

Investor Presentation  
June 2021

## 03 - 11

COVID – 19 Business Update & New Initiatives

## 12 - 15

Overview and Key Performance Highlights

## 16 - 30

What makes Satin a Compelling Investment Story

## 31 - 44

Key Financial & Operational Metrics

## 45 - 52

Company Background

### Cautionary Statement

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Based on revised returns filed by the company, some items for the year ended Mar 31, 2020 have been regrouped.

# COVID-19 - Business Update & New Initiatives



# Strengthening Business Despite Challenging FY21



## Collection Efficiency

- Post unlock in Dec'20, collection efficiency improved to 105% in Mar'21(including arrears)
- Cumulative collection efficiency for FY21 stood at 94%
- Collection Efficiency in Apr'21 stood at 93%
- Top four geographies which constitute 54% of the AUM had a collection efficiency of 98% for FY21
- Witnessing gradual recovery in collections in other geographies

## Fund Raise

- Bolstered capital position by successfully closing the Rights Issue of Rs. 120 crore in Aug'20 with an overwhelming response. Issue was oversubscribed at 123%.
- Out of this Rs. 120 crore raised, ~Rs. 90 crore already received by the Company (Rs.45 per share out of Rs. 60). Subsequent amount to be called as deemed fit by the Board
- During FY21, the Company raised debt of Rs. 4,312 crore including Direct Assignment Transactions of Rs. 743 crore
- Raised USD 5 million from Development Bank of Austria through ECB channel and Rs. 25 crore from a private bank in Q1FY22
- Total fund raised YTD is Rs. 62 crore in Q1FY22

## Disbursement

- Disbursement temporarily stopped in May'21 because of lockdown due to second wave of Covid
- The Company is closely monitoring external factors like overall economic environment
- The Company has maintained a cautious stance in new disbursement as our main focus is to maintain asset quality
- For FY21, disbursement stood at Rs. 4,982 crore on consolidated basis. As things improve, we expect disbursement to pick up in the coming quarters

# Strengthening Business Despite Challenging FY21



## Provisions

- The Company has made a cumulative on-book provision of Rs. 289 crore, of which Rs. 44 crore has been recognized by the Company as at 31 March 2021 on account of significant increase in credit risk on customers given additional support by the Company which were impacted due to Covid-19
- Maintained adequate provisions and write offs for bad loans, expect a write back in the coming quarters
- On-book GNPA stood at 8.4% while NNPA stood at 3.3% on standalone basis

## Guidance

- FY21 was a challenging year for the Micro-Finance Industry as a whole
- Considering the various challenges faced due to Covid-19 Pandemic and the resultant lockdowns, the Company had guided for flattish growth and no commitment on profits in FY21
- However, the Company has witnessed 2.5% growth in AUM. 9MFY21 had a PAT of Rs. -52 crore, Q4FY21 contributed a PAT of Rs. 38 crore, thus resulted in PAT of Rs. -14 crore in FY21

## Taking Care of Satin Family

- Satin Sahyog to support families of employees who pass away due to Covid-19 or accidental death
- Covid insurance for Satin staff to help with medical expenses and facility to provide oxygen concentrator and nurses at home for infected Satin staff
- Facilitation of Covid-19 vaccination for all our employees. The organization will cover the vaccination cost of two mandated vaccine shots for all the employees as part of its focus on health and wellness
- The initiative is aimed to safeguard the well-being of our employees from Covid-19 which has crippled the nation

# Strengthening Business Despite Challenging FY21



## Promoter Pledge

- Over the course of the year, the promoter group has reduced significant percentage of pledge of their shareholding
- Percentage of Promoter pledge has decreased from 52.88% in Dec'18 to 3.09% on fully diluted basis as on date

## Cashless Collection

- Implemented cashless disbursement across 100% branches – 8% of collection via cashless mode, adopted website payment option and UPI auto debit
- To drive financial inclusion and boost cashless transactions in the country, SCNL has made loan repayments more seamless for its customers by introducing UPI AutoPay, **first in the industry to launch**

