



Satin Creditcare Network Limited registers 37.8% YoY growth in Gross Loan Portfolio to Rs. 6191.4 crore for H1 FY19

Summary of Business Performance:

- *On consolidated basis*
 - *Gross loan portfolio for Q2 FY19 reaches Rs. 6191.4 cr – an increase of 37.8% YoY.*
 - *49 new branches were started during the quarter, taking the total number of branches to 1066 as on Sep-18.*
 - *Revenue for H1 FY19 stands at Rs. 693.1 cr, registering 45.4% YoY growth*
 - *H1FY19 Profit Before Tax at Rs. 113.3 Cr, as against Loss Before Tax at Rs. 15.4 cr in H1FY18, increase of 836% YoY.*
 - *H1 FY19 Profit After Tax at Rs. 73.6 Cr, as against Loss After Tax at Rs. 10.4 Cr in H1FY18, increase of 808% YoY.*
 - *Demonetization woes are over, improved collection efficiency and portfolio quality, conservative estimate of ECL*
 - *Improved operational metrics – RoA 2.7%, RoE 18.8% & Cost to Income Ratio 54% in Q2 FY19*
 - *Comfortable liquidity and ALM position*
 - *For MFI business, cashless disbursement at 96% of branches; 67% of total disbursement in Sep'18*
 - *Amongst the first MFIs to receive ISO 27001:2013 certification for information security*

New Delhi, Nov 14, 2018: Satin Creditcare Network Limited (“SCNL”) [BSE: 539404; NSE: SATIN] one of the leading microfinance companies in the country, today reported its financial results for the six months ended Sep 30, 2018. For H1FY19, on a consolidated basis, the company recorded a 37.8% YoY growth in Gross AUM to Rs. 6191.4 cr. The company recorded a PBT of Rs. 72.0 cr for Q2FY19 and a PAT of Rs. 46.1 cr on consolidated basis. The results were taken on record at the meeting of the Board of Directors here today.

Speaking about company's performance during the quarter, **Mr. H P Singh, Chairman and Managing Director, Satin Creditcare Network Limited said**, *"The company has sustainable liquidity where we have already raised 80% of the fund requirement for FY19 till date with further sanctions in pipeline. We are maintaining a strong asset liability maturity (ALM) to keep the strategic growth plans on track. We have been building a strong loan book through our Business Correspondence partnership with IndusInd Bank, which accounts for 4% of our total portfolio. At the same time, we are also diversifying into verticals such as MSME and housing finance."*

Speaking about fresh funding into the company, Mr. Singh added, *"We raised total funding of Rs. 1,021 cr during Q2FY19 and have a strong Capital Adequacy Ratio. We are confident about maintaining a healthy capital to risk asset ratio (CRAR) throughout the year, even after achieving the desired growth. Additionally,*



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we also plan to limit our exposure to each state at not more than 20% of our total asset under management by 2020. This will help us limit our geographical risk, while keeping an eye on growth.”

He further added “The company has shown excellent operational metrics with ROA 2.7% and ROE 18.8% during Q2FY19”.

The collection efficiency of loans disbursed since Jan’18 was at 99.5%, comprising 67% of the portfolio. Satin Creditcare Network Limited has been focusing on technology investment to enable cashless disbursements and digital documentation at its branches. As a result, 96% branches now make cashless disbursements.

About Satin Creditcare Network Limited

Satin Creditcare Network Limited (SCNL or “Satin”) was conceptualized and founded in 1990 by Mr. H P Singh - a qualified Chartered Accountant with over three decades of experience in retail finance industry. In around 28 years since its inception, Satin today is India’s leading MFI having started its journey with individual micro loans to urban shopkeepers. Today, the Company has an established, scalable and a sustainable business model. On a consolidated basis, Satin had an AUM of Rs. 6,191.4 Crores as on September, 2018. SCNL offers its clients a variety of loan products under the MFI segment and Business Correspondence partnership with IndusInd Bank. The company also offers a bouquet of financial products in the Non-MFI segment comprising of loans to MSMEs and business correspondent services & similar services to other financial Institutions through Taraashna Services Limited (TSL) a business correspondent company and wholly owned subsidiary of SCNL.

In April 2017, SCNL also incorporated a wholly owned housing finance subsidiary (Satin Housing Finance Limited or “SHFL”) for providing loans in the affordable housing segment. This is a logical extension of Satin’s mission to provide financial products that cater to the underserved segments of the market. In Nov 2017, SHFL received the NHB license and commenced operations in February 2018. Satin Creditcare plans to hive off the MSME business to a wholly owned subsidiary and has applied for NBFC license.

As of September 2018, SCNL had 1066 branches and a headcount of 10,972 across 20 states and union territories serving 32 lakh clients. SCNL has a strong presence throughout Uttar Pradesh, Bihar, Madhya Pradesh, Punjab, Assam, West Bengal and Odisha and is a dominant player in other states of operations. For more information, please visit www.satincreditcare.com.

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