvinder Singh

(Director)

Choudhary Runveer Krishanan

(Company Secretary & Compliance Officer)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Finance Cost, Tax and Extra-Ordinary Items	59,65,38,169.43	28,91,43,537.42
Adjustment for		
Depreciation	61,36,063.00	66,60,906.00
Operating Profit before Working Capital Changes	60,26,74,232.43	29,58,04,443.42
(Increase)/Decrease in Long Term Loans & Advances	(1,39,489.00)	1,27,090.00
(Increase)/Decrease in Trade Receivables under Loan Contracts	(2,62,76,92,765.62)	(8,37,19,327.52)
(Increase)/Decrease in Short Term Loans and Advances	(6,29,225.55)	(36,48,653.00)
(Increase)/Decrease in Other Current Assets	(2,00,55,585.68)	(6,05,43,075.62)
Increase/(Decrease) in Long Term Provisions	(16,19,074.00)	(13,58,360.00)
Increase/(Decrease) in Short Term Provisions	61,65,211.31	9,73,189.85
Increase/(Decrease) in Other Current Liabilities	1,55,51,00,297.57	44,48,07,970.87
Cash Generated from Operations	(48,61,96,398.54)	59,24,43,278.00
Finance Cost	(54,30,34,864.01)	(26,80,67,359.33)
Tax Expense	(1,65,67,070.31)	(69,36,957.00)
Net Cash from Operating Activities	(1,04,57,98,332.86)	31,74,38,961.67
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/(Sale) (Net) of Fixed Assets	(95,07,758.00)	(48,39,056.65)
Purchase/(Sale) (Net) of Investments	-	-
Net Cash used in Investing Activities	(95,07,758.00)	(48,39,056.65)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of Share Capital (Net)	39,80,77,402.00	(12,73,400.00)
Proceeds from Short Term Borrowings (Net)	1,81,63,83,162.50	38,95,77,285.58
Proceeds from Long Term Borrowings (Net)	47,37,39,199.23	(62,71,03,674.60)
Net Cash used in Financing Activities	2,68,81,99,763.73	(23,87,99,789.02)
Net Increase in Cash & Cash Equivalents (A+B+C)	1,63,28,93,672.87	7,38,00,116.00
Cash and Cash Equivalents as on 01.04.2012	1,07,16,24,604.62	99,78,24,488.62
Cash and Cash Equivalents as on 31.03.2013	2,70,45,18,277.49	1,07,16,24,604.62



CASH & CASH EQUIVALENTS COMPRISES OFF

Particulars	Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
Cash and Cash Equivalents:		
Cash on Hand	8,28,37,592.44	8,76,83,794.21
Balance with banks in current accounts	43,34,18,559.40	24,97,79,289.46
Term deposits for remaining maturity of 3 months or less	68,18,38,930.00	5,14,35,320.00
	1,19,80,95,081.84	38,88,98,403.67
Other Bank Balances:		
Term deposits for remaining maturity of more than 3 months and upto 1 year	85,44,40,656.65	44,50,81,923.95
Other Non-Current Assets:		
Long term deposits having remaining maturity of more than 1 year	65,19,82,539.00	23,76,44,277.00
Total	2,70,45,18,277.49	1,07,16,24,604.62

Refer Note No. 18

Note No. 1 to 26 form an integral part of the Cash Flow Statement

As per our report of even date annexed

For **A.K. Gangaher & Co.**

Chartered Accountants

A.K. Gangaher

Proprietor

M. No. 083674

Firm ICAI Reg.No. 004588N

Place : Delhi

Dated : 29th May, 2013

For and on behalf of the Board of Directors

H P Singh

(Chairman cum Managing Director)

Satvinder Singh

(Director)

Choudhary Runveer Krishanan

(Company Secretary & Compliance Officer)

NOTES TO THE FINANCIAL STATEMENTS

Note No.1 General Information

Satin Creditcare Network Limited ("The Company") is a public limited company and incorporated under the provision of the Companies Act, 1956. The Company is a non deposit taking non banking financial company or NBFC-ND as category B registered with The Reserve Bank of India ("RBI"). The Company has applied to RBI to change the category of the Company as NBFC-MFI as per guidelines issued by RBI. Its equity shares are listed at Delhi Stock Exchange Limited, Jaipur Stock Exchange Limited and Ludhiana Stock Exchange Limited. The Company is engaged in microcredit activity. The present area of operation is Delhi & NCR, Uttar Pradesh, Madhya Pradesh, Uttarakhand, Bihar, Rajasthan, Haryana, Jammu, Punjab and Chandigarh.

Note No.2 Significant Accounting Policies

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the applicable accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies (Accounting Standards) Rules 2006, as amended), and the other relevant provisions of the Companies Act 1956 and the guidelines issued by the Reserve Bank of India. Accounting policies have been consistently applied except where a newly issued accounting standard or a guideline is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

2. USE OF ESTIMATES

The preparation of financial statements is in conformity with the Indian Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

Further all assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and the other criteria set out in Schedule VI to the Companies Act, 1956.

3. TANGIBLE ASSETS

All Tangible assets owned by the Company are stated at historic cost less accumulated depreciation. Tangible assets acquired on account of amalgamation are stated at the acquisition value agreed in the amalgamation agreement. Capital work in progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not ready for their intended use as at the Balance sheet date.

4. INTANGIBLE ASSETS

Computer software cost are capitalized and amortised using the written down value method. Goodwill acquired on account of amalgamation is written off in equal installments over a period of five years.

5. DEPRECIATION

Depreciation is provided at the rates prescribed in Schedule XIV of the Companies Act, 1956 on written down value method. Depreciation for assets acquired on amalgamation has been charged from the effective date of merger. Fixed assets costing up to Rs. 5,000/- individually are fully depreciated in the year of purchase itself.

6. INVESTMENTS

- (i) Investments that are readily realizable and are intended to be held for not more than one year from the date, on which these investments are made, are classified as current investments. All other investments are classified as Long term investments.
- (ii) The Company values its Investments based on the accounting standard issued by the Institute of Chartered Accountants of India as under:
 - a. Investment held as long-term investments is valued at cost. Provision for diminution in value is not made unless there is a permanent fall in their net realizable value.
 - b. Current investments are valued at lower of cost or net realizable value.



7. CURRENT ASSETS

Loan portfolio comprises of Trade receivables under finance contracts with the borrowers as on the Balance Sheet date.

8. REVENUE RECOGNITION

- (i) The Reserve Bank of India's prudential norms on income recognition and provisioning for bad and doubtful debts has been followed.
- (ii) Subject to the above, specific incomes have been accounted for as under:
 - a. Interest income on loans is recognized under the internal rate of return method on accrual basis except in case of non-performing assets where it is recognized upon realization as per RBI norms.
 - b. Interest income on deposits with bank is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
 - c. Loan processing fee is recognized as income on accrual basis.
 - d. Profit on securitization of loan portfolio through bankruptcy remote Special Purpose Vehicle (SPV) is recognized over the residual life of the securitization transaction in terms of RBI Guidelines. Profit on sale of loan assets through direct assignment, without any recourse obligation or otherwise is amortised over the residual life of the loan. Net loss arising on account of securitization and direct assignment of loan assets is recognized at time of sale.
 - e. **Miscellaneous Income:** Dividend Income, Miscellaneous Income is accounted for as and when accrued.

9. BORROWING COSTS

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets. Other borrowing costs are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred or accrued.

10. FOREIGN CURRENCY

Transactions in foreign currency are recorded at the rates of exchange prevalent on the date of transaction. Exchange difference, if any, arising from foreign currency transaction are dealt in the Statement of Profit & Loss at year end rates.