## Clean Energy Certification

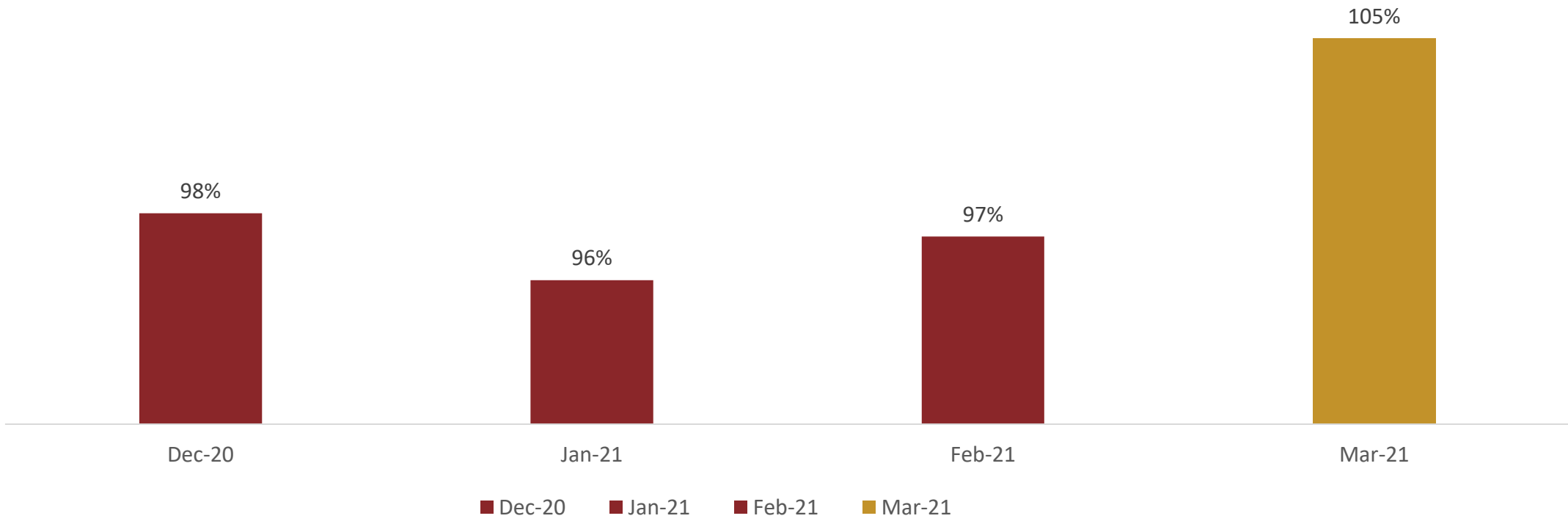
- SCNL's clean energy programme is an illustration of its dedication to serve the society responsibly by providing customized financial solution
- More than one lacs clean energy loans were disbursed
- Awarded Certificate of Excellence in Clean Energy Finance as a part of the UNFCCC Clean Development Program (CDM), in line with our commitment towards a better tomorrow

# Witnessed Significant Improvement in Collection Efficiency



## Witnessed Month on Month Improvement in Collection Efficiency during FY21

- Cumulative collection efficiency for **FY21 is 94%**
- Collection efficiency including arrears in **Mar'21 stood at 105%**



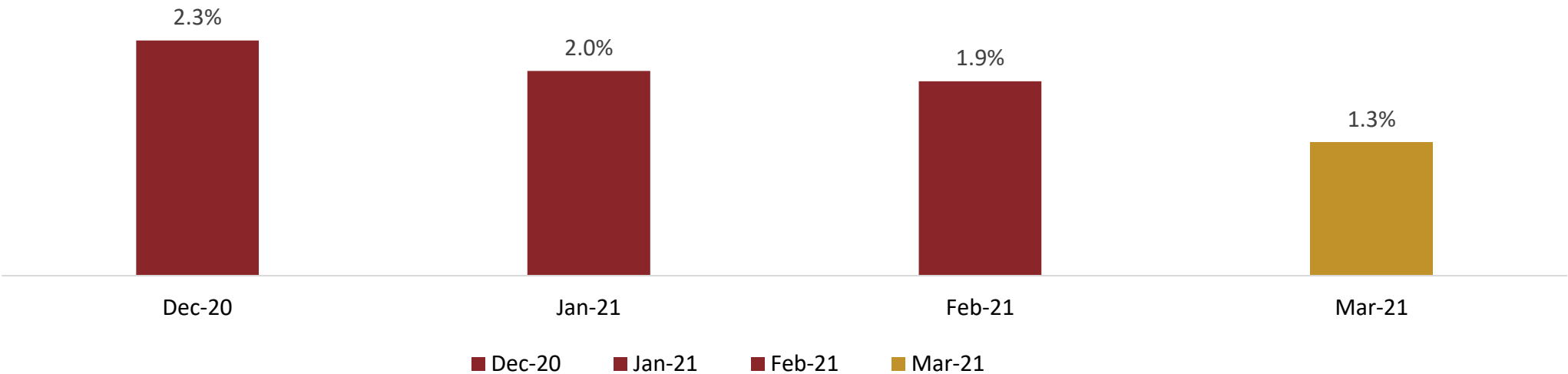
**Note:** \*Data on standalone basis for JLG on-book portfolio

