



## **Satin Creditcare Network Limited registers profit after tax (PAT) of Rs. 54 Cr for Q2FY20, up by 17.8% YoY**

New Delhi, November 6, 2019: **Satin Creditcare Network Limited ("SCNL")** [BSE: 539404; NSE: **SATIN**], one of the leading microfinance company in the country, today announced a 17.8% YoY growth in its PAT at Rs.54 Cr for Q2FY20 (Rs.46 Cr in Q2FY19) on consolidated basis. The company recorded a PBT of Rs.75 Cr for Q2FY20, up by 4.6% YoY (Rs. 72 Cr in Q2FY19). The company recorded strong Capital Adequacy Ratio (CRAR) of 30.13%. The results were taken on record at the meeting of the Board of Directors here today.

### **Financial Performance:** *(On consolidated basis)*

In Rs. Cr	Q2FY20	Q2FY19	YoY %
Gross Loan Portfolio (GLP)	7,182	6,191	16.0%
Net Interest Income	217	202	7.2%
Profit Before Tax (PBT)	75	72	4.6%
Profit After tax (PAT)	54	46	17.8%
Return on Assets (RoA)	3.2%	2.7%	18.7%
Return on Equity (RoE)	16.4%	18.8%	-12.7%

### **Increasing Footprints:**

	Q2FY20	Q2FY19	YoY %
Branches	1,299	1,066	21.9%
No. of Clients	36,28,465	32,31,801	12.3%
Districts	377	342	10.2%

### **Business Performance:**

- *India's largest NBFC-MFI in no. of customers (36.3 lacs), branches (1,299), districts (377) and States (22), leading in terms of Assets Under Management (AUM), with AUM of Rs. 7,182 crore*



- *Equity infusion in H1FY20 via Conversion of warrants worth Rs 60 crore by Promoter and OCCRPS worth Rs 45 crore by IndusInd Bank Ltd at Rs 335 per share*
- *Undergoing complete process re-engineering, leading to tightening of credit norms and better controls*
- *Long term Credit Rating IND A- (Positive) from India Ratings; Short term rating at A1 from ICRA, CRISIL and CARE ; Grading of MFI 1*
- *Subsidiaries:*
  - ***Taraashna Financial Services Ltd (TFSL)**, AUM has grown up by ~9% during Q2FY20 to Rs. 591 crores*
  - ***Satin Housing Finance Ltd (SHFL)**, AUM of Rs 116 crore with Nil delinquency, Standalone credit rating of CARE BBB (Stable). Successfully started raising debt, 7 lenders including refinance facility sanction from NHB in H1FY20*
  - ***Satin Finserv Ltd (SFL)**, Satin's MSME arm, taking good shape with AUM of Rs. 62 Crore, Investment of Rs. 30 crore during Q2FY20 by SCNL*

Speaking on the company's performance during the quarter, **Mr. H P Singh, Chairman and Managing Director** said, "Notwithstanding the challenging environment under which the NBFC industry has tread in the last quarter, SATIN still holds India's largest NBFC-MFI customer base. On account of floods in the states of Assam, Bihar, Orissa and Madhya Pradesh, we witnessed a marginal increase in PAR numbers during Q2FY20 and also impacted loan disbursement. However, we are constantly working towards maintaining a quality portfolio. We are undergoing a complete process re-engineering, leading to tightening of credit norms and better controls. We have successfully implemented Centralised Shared Services, Psychometric test and Geo-tagging of our branches, centers and clients house".

**Mr. Singh** further added, "SATIN has been successful in growing its non-MFI portfolio by more than 30% in the past 6 months. We will adhere to PAT guidance and continue to improve our performance in the upcoming quarters by expanding to new branches, untapped territories along with our subsidiaries. Nevertheless, we will continue to capitalize our distribution outreach by deepening our presence in the underserved rural/semi-urban areas of 22 states and union territories. To achieve this, we have curated our business strategy on four core pillars; geographical expansion, portfolio diversification, asset quality and strategic partnership with financial institutions. SATIN aims to be one-stop solution provider by leveraging its rural outreach."



# SATIN CREDITCARE NETWORK LTD.

Reaching out!

Satin Creditcare Network Limited (SCNL or Satin) is a leading microfinance institution (MFI) in the country with presence in 22 states and around 83,274 villages. The company mission is to be one stop solution for excluded households at the bottom of the pyramid for all their financial requirements.

The company also offers a bouquet of financial products in the Non-MFI segment (comprising of loans to MSMEs), a housing finance subsidiary, and business correspondent services and similar services to other financial Institutions through Taraashna Financial Services Limited, a business correspondent company and a 100% subsidiary of SCNL.

In April 2017, SCNL incorporated a wholly owned housing finance subsidiary (Satin Housing Finance Limited or "SHFL") for providing loans to the affordable housing segment.

In January 2019, received separate NBFC license to commence MSME business, Satin Finserv Limited. SCNL forayed in digital lending "Loan Dost" to target millennials.

As of September 2019, SCNL had 1,299 branches and a headcount of 11,551 across 22 states and union territories serving more than 36 lakh clients. A pan-India player with a strong presence throughout Uttar Pradesh, Bihar, North East, Madhya Pradesh and is a dominant player in its other states of operations.

## Disclaimer

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