11. PROVISIONS AND CONTINGENT LIABILITIES

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that the outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

12. EMPLOYEES RETIREMENT BENEFITS

Contributions to Provident Fund and Employee State Insurance are being paid and accounted as per the respective rules and debited to Statement of Profit and Loss. The Company has no further obligations beyond its monthly contributions.

Employees Gratuity liability has been calculated and managed through a trust by the Life Insurance Corporation of India. As per the valuation conducted by the insurance company the shortfall is paid as the premium for the year and which is debited as an expense in the Statement of Profit and Loss.

Provision for encashment of leave is being made on the basis of actuarial valuation made at the end of each financial year and is charged to Statement of Profit and Loss.

13. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which the asset is identified as impaired. The Impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14. TAXATION

Tax expense for the period, comprising of current tax and deferred tax are included in the determination of the net profit or loss for the period.

- (i) Current tax expense is made based on the estimated tax liability as per the appropriate provisions of the Income Tax Act, 1961 and considering the previous final assessment orders. The provision for current tax for the year will be net off any provisions related to that year.
- (ii) Excess/short provision of income tax relating to earlier years is disclosed separately in the accounts.
- (iii) Deferred Tax Assets and Liabilities for timing differences between tax profit and book profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on balance sheet date. Deferred Tax Assets are recognized to the extent there is reasonable certainty that these assets can be realized in future. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.
- (iv) Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing the current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

15. EARNING PER SHARE

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value. Dilutive potential equity shares are deemed converted at the beginning of the period, unless issued at a later date. The number of shares and potential dilutive equity shares are adjusted for any stock splits and bonus shares issued effected prior to the approval of the financial statements by the board of directors.

16. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999) as amended from time to time. These schemes provide for grant of options to employees of the Company that vest in a graded manner and that are to be exercised within a specified period. Measurement and disclosure of ESOS is done in accordance with guidance note on Accounting for employee share based payments issued by The Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock schemes accordingly as per the guidance note. The compensation expense is recognized over the vesting period of the options on the straight line basis.

17. LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the Lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of lease. The Company leases certain tangible assets and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments.



Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
3	Share Capital				
	Authorised				
	2,50,00,000 Equity Shares of Rs.10/- each (Previous Year 2,00,00,000 Equity Shares of Rs. 10/- each)		25,00,00,000.00		20,00,00,000.00
	Issued				
	2,32,40,151 Equity Shares of Rs. 10/- each (Previous Year 1,84,44,827 Equity Shares of Rs. 10/- each)		23,24,01,510.00		18,44,48,270.00
	Subscribed				
	2,32,40,151 Equity Shares of Rs. 10/- each (Previous Year 1,84,44,827 Equity Shares of Rs. 10/- each)		23,24,01,510.00		18,44,48,270.00
	Paid-up				
	2,31,93,651 Equity Shares of Rs. 10/- each (Previous Year 1,83,98,327 Equity Shares of Rs. 10/- each)		23,19,36,510.00		18,39,83,270.00
	Less:- Amount recoverable from Satin Employees Welfare Trust		(52,50,000.00)		(57,50,000.00)
	(Face value of 5,25,000 shares allotted to the Satin Employees Welfare Trust)		22,66,86,510.00		17,82,33,270.00
	Add: Forfeited shares (Amount originally paid on 46,500 equity shares)		2,34,500.00		2,34,500.00
			22,69,21,010.00		17,84,67,770.00
	Reconciliation of equity shares of the face value of Rs. 10/- each	No.	Rs.	No.	Rs.
	Authorised				
	At the beginning of the accounting period	2,00,00,000	20,00,00,000.00	2,00,00,000	20,00,00,000.00
	Additions during the year	50,00,000	5,00,00,000.00	-	-
	At the end of the accounting period	2,50,00,000	25,00,00,000.00	2,00,00,000	20,00,00,000.00
	Issued				
	At the beginning of the accounting period	1,84,44,827	18,44,48,270.00	1,82,94,827	18,29,48,270.00
	Additions during the year	47,95,324	4,79,53,240.00	1,50,000	15,00,000.00
	At the end of the accounting period	2,32,40,151	23,24,01,510.00	1,84,44,827	18,44,48,270.00
	Subscribed				
	At the beginning of the accounting period	1,84,44,827	18,44,48,270.00	1,82,94,827	18,29,48,270.00
	Additions during the year	47,95,324	4,79,53,240.00	1,50,000	15,00,000.00
	At the end of the accounting period	2,32,40,151	23,24,01,510.00	1,84,44,827	18,44,48,270.00
	Paid-up				
	At the beginning of the accounting period	1,83,98,327	18,39,83,270.00	1,82,48,327	18,24,83,270.00
	Additions during the year	47,95,324	4,79,53,240.00	1,50,000	15,00,000.00
	At the end of the accounting period	2,31,93,651	23,19,36,510.00	1,83,98,327	18,39,83,270.00
	Shares issued to Satin Employees Welfare Trust				
	At the beginning of the accounting period	5,75,000	57,50,000.00	4,75,000	47,50,000.00
	Additions during the year	-	-	1,50,000	15,00,000.00
	Allotted to Employees during the year	50,000	5,00,000.00	50,000	5,00,000.00
	At the end of the accounting period	5,25,000	52,50,000.00	5,75,000	57,50,000.00

1. The detail of shareholders holding more than 5% shares is as under:

S. No.	Name of Shareholder	As at 31.03.2013		As at 31.03.2012	
		No. of Shares	Percentage Holding	No. of Shares	Percentage Holding
1	ShoreCap II Limited	39,08,188	16.85%	23,00,000	12.50%
2	Parishek Finance Private Limited	21,50,880	9.27%	21,50,880	11.69%
3	Lok Capital LLC	-	-	20,90,148	11.36%
4	Danish Microfinance Partners K/S	23,95,214	10.33%	19,00,000	10.33%
5	MV Mauritius Limited	34,95,520	15.07%	-	-

2. Satin Employees Welfare Trust holds 3,25,000 equity shares under Satin ESOP 2009 and 1,00,000 equity shares under Satin ESOP 2010 and 1,50,000 equity shares aggregating to 5,75,000 equity shares as on 01.04.2012.

a) Employee stock option schemes:

Satin ESOP 2009: 4,25,000 equity shares of Rs. 20/- each (including premium of Rs. 10/- each) were allotted to Satin Employees Welfare Trust on 27th November 2009. 1,50,000 Options were granted on 12th January 2010. First 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January 2011. Second 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January 2012. Third 1/3rd of total options (i.e. 50,000 options) were vested and exercised on 12th January 2013.

Satin ESOP 2010: 1,00,000 equity shares of Rs. 22/- each (including premium of Rs. 12/- each) were allotted to Satin Employees Welfare Trust on 22nd June 2010.