# Backed by Substantial Reduction in % of Non-Paying Customers



Reduction in % Portfolio of Non-Paying Clients \*

- **90.6% clients have paid all instalments in Mar'21**
- **Significant drop in number of non-paying clients from 11% in Sep'20 to 1.3% in Mar'21**
- Disbursement in FY21 represent 70% of total AUM with PAR of 0.7% till Mar'21



**Note:** \*Data on standalone basis for JLG on-book portfolio

# Business approaching Pre- Covid levels



Rs. **8,379** crore

GROSS LOAN PORTFOLIO

Rs. **2,376** crore

DISBURSEMENT in Q4FY21

**30.5** lacs

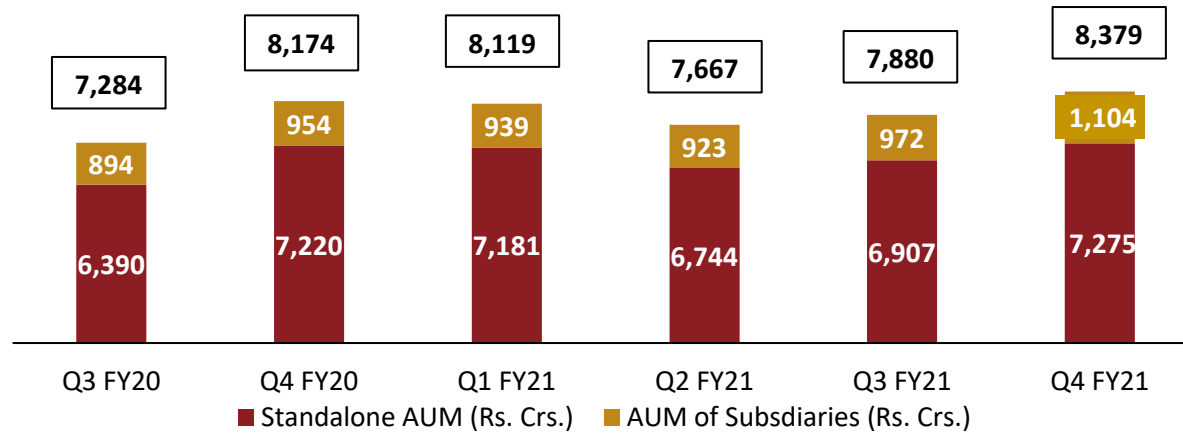
ACTIVE CUSTOMERS

**1,257**

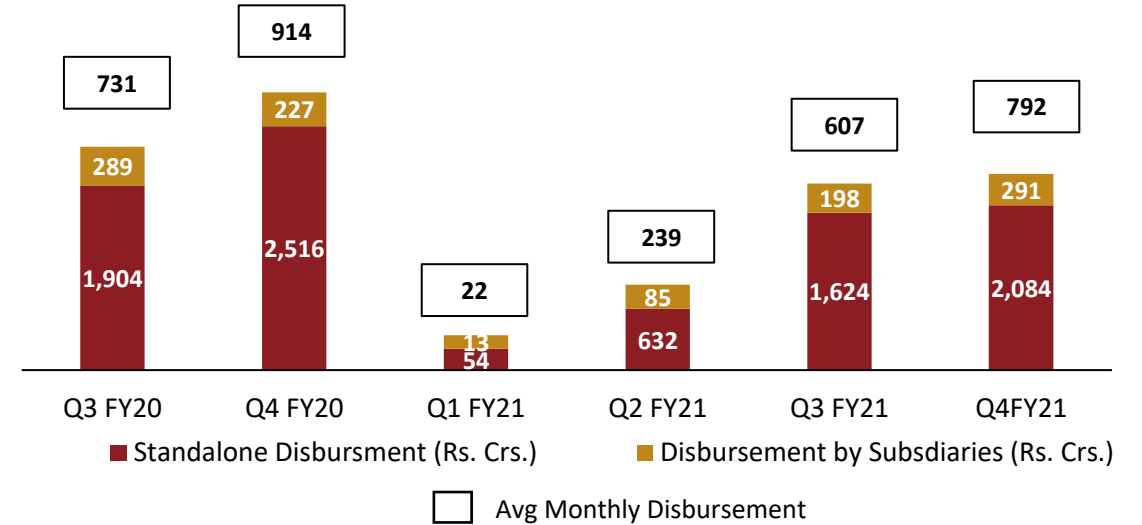
NO. OF BRANCHES

(During the Quarter added 120,556 number of new borrowers)

*AUM witnessing steady state growth*



*Disbursement gradually approaching Pre-Covid Levels*



## Standalone Information:

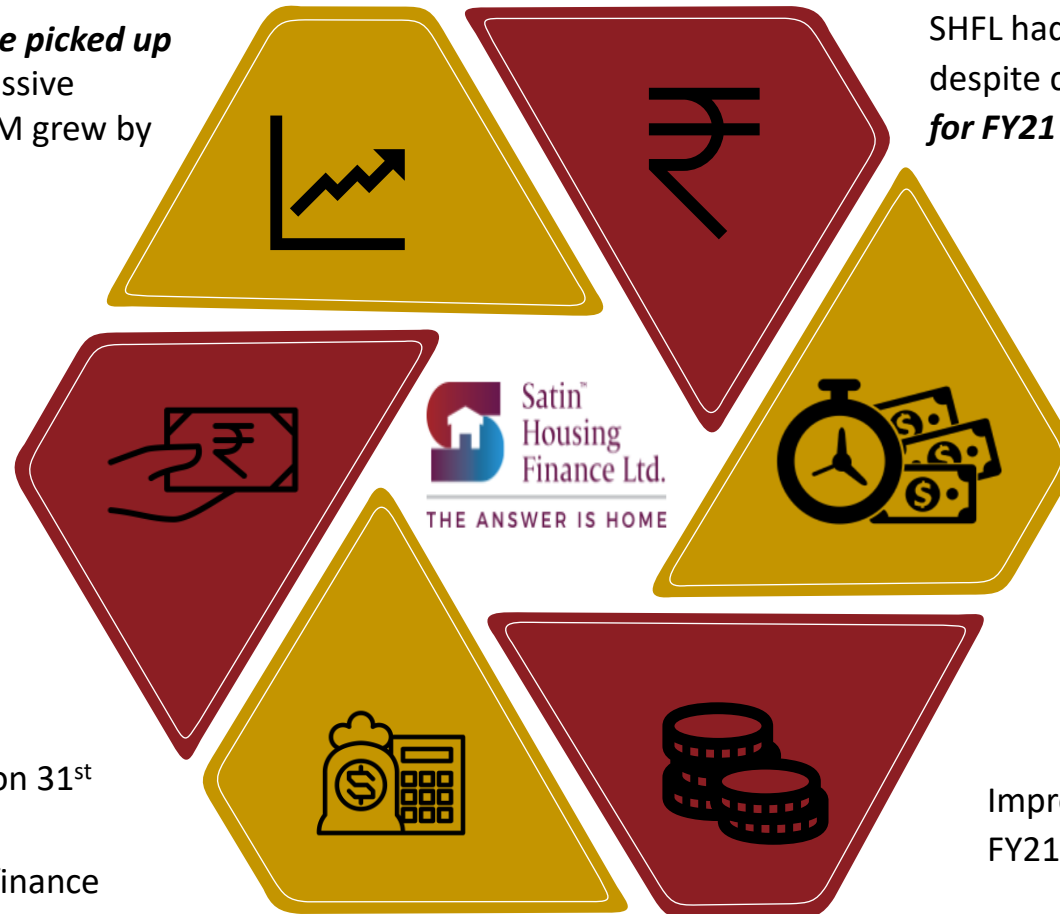
- GLP grew by 5.3% Q-o-Q Rs. 7,275 crore, signifying recovery
- Disbursement grew by 28.3% Q-o-Q in Q4FY21 to Rs. 2,084 crore
- We have witnessed recovery in our collection efficiency in Q4FY21, which stood at 105% as on Mar'21 (incl. OD)

## Satin Housing Finance Limited

**Monthly disbursement have picked up** and started showing progressive recovery despite Covid, AUM grew by 63% in FY21

FY21 disbursement stood at **Rs. 118 crore**

Healthy **CRAR of 90.16%** as on 31<sup>st</sup> March 2021  
10 lenders including NHB refinance



SHFL had 2 successive profitable quarters despite challenging business environment, **PAT for FY21 stood at Rs.1.4 crore**

**No restructuring or moratorium** of any loan

Impressive collection efficiency for FY21 at **99.6%**



## Taraashna Financial Services Limited

- ✓ Collection Efficiency for Mar'21 stood at 93%
- ✓ No restructuring of any loan, 16% clients availed moratorium
- ✓ Disbursement increased by 15% YoY in Q4FY21, added two new BC partners
- ✓ Sourcing business for SCNL & SFL under Nai Roshni



## Satin Finserv Limited

- ✓ Second profitable year of operations in spite of the overhang of Covid Pandemic
- ✓ AUM growth of 18% in FY21
- ✓ Healthy CRAR of 81.37%
- ✓ GNPA of 1.5%
- ✓ 3% clients opted for complete moratorium and 9% loans restructured