Satin ESOP II 2010: 1,50,000 equity shares of Rs. 25/- each (including premium of Rs. 15/- each) were allotted to Satin Employees Welfare Trust on 21st April 2011.

b) The Company had allotted shares to Satin Employees Welfare Trust @ Rs. 20/- each (including premium of Rs. 10/- each) on 27th November 2009 which is over the Fair Market Value of Rs. 12/- at the time of allotment of shares. The Company had further allotted shares to Satin Employees Welfare Trust @ Rs. 22/- each (including premium of Rs. 12/- each) on 22nd June 2010 which is over the Fair Market Value of Rs. 16/- at the time of allotment of shares. The Company had further allotted shares to Satin Employees Welfare Trust @ Rs. 25/- each (including premium of Rs. 15/- each) on 21st April 2011 which is over the Fair Market Value of Rs. 16/- at the time of allotment of shares. Hence no expense has been recognized.

c) The Company has provided following share based options to its employees. During the financial year ended 31st March 2013, the following schemes were in operations:



Particulars	ESOP 2009	ESOP 2010	ESOP II 2010
Date of grant	12.01.2010	Not Granted	Not Granted
Date of Board approval	27.11.2009	22.06.2010	21.04.2011
Date of Shareholders approval	01.06.2009	26.03.2010	15.12.2010
No. of options granted	1,50,000 out of 4,25,000	-	-
Method of settlement	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options	Options will be converted into equivalent number of Equity Shares pursuant to vesting of options
Vesting options	<ol style="list-style-type: none"> 1. First 50,000 options were vested on 12.01.2011 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) 2. Second 50,000 options were vested on 12.01.2012 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) 3. Third 50,000 options were vested on 12.01.2013 and exercised on the same day by employees (i.e. 1/3rd of total options granted subject to lock-in period of one year from the date of vesting of options) 	NA	NA
Exercise period	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options	It shall commence from the date of vesting of options and expire not later than 2 months from the vesting date of each grade of options
Vesting conditions	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options	Options will be vested equally in three years from the grant of options subject to lock in period of one year from the date of vesting of options

The details of ESOP 2009 are summarized below :

Particulars	As at 31.03.2013		As at 31.03.2012	
	ESOP 2009		ESOP 2009	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	2,75,000	20	2,75,000	20
Granted during the year	NIL	NIL	NIL	NIL
Forfeited during the year	NIL	NIL	NIL	NIL
Exercise during the year	50,000	20	50,000	20
Expired during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the year	2,75,000	20	2,75,000	20
Exercisable at the end of the year	NIL	20	50,000	20
Weighted average remaining contractual life (in years)	NIL	20	0.79	20
Weighted average fair value of the options granted	50,000	20	50,000	20

The details of ESOP 2010 are summarized below :

Particulars	As at 31.03.2013		As at 31.03.2012	
	ESOP 2010		ESOP 2010	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	1,00,000	22	1,00,000	22
Granted during the year	NIL	NIL	NIL	NIL
Forfeited during the year	NIL	NIL	NIL	NIL
Exercise during the year	NIL	NIL	NIL	NIL
Expired during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the year	1,00,000	22	1,00,000	22
Exercisable at the end of the year	NIL	NIL	NIL	NIL
Weighted average remaining contractual life (in years)	NIL	22	NIL	22
Weighted average fair value of the options granted	NIL	22	NIL	22

The details of ESOP II 2010 are summarized below :

Particulars	As at 31.03.2013		As at 31.03.2012	
	ESOP II 2010		ESOP II 2010	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at the beginning of the year	1,50,000	25	NIL	NIL
Granted during the year	NIL	NIL	NIL	NIL
Forfeited during the year	NIL	NIL	NIL	NIL
Exercise during the year	NIL	NIL	NIL	NIL
Expired during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the year	1,50,000	25	1,50,000	25
Exercisable at the end of the year	NIL	NIL	NIL	NIL
Weighted average remaining contractual life (in years)	NIL	25	NIL	25
Weighted average fair value of the options granted	NIL	25	NIL	25



The detail of exercise price for stock option at the end of the financial year 2012-2013 is:

Series	Range of exercise price	No. of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price
ESOP 2009	20/- per option	2,75,000	Not Applicable	20
ESOP 2010	22/- per option	1,00,000	Not Applicable	22
ESOP II 2010	25/- per option	1,50,000	Not Applicable	25

3. The Company has Rs. 1,14,50,000.00 (Previous year Rs. 1,24,50,000.00) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
4. During the year the authorized share capital of the Company was increased from Rs. 2,000.00 Lacs to Rs. 2,500.00 Lacs on 12th March, 2013 after necessary approval from shareholders.
5. The Company had taken the approval of shareholders through Extra-ordinary General Meeting held on 12th March, 2013 for allotment of 47,95,324 (Forty Seven Lacs Ninety Five Thousand Three Hundred and Twenty Four only) Equity Shares of the Company of face value of Rs.10/- (Rupees ten only) each for cash at an exercise price of Rs 85.50/- (Rupees Eighty Five and Fifty Paise only) each including premium of Rs. 75.50/- (Rupees Seventy five and Fifty Paise only) to the persons belonging to the Promoter and Non promoter group to meet the present working capital requirement and for the expansion of the company's business operations. These equity shares were allotted on 30th March, 2013.
6. The Company has made Preferential Allotment of Equity Shares to the extent of 47,95,324 Equity Shares to the persons belonging to Promoter/Non- promoter group in order to raise funds up to the tune of Rs. 4,100.00 Lacs (including Foreign Direct Investment of Rs. 3,000.00 Lacs). The newly issued shares rank pari-pasu with the existing equity shares of the company in all respect including voting rights and dividend. Further, in terms of regulations under Chapter VII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, the issued shares belonging to promoter group shall be non-transferable upto 29th day of March, 2016 and issued shares belonging to Non-Promoter group shall be non-transferable upto 29th Day of March, 2014. The Foreign Direct Investment of Rs. 3,000.00 Lacs received in respect to the above said allotment from foreign Investors falls within the preview of Automatic route as mentioned in the guidelines and regulations issued by The Reserve Bank of India from time to time in this regard.
7. The proceeds of the preferential allotment amounting to Rs. 4,100.00 Lacs (Previous year Nil) made by the Company remained unutilized as at 31.03.2013 and the same has been invested in short term fixed deposits with the scheduled banks.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
4	Reserves & Surplus				
	Securities Premium Reserve				
	At the beginning of the accounting period	53,47,50,320.00		53,47,73,720.00	
	Additions during the year	36,20,46,962.00		22,50,000.00	
	Less: Share / Debenture issue expenses	1,29,22,800.00		22,73,400.00	
		88,38,74,482.00		53,47,50,320.00	
	Less: Amount recoverable from Satin Employees Welfare Trust	62,00,000.00		67,00,000.00	
	At the end of the accounting period		87,76,74,482.00		52,80,50,320.00
	General Reserves				
	At the beginning of the accounting period	37,26,157.00		37,26,157.00	
	Additions / (Deductions) during the year	-		-	
	At the end of the accounting period		37,26,157.00		37,26,157.00
	Statutory Reserve Fund				
	At the beginning of the accounting period	1,89,43,003.00		1,61,44,937.00	
	Additions during the year	77,96,587.00		27,98,066.00	
	At the end of the accounting period		2,67,39,590.00		1,89,43,003.00
	Surplus in Statement of Profit & Loss				
	At the beginning of the accounting period	7,02,60,451.52		5,90,68,188.99	
	Additions during the year	3,89,82,934.31		1,39,90,328.53	
	Less: Transfer to Statutory Reserve Fund	77,96,587.00		27,98,066.00	
	At the end of the accounting period		10,14,46,798.83		7,02,60,451.52
			1,00,95,87,027.83		62,09,79,931.52

- During the year, the Company received a sum of Rs. 36,20,46,962.00 (Previous year Rs. 22,50,000.00) on account of premium on issue of 47,95,324 (Previous year 1,50,000) equity shares.
- During the year, the Company utilized a sum of Rs. 1,29,22,800.00 (Previous year Rs. 22,73,400.00) from Securities Premium Reserve towards writing off incidental expenditure pertaining to raising equity share capital and secured redeemable non-convertible debenture as per the provision of Section 78 of the Companies Act, 1956.
- The Company has Rs. 1,14,50,000.00 (Previous year Rs. 1,24,50,000.00) recoverable from Satin Employees Welfare Trust pursuant to ESOP schemes.
- Pursuant to the provision of section 45 (IC) of Reserve Bank of India Act, 1934, the Company has transferred Rs. 77,96,587.00 (Previous Year Rs. 27,98,066.00) towards Statutory Reserve Fund.



Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
5	Long term borrowings				
A	Secured Loans				
	Non Convertible Debentures				
	(a) 25 (Series-1) (Previous Year: Nil), 14.25% Secured, Redeemable, Non - Convertible Debentures of Rs. 25,00,000/- each redeemable at par on September 14, 2018. The date of allotment is September 14, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	6,25,00,000.00		-	
	(b) 75 (Series-2) (Previous Year: Nil), 14.25% Secured, Redeemable, Non-Convertible Debentures of Rs. 25,00,000/- each redeemable at par on September 14, 2018. The date of allotment is September 14, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	18,75,00,000.00		-	
	(c) 250 (Previous Year: Nil), 14.60% Secured, Redeemable, Non-Convertible Debentures of Rs. 10,00,000/- each redeemable at par on December 18, 2016. The date of allotment is December 18, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	25,00,00,000.00		-	
	(d) 37 (Previous Year: 37), 14.10% Secured Redeemable Non-Convertible Debentures of Rs. 25,00,000/- each redeemable at par on April 15, 2014 with a rollover option of one year. The date of allotment is March 30, 2012. (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)	9,25,00,000.00		9,25,00,000.00	
			59,25,00,000.00		9,25,00,000.00
B	Term Loan				
	From Banks				
	For Working Capital	1,89,77,49,771.00		66,54,36,731.08	
	For Purchase of Fixed Assets	74,79,630.52	1,90,52,29,401.52	75,53,598.96	67,29,90,330.04
	From Others				
	For Working Capital	28,10,93,851.67		19,78,56,631.79	
	For Purchase of Fixed Assets	9,06,871.14	28,20,00,722.81	-	19,78,56,631.79
	Total Long Term Borrowings		2,77,97,30,124.33		96,33,46,961.83

- As per the terms of issue regarding the Secured Redeemable, Non Convertible Debenture, the security offered by the Company is the hypothecation of present and future receivable equivalent to the outstanding amount against each series of Non Convertible Debenture. The above mentioned Non Convertible Debentures are freely tradable and listed on the Bombay Stock Exchange Limited.
- For term loans refer Note No. 8 (1).

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
6	Long-Term provisions Provision for Leave Encashment		2,802,885.00		4,421,959.00
			2,802,885.00		4,421,959.00

- The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

A. Provident fund

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

	Current Year In Rupees	Previous Year In Rupees
Employer's Contribution to Provident Fund	77,75,747.00	79,57,642.00
Employer's Contribution to Superannuation Fund	Nil	Nil
Employer's Contribution to Pension Scheme	Nil	Nil

B. Gratuity

The employee's gratuity fund scheme is managed by Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

C. Leave Encashment

The obligation for leave encashment is recognized based on the present value of obligation based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The detail of the same is as under:

	Current Year In Rupees	Previous Year In Rupees
Leave Encashment (Unfunded)		
Reconciliation of opening and closing balances of Defined Benefit Obligation		
Defined Benefit obligation at beginning of the year	44,21,959.00	57,80,318.00
Current Service Cost	-	15,01,723.00
Interest Cost	3,40,872.00	4,61,355.00
Actuarial (gain)/loss	(14,80,996.00)	(23,06,064.00)
Benefits paid	(4,78,950.00)	(10,15,373.00)
Defined Benefit obligation at year end	28,02,885.00	44,21,959.00
b. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Employer contribution	-	-
Benefits Paid	-	-
Fair value of plan assets at year end	(4,78,950.00)	(10,15,373.00)
Actual return on plan assets	-	-



c.	Reconciliation of fair value of assets and obligations		
	Fair Value of plan assets at year end	-	-
	Present value of obligation at year end	28,02,885.00	44,21,959.00
	Amount recognized in Balance Sheet	28,02,885.00	44,21,959.00
d.	Expenses recognized during the year (Under the head "Payments to and Provisions for Employees)		
	Current Service Cost	-	15,01,723.00
	Interest Cost	3,40,872.00	4,61,355.00
	Expected return on plan assets	-	-
	Actuarial (gain)/loss	(14,80,996.00)	(23,06,064.00)
	Net Cost	(11,40,124.00)	(3,42,986.00)
e.	Actuarial assumptions		
	Mortality Table (L.I.C/IAL)	IAL 2006-08 (Ultimate)	LIC 1994-96 (Ultimate)
	Discount Rate (per annum)	8.15%	8.75%
	Expected rate of return on plan assets (per annum)	-	-
	Rate of escalation in salary (per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The above figures pertain to Long Term Liability worked in respect of deferred leave only. Expected Short Term Liability of Rs. 10,77,353.00 (Previous Year Rs. 14,84,394.00) will be added to this figure.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
7	Short Term Borrowings				
A	Secured Loans				
	Term Loan				
	From Banks				
	For Working Capital	58,84,36,729.08		17,48,57,000.00	
	For Purchase of Fixed Assets	-	58,84,36,729.08	1,15,462.32	17,49,72,462.32
	From Others				
	For Working Capital	12,90,80,595.79		8,61,92,610.51	
	For Purchase of Fixed Assets	-	12,90,80,595.79	55,523.13	8,62,48,133.64
B	Overdraft Facility against Fixed Deposits				
	From Banks		3,41,64,221.84		47,21,751.52
			75,16,81,546.71		26,59,42,347.48
C	Unsecured Loans				
	For Working Capital		-		1,20,00,000.00
			-		1,20,00,000.00
	Total Short Term Borrowings		75,16,81,546.71		27,79,42,347.48

1. For term loans refer Note No. 8 (1).

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
8	Other Current Liabilities				
A	Current Maturity of Non Convertible Debentures-Secured				
	12, Secured Redeemable Non - Convertible Debentures @ 14.10%, of Rs. 1,00,00,000/- each redeemable at par on March 31, 2014. The date of allotment is March 21, 2011. (Previous Year 12, 12.10 % Secured Redeemable Non-Convertible Debentures of Rs. 1,00,00,000/- each redeemable at par on March 31, 2013 with a rollover option of one year. The date of allotment is March 21, 2011). (Secured against first ranking exclusive hypothecation & charge over specific loan receivables with a value equal to 100% of outstanding, present & future including all revenue therefrom)		12,00,00,000.00		12,00,00,000.00
B	Current Maturity of long term debts for Working Capital-Secured				
	From Bank		1,87,93,08,970.00		55,66,43,933.92
	From Others		36,68,03,091.00		23,72,00,026.72
C	Current Maturity of long term debts for Purchase of Fixed Assets-Secured				
	From Bank		63,908.15		57,800.90
	From Others		3,91,128.86		-
D	Expenses Payable		45,62,059.50		61,45,187.00
E	Trade Payable (Trade payable includes a sum of Rs.14,77,64,457.07 (Previous year Rs. 10,88,14,655.00) on account of Installment collected on managed Portfolio.)		17,02,11,898.10		13,51,53,172.00
F	Cash Profit on loan transfer transaction pending recognition (Unamortised)		9,33,66,898.00		4,52,30,142.13
G	Interest accrued but not due on loans		82,27,543.97		58,85,906.81
H	Interest accrued but not due on Debentures		1,32,07,735.66		27,77,716.50
I	Statutory Liabilities Payable		1,26,18,570.31		45,67,620.00
			2,66,87,61,803.55		1,11,36,61,505.98