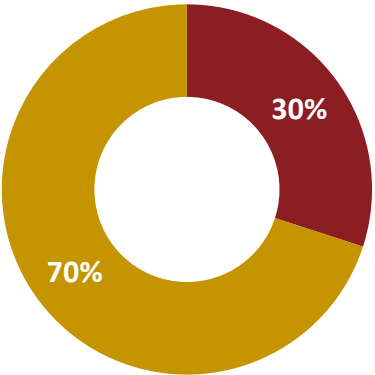
# Overview and Key Performance Highlights





Share of New Disbursement in FY21 as % of Total AUM

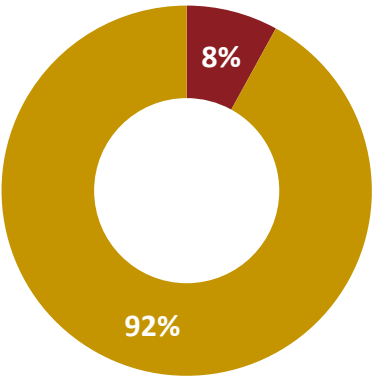
*New disbursement made in FY21 (post-Covid) contribute 70% of the total loan portfolio as on 31st Mar'21 with PAR1 at 0.7%*



■ Pre-Covid Portfolio      ■ Post-Covid Portfolio

Share of Non-MFI Loan Portfolio as % of Total AUM

*Share of Non-MFI Portfolio was 8% of total AUM as on 31<sup>st</sup> Mar'21, in-line with the company's stated strategy of moving towards a balanced mix of secured and unsecured lending*



■ Non MFI Portfolio      ■ MFI Portfolio

# Corporate Overview Standalone – FY21



Rs. **4,394** crore

DISBURSEMENT

**29.8** Lacs

LOAN ACCOUNTS  
OUTSTANDING



**23**

STATES & UT's

**1,011**

BRANCHES

**13.3** Lacs

NO. OF LOANS DISBURSED



Rs. **7,275** crore

GROSS LOAN PORTFOLIO



Rs. **(14)** crore

PROFIT AFTER TAX

**25.3%**

CAPITAL ADEQUACY

**(0.18%)**

RETURN ON ASSETS



Rs. **33,000**

AVERAGE TICKET SIZE

**(0.92%)**

RETURN ON EQUITY

# Corporate Overview Consolidated – FY21



Rs. **1,374** crore

REVENUES

**30.5** Lacs

CLIENTS



**1,257**

BRANCHES



Rs. **742** crore

NET INTEREST INCOME



Rs. **8,379** crore

GROSS LOAN PORTFOLIO



**23**

STATES & UT's



**(0.18%)**

RETURN ON ASSETS



**(0.95%)**

RETURN ON EQUITY

Rs. **(14)** crore

PROFIT AFTER TAX

What makes Satin a  
Compelling Investment Story



# What makes Satin a Compelling Investment Story



# 1. Differentiated Product Offerings



	SCNL	Business Correspondent Services	Housing Finance	SME
Product features as on Mar'21	MFI <sup>(1)</sup>	Taraashna Financial Services Limited <sup>(2)</sup>	Satin Housing Finance Limited <sup>(3)</sup>	Satin Finserv Limited (SFL) <sup>(4)</sup>
Start Date	May'08 (JLG)	May'12	Feb'18	Mar'19
Ticket Size Range	Upto Rs. 50,000	Upto Rs. 50,000 (JLG - Microfinance)	Rs. 100,000 – 4,000,000	Rs. 100,000 – 100,000,000
Tenure	6 - 24 months	12 - 24 months	24 - 240 months	12 - 120 months
Frequency of Collection	Bi-Weekly	Bi-Weekly	Monthly	Monthly/Quarterly
No. of States/UTs	23	7	4	8
No. of Branches	1,008*	217	14	15
AUM (Rs. crore)	6,964 <sup>(5)</sup>	748	226	131
No. of loan accounts	2,977,764	390,809	2,413	1,725
Avg. Ticket Size for Q4FY21	Rs. 37,000** (JLG)	Rs. 34,000	Rs. 1,125,000	Rs. 331,500 (Retail) <sup>(6)</sup>

## Notes

(1) As on Mar'21, included MFI Lending (loans under JLG model, IndusInd BC and water & sanitation) and Product Financing (Loans for solar lamps, cycles)

(2) TFSL acquisition is effective Sep 1, 2016

(3) Satin Housing Finance Ltd was incorporated on April 17, 2017

(4) SFL was incorporated on August 10, 2018

(5) SCNL also has MSME portfolio of Rs. 310 crore other than MFI portfolio

(6) Average Ticket Size of Retail Financing is 3.31 lacs. Overall, the average ticket size of SFL is Rs. 7.58 lacs