The Company has availed term loans from various banks and other institutions for its lending operations as per details below:

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Long Term from Banks - Secured	1,89,77,49,771.00	66,54,36,731.08
Long Term from Others - Secured	28,10,93,851.67	19,78,56,631.79
Short Term from Banks - Secured	58,84,36,729.08	17,48,57,000.00
Short Term from Others - Secured	12,90,80,595.79	8,61,92,610.51
Current Maturity of long term debts for lending from Banks - Secured	1,87,93,08,970.00	55,66,43,933.92
Current Maturity of long term debts for lending from Others - Secured	36,68,03,091.00	23,72,00,026.72
Short Term Other - Unsecured	0.00	1,20,00,000.00
Total	5,14,24,73,008.54	193,01,86,934.02



The above loans are repayable on periodic installments of principal and interest. The sanctioned tenure of the loans outstanding as at 31.03.2013 varies from 12 months to 48 months. For the secured loans, the Company has offered security by way of hypothecation of trade receivables arising out of its business operations generated from the respective loans and cash collateral in the form of fixed deposits. Out of above, an amount of Rs. 47,590.32 Lacs (Previous Year Rs. 16,864.90 Lacs) have been guaranteed by the Directors, Mr. Satvinder Singh and / or Mr. H P Singh in their personal capacity.

2. Statutory liabilities include amount payable towards Income Tax, Service Tax, Provident Fund, Employees State Insurance etc.
3. There have been no delay / default in repayment of dues including principal and interest in respect of any borrowings.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
9	Short - Term Provision				
	Provision for Leave encashment		10,77,353.00		14,84,394.00
	Contingent provisions against Standard Assets		1,13,25,191.06		47,52,938.75
			1,24,02,544.06		62,37,332.75

1. For Provision for Leave Encashment refer Note No.6.
2. For Contingent provisions against Standard Assets refer Note No. 17(1).

Note No. 10
Tangible Assets

(Amount in Rs.)

Particulars	Gross Block			Depreciation					Net Block	
	As at 01.04.2012	Addition/ Adj.	Sale/Adj.	As at 31.03.2013	As at 01.04.2012	For the Year	Adj./Written Back	As at 31.03.2013	WDV on 31.03.2013	WDV on 31.03.2012
Buildings	3,09,51,057.28	-	-	3,09,51,057.28	64,44,187.53	12,25,343.00	-	76,69,530.53	2,32,81,526.75	2,45,06,869.75
Plant & Equipment	1,26,04,757.22	33,41,632.00	1,50,570.00	1,57,95,819.22	90,95,320.93	20,19,692.00	98,942.00	1,10,16,070.93	47,79,748.29	35,09,436.52
Office Equipment	54,31,934.59	8,83,050.00	5,47,624.00	57,67,360.59	19,35,195.53	5,16,309.00	1,99,358.00	22,52,146.53	35,15,214.06	34,96,739.23
Vehicles	55,36,335.00	16,11,882.00	-	71,48,217.00	37,56,500.35	4,75,663.00	-	42,32,163.35	29,16,053.65	17,79,834.65
Furniture & Fixtures	1,27,05,663.33	4,82,681.00	1,96,321.00	1,29,92,023.33	45,10,235.43	15,00,892.00	75,905.00	59,35,222.43	70,56,800.90	81,95,427.50
Total	6,72,29,747.42	63,19,245.00	8,94,515.00	7,26,54,477.42	2,57,41,439.77	57,37,899.00	3,74,205.00	3,11,05,133.77	4,15,49,343.65	4,14,88,307.65
Previous Year	6,69,45,859.42	4,98,684.00	2,14,796.00	6,72,29,747.42	1,95,63,409.42	62,52,428.00	74,397.65	2,57,41,439.77	4,14,88,307.65	

Note No. 11
Intangible Assets

(Amount in Rs.)

Particulars	Gross Block			Depreciation				Net Block		
	As at 01.04.2012	Addition/ Adj.	Sale/Adj.	As at 31.03.2013	As at 01.04.2012	For the Year	Adj./Written Back	As at 31.03.2013	WDV on 31.03.2012	WDV on 31.03.2013
Computer Software	15,62,328.00	6,52,215.00	-	22,14,543.00	7,50,391.00	3,98,164.00	-	11,48,555.00	10,65,988.00	8,11,937.00
Total	15,62,328.00	6,52,215.00	-	22,14,543.00	7,50,391.00	3,98,164.00	-	11,48,555.00	10,65,988.00	8,11,937.00
Previous Year	10,77,618.00	5,63,250.00	78,540.00	15,62,328.00	4,20,453.00	4,08,478.00	78,540.00	7,50,391.00	8,11,937.00	

Note No. 12
Capital Work-In-Progress

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2012	Addition/ Adj.	Sale/Adj.	As at 31.03.2013	As at 01.04.2012	For the Year	Adj./Written Back	As at 31.03.2013	WDV on 31.03.2013	WDV on 31.03.2012
Capital Work in Progress	3,73,51,116.00	30,56,608.00	-	4,04,07,724.00	-	-	-	-	4,04,07,724.00	3,73,51,116.00
Total	3,73,51,116.00	30,56,608.00	-	4,04,07,724.00	-	-	-	-	4,04,07,724.00	3,73,51,116.00
Previous Year	3,34,33,595.00	39,17,521.00	-	3,73,51,116.00	-	-	-	-	3,73,51,116.00	

1. Capital Work in Progress represents fixed assets- office flat under construction. Details of Capital commitment as per Note no. 26(1).



Note No.	Particulars	Face Value	No. of Units/ Shares 31.03.2013	As at 31.03.2013 Rs.	No. of Units/ Shares 31.03.2012	As at 31.03.2012 Rs.
13	Non Current Investments-Non Trade-At Cost					
	I Unquoted - Equity Shares					
	Parishek Finance Private Limited	10	40,000	8,00,000.00	40,000	8,00,000.00
	Satin (India) Limited	10	1,50,000	25,00,000.00	1,50,000	25,00,000.00
	Satin Media Solutions Limited	10	1,50,000	30,00,000.00	1,50,000	30,00,000.00
	Alpha Micro Finance Consultants Private Limited	10	50,000	5,00,000.00	50,000	5,00,000.00
	Total (A)			68,00,000.00		68,00,000.00
	II Unquoted - Others					
	Government of India, Inscribed stock -6.17%	100	500	50,591.33	500	50,591.33
	Total (B)			50,591.33		50,591.33
	Grand Total			68,50,591.33		68,50,591.33
	Aggregate Cost of unquoted Investments			68,50,591.33		68,50,591.33

1. The above investments are held in the name of the Company, and in the opinion of the management are good for recovery for the value as stated in the Balance Sheet.

Note No.	Particulars	As at 31.03.2012	(Liability)/Assets/ Movements/during the year	As at 31.03.2013
14	Deferred Tax Assets/(Liabilities)/Timing difference on account of			
	Depreciation	(7,51,476.37)	(2,95,511.42)	(10,46,987.79)
	Provisions created but not claimed in Income Tax	54,13,953.95	23,42,210.62	77,56,164.57
	Total Deferred Tax Assets	46,62,477.58	20,46,699.20	67,09,176.78

1. The above is pursuant to Accounting Standard -22 issued by The Institute of Chartered Accountants of India in respect of "Accounting for Taxes on Income". Accordingly necessary deferred tax liabilities and assets have been recognized.

Note No.	Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
15	Long Term Loans & Advances		
	Security Deposits - Unsecured	6,28,299.00	4,88,810.00
		6,28,299.00	4,88,810.00

1. In the opinion of management, the above loans and advances are good for recovery unless otherwise stated.

Note No.	Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
16	Other Non-Current Assets		
	Long term deposits having remaining maturity of more than 1 year	65,19,82,539.00	23,76,44,277.00
		65,19,82,539.00	23,76,44,277.00

1. For long term deposits refer Note No.18.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
17	Trade Receivables under Loan Contracts				
	Amount Receivables under Loan Contracts (Loan Portfolio)	4,54,12,77,846.56		1,91,09,13,311.89	
	Less: Provision for Bad & Doubtful debts	86,96,464.83	4,53,25,81,381.73	60,24,695.78	1,90,48,88,616.11

1. As per prudential norms prescribed by the Reserve Bank of India on income recognition and provisioning for bad and doubtful debts, a provision of Rs. 2,00,21,655.89 (Previous year Rs. 1,07,77,634.53) stood at 31st March 2013 towards bad and doubtful debts. This includes an amount of Rs. 1,13,25,191.06 (Previous year Rs. 47,52,938.75) as provision for doubtful debts on standard assets as per notification no. DNBS.223/CGM(US)-2011 dated January 17, 2011 issued by Reserve Bank of India. As per the said notification the same has been shown as "Contingent Provisions against Standard Assets" under "Short-Term Provisions". In the opinion of the management the classification of various assets as per the prudential norms prescribed by the Reserve Bank of India are as under:

(Amount in Rs.)

Asset classification	Loan Contract Outstanding	
	As at 31.03.2013	As at 31.03.2012
Standard Assets	4,53,41,70,380.26	1,90,51,64,400.53
Substandard Assets	71,07,466.30	34,50,225.36
Doubtful Assets	-	22,98,686.00
Loss Assets	-	-
Total	4,54,12,77,846.56	1,91,09,13,311.89
Less: Provision for Bad and Doubtful Debts *	86,96,464.83	60,24,695.78
Net own assets	4,53,25,81,381.73	1,90,48,88,616.11
Managed Portfolio	1,25,89,77,687.00	1,29,05,24,434.00

* The Company has followed the following provisioning policy:

For Individual lending:

Overdue	Provisioning required
For overdue up to 180 days	Nil
For overdue 181 days to 365 days	10%
For overdue above 365 days	100%

For Group lending:

Overdue	Provisioning required
On time portfolio	0.5%
For overdue 1 to 30 days	10%
For overdue 31 to 90 days	50%
For overdue above 90 days	100%

The provision as per above provisioning policy is higher than the minimum prescribed by the Reserve Bank of India as on 31st March 2013.



2. In the opinion of the Management, amount receivable under Loan contracts are good for recovery unless otherwise stated. An amount of Rs 2,25,01,328.26 (Previous Year - Rs. 1,00,62,844.01) has been written off / provided as bad debts during the year. In the opinion of management, the amounts, written off as bad debts, are not recoverable despite legal and other steps taken by the Company.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
18	Cash & Cash Equivalents:				
	Cash on Hand		8,28,37,592.44		8,76,83,794.21
	Balance with banks in current accounts		43,34,18,559.40		24,97,79,289.46
	Term deposits for remaining maturity of 3 months or less		68,18,38,930.00		5,14,35,320.00
	Other Bank Balances				
	Term deposits for remaining maturity of more than 3 months and upto 1 year		85,44,40,656.65		44,50,81,923.95
			2,05,25,35,738.49		83,39,80,327.62

1. Total term deposits with banks and others amounting to Rs. 2,18,82,62,125.65 (Previous Year Rs. 73,41,61,520.95) includes long term deposits amounting Rs. 65,19,82,539.00 (Previous Year Rs. 23,76,44,277.00) as stated in Note No. 16. The amount under lien as security against term loan and overdraft facility availed, assets assigned and securitized are as follows:-

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
Term Loan	57,71,69,245.00	23,00,00,000.00
Overdraft Facility	23,19,29,332.65	22,19,21,808.95
Asset Assigned/Securitized	31,03,83,638.00	20,61,66,307.00
	1,11,94,82,215.65	65,80,88,115.95

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
19	Short Term Loans & Advances - Unsecured				
	Staff Advance		53,86,318.35		33,50,808.24
	Income Tax (Net of Provisions)		-		14,06,284.56
			53,86,318.35		47,57,092.80

1. In the opinion of Management, the above loans and advances are good for recovery unless otherwise stated.

Note No.	Particulars	As at 31.03.2013		As at 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
20	Other Current Assets				
	Prepaid Expenses		2,44,209.00		6,500.00
	Interest accrued but not due		7,75,98,215.89		2,92,99,823.29
	Advances recoverable in cash or in kind or for value to be received		3,43,47,416.26		6,28,27,932.18
			11,21,89,841.15		9,21,34,255.47

1. In the opinion of Management, the above current assets are good for recovery unless otherwise stated.

Note No.	Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
21	Revenue from operations				
	Interest Income	79,61,64,298.72		42,53,53,032.11	
	Other operational income	14,51,15,950.56	94,12,80,249.28	13,63,65,149.25	56,17,18,181.36

1. During the year, the company has entered into a securitization contract for sale of certain loans (Pool of Assets) to bankruptcy remote Special Purpose Vehicle (SPV) in return of agreed consideration. The principal value of asset securitized was Rs 13,086.60 Lacs (Previous Year Rs. 8,411.60 Lacs). The Company has received a consideration from the SPV amounting to Rs 14,092.00 Lacs (Previous Rs. 9,100.56 Lacs). In respect of recognition of Income relating to the said securitization contracts, the company has followed guidelines issued by RBI vide its notification no. DBOD.No.BP.BC.103/21.04.177/2011-12 dated 7th May 2012 and accordingly has amortized the gain/premium arising out of these transactions over the residual maturity of the securitization transaction. The total gain on the said securitization done during the financial year 2012-13 has been Rs. 1,005.40 Lacs (Previous Year Rs. 688.96 Lacs) and out of which Rs. 101.88 Lacs (Previous Year Rs. 467.29 Lacs) has been recognized as income during the current financial year. The Cash Profit on Loan transfer transaction pending recognition as at 31.03.2013 is Rs. 933.66 Lacs (Previous Year Rs. 221.67 Lacs) has been stated under Other Current Liabilities.

Disclosures as per RBI guidelines are as under:

(Rs. in Lacs)

Number of Loan Assets Securitized	Book Value of Loan Assets Securitized	Sale consideration received for the securitized assets	Gain/(Loss) on sale on account of securitization	Form and quantum as credit enhancement. (outstanding value)
1,19,986 (Previous Year 74,608)	13,086.60 (Previous Year 8,411.60)	14,092.00 (Previous Year 9,100.56)	1,005.40 (Previous Year 688.96)	1,412.93 (as cash collateral) (Previous Year 1023.77)

Disclosures as per circular no.RBI/2011-12/540 DBOD.No.BP.BC-103/21.04.177/2011-12,Dated 7th May,2012 issued by RBI are as under:-

S.No.	Particulars	No. / Amount in Rs. Lacs
1	No of SPVs sponsored by the NBFC for securitisation transactions	10
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	13,086.60
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	
	a) Off Balance Sheet exposures	
	* First Loss	-
	* Others	-
	b) On Balance Sheet exposures	
	* First Loss	1,412.93
	* Others	-
4	Amount of exposures to securitisation transactions other than MRR	
	a) Off Balance Sheet exposures	
	i) Exposure to own securitizations	
	* First Loss	-
	* Others	-
	ii) Exposure to third party securitizations	
	* First Loss	-
	* Others	-
	b) On Balance Sheet exposures	
	i) Exposure to own securitizations	
	* First Loss	-
	* Others	-
	ii) Exposure to third party securitizations	
	* First Loss	-
	* Others	-