\*As of Q4FY21, there were 1,008 branches with Microfinance operations & 27 branches with MSME operations. Out of the 27 MSME branches, 24 of them also had microfinance operations & 3 were unique

\*\*Focus on repeat clients with established credit history

... With opportunities to leverage our client reach



## Satin finances product purchase of solar lamps, bicycles etc. and grants loan for safe water and sanitation facilities

Financing ~Rs. 67 crores during FY21

### Product Financing



#### Bicycle Loan

**4,471** loans disbursed



#### Home Appliances

**6,950** loans disbursed



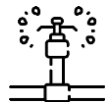
#### Solar Products

**5,987** loans disbursed



#### Consumer Durables

**21,422** loans disbursed



#### Water & Sanitation

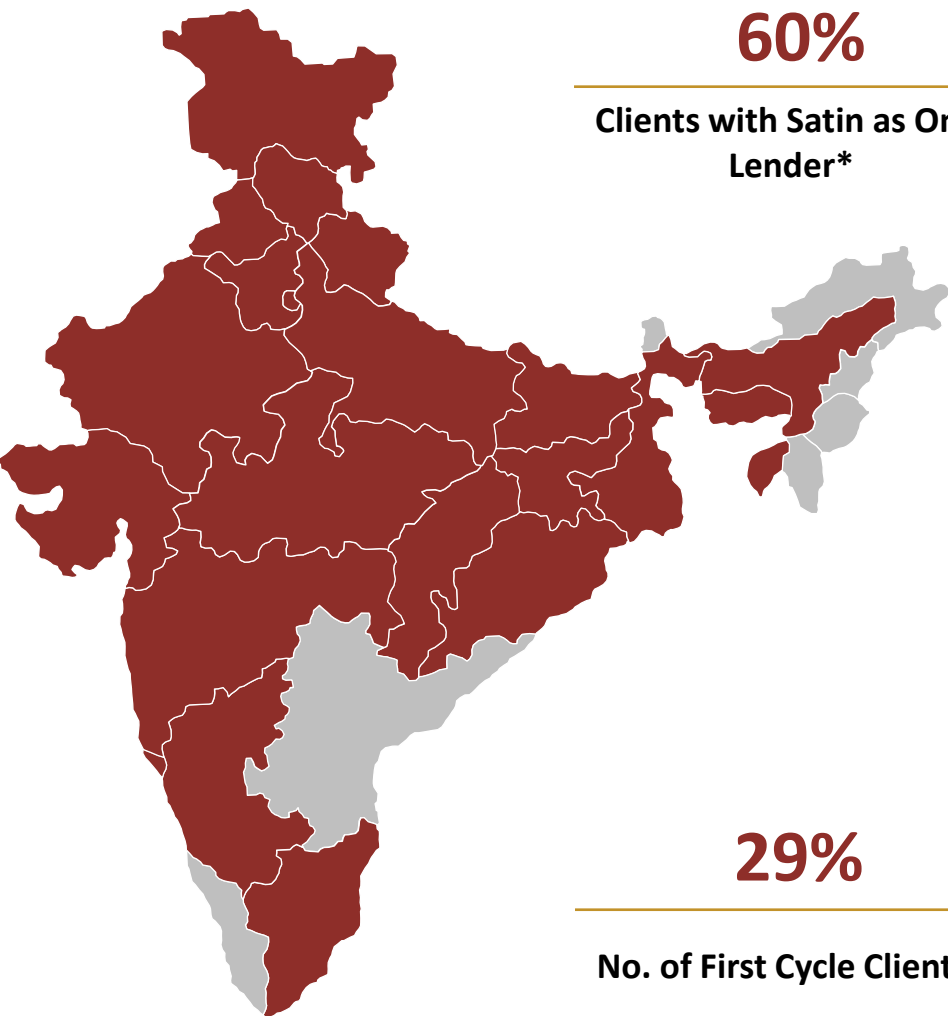
**26,819** loans disbursed

### Benefits

- Enhances the productivity and income generating potential of its clients
- Enables the Company to leverage its rural outreach
- Capitalizes on the Company's existing network and client base
- No incremental cost, thus the income directly adds up to the bottom line

# 2. Diversified Geographical Presence

...serving ~31 lacs clients across India



60%

Clients with Satin as Only Lender\*

~31 lacs

No. of Active Clients

~34 lacs

No. of Loan Accounts

388

No. of Districts

84,000

No. of Villages

74

No. of Regional Offices

2.5 lacs

No. of Centres

29%

No. of First Cycle Clients\*

8,090

No. of Loan Officers

12,726

No. of Employees

The pictorial representation of Map of India does not purport to be the Political Map of India