2. During the year, the company has assigned loan portfolio having book value of Rs Nil (Previous Year Rs. 9,278.50 Lacs) for a consideration of Rs Nil (Previous Year Rs. 10,083.86 Lacs). The profit arising out of the said transactions done during the financial year 2012-13, being the difference between the consideration and the book value of the loan portfolio assigned amounting to Rs Nil (Previous Year Rs. 805.36 Lacs) has been recognized over the life of receivables assigned and out of which Rs. Nil (Previous Year Rs. 128.32 Lacs) has been recognized as income during the current financial year. The unamortized gain pending recognition as at 31.03.2013 is Rs. Nil (Previous Year Rs. 230.63 Lacs) has been stated under other current liabilities as cash profit on loan transfer transaction pending recognition.
3. Other operational income includes gain on securitization transactions amounting to Rs. 2,80,80,337.00 (Previous year Rs. 5,25,19,160.43) and gain on assignment transactions amounting to Rs. 5,97,26,508.56 (Previous year Rs. 5,35,23,605.97).

Note No.	Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
22	Other Income				
	Other Income		20,26,173.81		5,40,345.07

Note No.	Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
23	Finance Cost				
	Interest paid to Banks	31,20,93,207.55		15,01,80,553.95	
	Interest paid to Others	8,98,92,726.33		6,23,96,510.05	
	Interest paid on Debentures	5,74,66,975.94		1,44,66,401.25	
	Finance Charges	8,35,81,954.19	54,30,34,864.01	4,10,23,894.08	26,80,67,359.33

Note No.	Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
24	Employee Benefit Expenses				
	Salaries & Other Incentives	13,97,13,622.41		13,64,32,582.41	
	Contribution to Provident & Other Funds	1,12,08,181.00		1,11,18,155.00	
	Gratuity	8,00,000.00		33,24,735.00	
	Employee Welfare Expenses	68,97,341.00	15,86,19,144.41	26,69,672.00	15,35,45,144.41

1. Employee Benefit expenses include Director's Remuneration as per detail below:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Salary	24,00,000.00	24,00,000.00
Contribution to Provident Fund, etc.	6,88,000.00	6,88,000.00
Total	30,88,000.00	30,88,000.00

2. Also refer Note No. 6.

Note No.	Particulars	Year Ended 31.03.2013		Year Ended 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
25	Other Expenses				
	Annual Listing Fee	1,94,523.00		1,97,709.00	
	Conveyance & Travelling	2,37,44,587.00		1,21,17,160.00	
	Direct Operational Expenses	4,20,86,641.18		2,43,74,670.24	
	Printing & Stationary	2,12,99,953.00		92,99,168.00	
	Communication	1,07,76,402.00		56,12,157.50	
	Business Promotion	28,78,431.00		22,47,410.00	
	Legal & Professional Charges	1,23,08,053.40		1,15,32,248.00	
	Insurance Charges	11,11,419.00		83,97,813.00	
	Office Expenses	2,00,17,343.49		1,12,69,598.50	
	Rent	1,12,68,060.00		1,00,66,629.00	
	Advertisement Expenses	7,94,026.00		1,67,866.00	
	Auditors' Remuneration	2,21,465.00		1,94,250.00	
	Subscription & Fee	12,40,420.00		9,09,791.00	
	Rates & Taxes	4,31,594.00		1,31,684.00	
	Repairs & Maintenance	34,87,501.00		9,69,243.00	
	Miscellaneous Expenses	73,59,986.92		52,71,014.00	
	Bad Debts Written off	1,32,57,306.90		95,38,967.46	
	Provision for Standard/Non Performing Assets	92,44,021.36		5,23,876.55	
	(Profit)/Loss on Sale of Fixed Assets	2,91,312.00	18,20,13,046.25	87,683.35	11,29,08,938.60

1. Conveyance & Travelling expenses Rs. 2,37,44,587.00 (Previous year Rs. 1,21,17,160.00) includes foreign travel expenses of Rs.14,13,690.00 (Previous Year 12,51,689.00) out of which Director's foreign travelling expenses amounts to Rs. 13,05,181.00 (Previous Year Rs. 10,89,297.00).

2. Auditors' remuneration includes the following:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Audit Fees	1,65,000.00	1,25,000.00
Tax Audit Fees	35,000.00	25,000.00
Certification work	21,465.00	44,250.00
Total	2,21,465.00	1,94,250.00

3. For Bad Debts Written off and Provision for Standard/Non Performing Assets, refer Note Nos. 17(1) & 17(2).



Note No.26

- Estimated amount of contract remaining to be executed on capital account and not provided for Rs. 18.83 Lacs (Previous Year Rs. 34.73 Lacs).
- Contingent Liability: On account of guarantees given by the Company :-

(Rs. in Lacs)		
Particulars	As at 31.03.2013	As at 31.03.2012
On account of managed portfolio	2,270.25	2,041.93
Others	-	12.91
Total	2,270.25	2,054.84

- The Company mainly operates in only one segment - Microfinance Loans, hence the Accounting Standards - 17, as notified in Companies (Accounting Standard Rules, 2006) on segment reporting is not applicable to the Company.
- Related party disclosures in terms of Accounting Standard 18 issued by The Institute of Chartered Accountants of India is as follows:

Name of Related party	Description of relationship	Nature of transaction	Volume of transaction # (Amount in Rs.)	Outstanding amount as at 31st March, 2013# (Amount in Rs.)	Amount written off or written back # (Amount in Rs.)
Mr. H P Singh	Key Personnel	Remuneration	30,88,000.00 (30,88,000.00)	Nil (Nil)	Nil (Nil)
Parishek Finance Private Limited	Influence of Key Managerial Personnel & Relatives	Investment in equity shares	Nil (Nil)	8,00,000.00 Dr (8,00,000.00 Dr)	Nil (Nil)
Satin (India) Limited	Influence of Key Managerial Personnel & Relatives	Investment in equity shares	Nil (Nil)	25,00,000.00 Dr. (25,00,000.00 Dr.)	Nil (Nil)
Satin Media Solutions Limited	Influence of Key Managerial Personnel & Relatives	Investment in equity shares	Nil (Nil)	30,00,000.00 Dr. (30,00,000.00 Dr.)	Nil (Nil)

Figures in bracket pertain to previous year

- The disclosure in respect of Accounting for leases as per AS- 19 is as under:-

(Amount in Rs.)		
Particulars	As at 31.03.2013	As at 31.03.2012
Operating lease payments recognized during the year	1,12,68,060.00	1,00,66,629.00
Minimum lease obligations:		
- Not later than 1 year	71,14,430.75	54,37,222.00
- Later than 1 year but not later than 5 years	13,85,837.00	11,44,518.00
- Later than 5 years	-	-

6. Earnings Per Share

In accordance with the Accounting Standard 20 of 'Earnings Per Share' as notified by the Companies (Accounting Standards) Rules, 2006:

(i) Calculation of Earnings Per Share:

Particulars	Current Year	Previous Year
Net Profit after Tax available for appropriation (Rs.)	3,89,82,934.00	1,39,90,328.53
Weighted average number of Equity Shares for computation of Basic Earnings Per Share	1,78,60,425	1,77,84,256
Basic Earnings Per Share (Rs.)	2.18	0.79
Weighted average number of Equity Shares for computation of Diluted Earnings Per Share	1,84,24,603	1,83,90,130
Diluted Earnings Per Share (Rs.)	2.12	0.76

(ii) The reconciliation between Basic and Diluted Earnings per Share is as follows:

Particulars	Current Year	Previous Year
Basic Earnings Per Share (Rs.)	2.18	0.79
Effect of outstanding ESOS (Rs.)	(0.06)	(0.03)
Diluted Earnings Per Share (Rs.)	2.12	0.76

7. (i) Earning /Remittance (Inward) in Foreign currency :

(Amount in Rs.)

Nature	Current Year	Previous Year
Share Application Money	30,00,00,177.00	-
Reimbursement of expenses	-	2,66,829.00
Total	30,00,00,177.00	2,66,829.00

(ii) Expenditure /remittance (Outward) in Foreign Currency:

(Amount in Rs.)

Nature	Current Year	Previous Year
Travelling expenses	12,31,332.00	10,29,523.00
Fees & Subscription	117,569.00	3,82,011.00
Total	13,48,901.00	14,11,534.00



8. Disclosure as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is as under: **(Rs. in Lacs)**

Particulars			
Liabilities side :			
1.	Loans and advances availed by the Non Banking Financial Company inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	7,257.08	—
	: Unsecured	—	—
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits	—	—
	(c) Term Loans	51,848.65	—
	(d) Inter-corporate loans and borrowing	—	—
	(e) Commercial Paper	—	—
	(g) Other Loans (specify nature)	—	—
	Public deposits	—	—
	Other unsecured loans	—	—
	Secured loans against assets of Company	88.42	—
Assets Side :		Amount outstanding	
2.	Break-up of Loans and advances including bills receivables (other than those included in (4) below) :		
	(a) Secured	—	
	(b) Unsecured	45,556.04	
3.	Break-up of Leased Assets and Stock on hire and other assets counting towards AFC activities		
	(I) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	—	
	(b) Operating lease	—	
	(II) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	—	
	(b) Repossessed Assets	—	
	(III) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	—	
	(b) Loans other than (a) above	—	
4.	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	—	
	(b) Preference	—	
	(ii) Debentures and Bonds	—	
	(iii) Units of mutual funds	—	
	(iv) Government Securities	—	
	(v) Others (please specify)	—	
	2. Unquoted :		
	(i) Shares : (a) Equity	—	
	(b) Preference	—	
	(ii) Debentures and Bonds	—	
	(iii) Units of mutual funds	—	
	(iv) Government Securities	—	
	(v) Others (please specify)	—	

Particulars		Amount Outstanding		
<u>Long Term Investments :</u>				
1.	Quoted :			
	(i) Shares : (a) Equity	—		
	(b) Preference	—		
	(ii) Debentures and Bonds	—		
	(iii) Units of Mutual funds	—		
	(iv) Government Securities	—		
	(v) Others (please specify)	—		
2.	Unquoted :			
	(i) Shares : (a) Equity	68.00		
	(b) Preference	—		
	(ii) Debentures and Bonds	—		
	(iii) Units of mutual funds			
	(iv) Government Securities	0.51		
	(v) Others (please specify)	—		
		68.51		
5. Borrower group-wise classification of assets, financed as in (2) and (3) above :				
Category		Amount Net of provisions		
		Secured	Unsecured	Total
1. Related Parties				
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	—	—
	(c) Other related parties	—	—	—
2. Other than related parties		—	45,212.57	45,212.57
Total		—	45,212.57	45,212.57
6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :				
Category		Market Value/Breakup or fair value or NAV	Book Value (Net of Provision)	
1. Related Parties				
	(a) Subsidiaries	—	—	
	(b) Companies in the same group	63.00	63.00	
	(c) other related parties	—	—	
2. Other than related parties		5.51	5.51	
Total		68.51	68.51	
7. Other Information				
Particulars			Amount	
(i) Gross Non-Performing Assets			71.07	
	(a) Related Parties			—
	(b) Other than related Parties			71.07
(ii) Net Non-Performing Assets			62.94	
	(a) Related Parties			—
	(b) Other than related parties			62.94
(iii) Assets acquired in satisfaction of debt			—	



9. Additional disclosure as required by the Reserve Bank of India: -

(i) Capital to Risk Assets Ratio ("CRAR")

Item	31.03.2013	31.03.2012
CRAR (%)	23.43	34.88
CRAR – Tier I Capital (%)	23.20	34.51
CRAR – Tier II Capital (%)	0.23	0.37

(ii) The Company has no exposure to real estate sector, both direct and indirect.

(iii) Asset Liability Management:-

Maturity pattern of certain items of assets and liabilities

(Rs. in Crores)									
	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks	10.81 (3.45)	22.84 (?)	27.75 (1.46)	58.53 (18.86)	130.26 (36.33)	190.52 (67.30)	- (-)	- (-)	440.71 (140.94)
Market Borrowings (Others)	3.51 (2.01)	(4.??)	93 (22)	15.49 (8.77)	34.67 (28.17)	87.45 (26.99)	- (1.88)	- (-)	149.09 (74.57)
Assets									
Advances	77.82 (35.41)	51.87 (44.22)	65.05 (12.38)	125.07 (38.39)	215.34 (94.57)	165.65 (85.57)	3.01 (-)	- (-)	703.81 (310.54)
Investments	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	0.69 (0.69)	0.69 (0.69)

Figures in brackets pertain to previous year.

10. The Company has not discontinued any operations hence there is no profit/loss on this account.
11. Based on the information available with the company, there is no outstanding dues to suppliers registered under "The Micro, Small and Medium Enterprises Development Act 2006" as at 31st March, 2013 (Previous year Nil).
12. The figures of the previous year have been regrouped / reclassified wherever necessary to make them comparable with the figures of the current year.

As per our report of even date annexed

For A.K. Gangaher & Co.
Chartered Accountants

A.K. Gangaher
Proprietor
M. No. 083674
Firm ICAI Reg.No. 004588N

Place : Delhi
Dated : 29th May, 2013

For and on behalf of the Board of Directors

H P Singh
(Chairman cum Managing Director)

Satvinder Singh
(Director)

Choudhary Runveer Krishanan
(Company Secretary & Compliance Officer)

SATIN CREDITCARE NETWORK LIMITED
Registered Office : 306, Lusa Tower, Azadpur Commercial Complex, Delhi-110033

ATTENDENCE SLIP

Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting. Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the Meeting.

Name and Address of the Member	Folio No./DP & Client ID
	No. of Shares Held.

I hereby record my presence at the 23rd Annual General Meeting held on 30th September, 2013 at 10.00 A.M. at 'TYAGI FARMS', Plot No. 7, Bhawani Nagar, Dhinpur, Near Jhatikara Morh, Brijwasan Road, New Delhi - 110043.

SIGNATURE OF THE SHAREHOLDER/PROXY *

*Strike out whichever is not applicable.

SATIN CREDITCARE NETWORK LIMITED
Registered Office : 306, Lusa Tower, Azadpur Commercial Complex, Delhi-110033

PROXY FORM

I/We _____ resident of _____
being a Member/Members of Satin Creditcare Network Limited hereby appoint Mr./Mrs./
Miss _____ resident of _____ as my/our proxy
and to vote for me/us on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Monday,
30th September, 2013 at 10.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Signature _____

Folio No./DP & Client ID _____

No. of Shares Held _____

Affix Re.1 Revenue Stamp

Note :If a member is unable to attend the meeting, he/she may sign this form and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting.



SATIN CREDITCARE NETWORK LTD

BOOK-POST



If undelivered, please return to :

SATIN CREDITCARE NETWORK LIMITED
306, Lusa Tower,
Azadpur Commercial Complex,
Delhi-110 033