*On Consolidated basis*  
*\*at the time of disbursement, data is for JLG Standalone only. Focus on existing clients with established credit history*

# ... Leading to increasing footprints



1. Increasing exposure to Newer states

2. Reducing exposure to traditional regions

3. Foraying into New Geographies

States	% of total GLP		GLP (Rs. crore) FY21
	FY16	FY21	
Uttar Pradesh	40.9%	21.0%	1,757
Bihar	17.7%	15.6%	1,310
Punjab	12.7%	8.7%	732
Madhya Pradesh	15.5%	8.7%	727
Uttarakhand	3.2%	1.4%	116
Maharashtra	1.6%	1.3%	106
<b>Total</b>	<b>91.7%</b>	<b>56.7%</b>	<b>4,749</b>

States	% of total GLP		GLP (Rs. crore) FY21
	FY16	FY21	
West Bengal	0.1%	6.8%	567
Rajasthan	2.3%	5.4%	454
Delhi & NCR	2.0%	4.3%	356
Gujarat	0.5%	4.1%	344
Haryana	1.9%	3.7%	313
Jharkhand	0.7%	2.2%	187
Chhattisgarh	0.6%	1.3%	112
J&K	0.1%	0.1%	5
<b>Total</b>	<b>8.2%</b>	<b>27.9%</b>	<b>2,339</b>

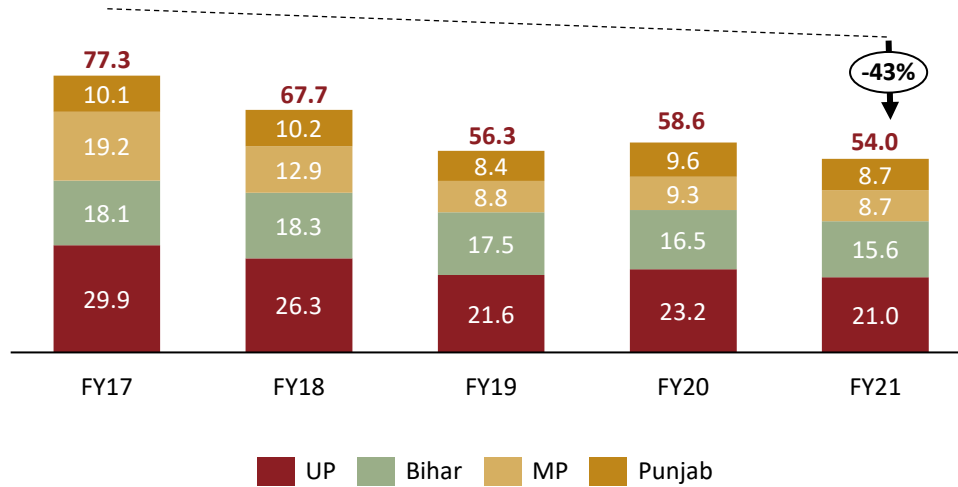
States	% of total GLP		GLP (Rs. crore) FY21
	FY16	FY21	
Tamil Nadu	0.0%	4.2%	350
Odisha	0.0%	4.1%	347
Assam	0.0%	4.0%	335
Karnataka	0.0%	1.8%	154
Tripura	0.0%	1.0%	81
Pondicherry	0.0%	0.1%	10
Himachal Pradesh	0.0%	0.1%	7
Meghalaya	0.0%	0.1%	5
Sikkim	0.0%	0.0%	2
<b>Total</b>	<b>0.0%</b>	<b>15.4%</b>	<b>1,291</b>

# ... And de-risking geographical concentration

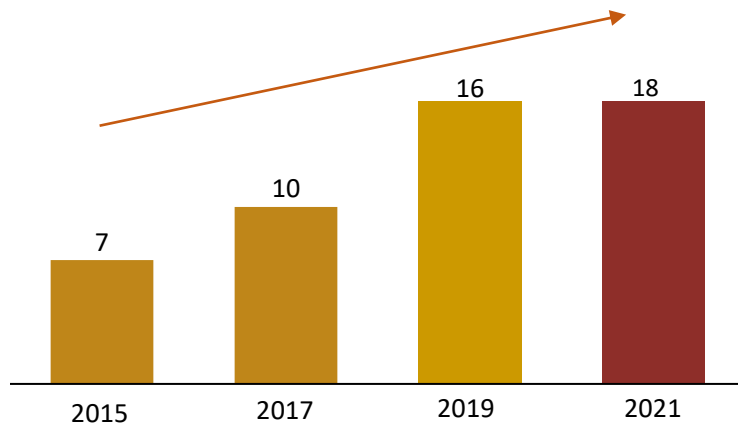
## To remain a PAN India Player



### Share of Top 4 States Reduced from 77% to 54%

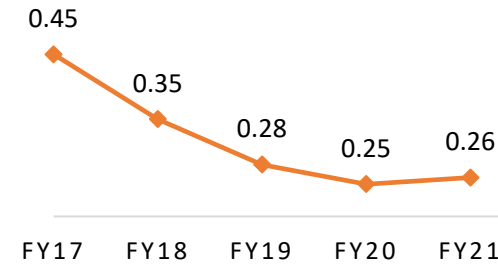


### Number of States contributing more than 1% to Total AUM

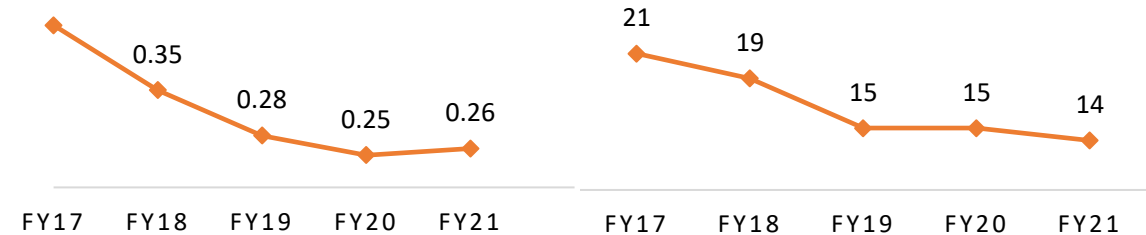


### Limiting Exposure per district

#### Average exposure per district %

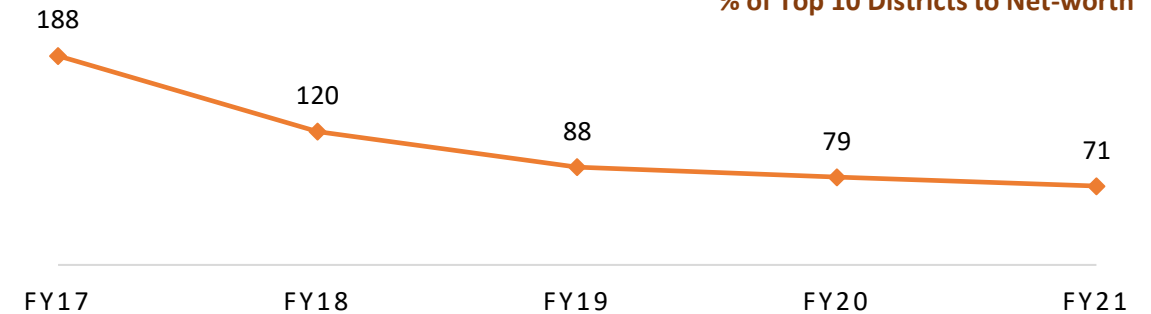


#### % of Top 10 Districts to AUM



Particulars	FY17	FY18	FY19	FY20	FY21
No. of Districts - JLG	236	306	359	397	388
% of Districts with <1% exposure	88.1%	92.5%	96.4%	96.5%	95.8%
% of Districts with >2%	2.1%	1.0%	0.6%	0.5%	0.5%

#### % of Top 10 Districts to Net-worth



### 3. A Difference Powered by Technological Prowess & Processes...



Game Changing  
**Digital Transformation Technology**  
(LMS)



**Turn Around Time** of Customer Acquisition  
to disbursement journey  
**Reduced from 18 days to a few  
minutes**

&

Help us to be ahead of the curve to better  
respond to the ever-changing business  
scenarios

#### LMS

- Online real-time system
- Last Mile Connectivity on Tabs
- **Greener** (paperless environment)
- Event based mapping of Geo Location & Tracking Penetration
- Instant Bank Account Verification
- Core Accounting & Financial System
- Cashless Disbursement @100% branches
- API centric multiple cashless collection processing in the system (AEPS, Debit Card, Net Banking, UPI, QR Code)
- Real-time Dashboards
- Real-time CB Checks
- Features enabling brand recall value (SMS, OTP, QR Code)
- Cross sell disbursal module with real-time partner inventory tracking
- HR Management Module (employee creation, transfer, attendance, exit, leave management etc.)

#### Technology Footprint

- Employee Fraud Detection & Recovery Module
- Lender Fund Allocation Module
- Funder Borrowing Module
- BC subsidiary also using the same technology & leveraging the same benefits
- Centralized Shared Service centre introduced within SATIN; to create unified support model across Business Reporting / End User Applications Support & Managed Infrastructure
- Developed in-house software for subsidiaries like Housing & MSME too
- In-house Customer Service Application for MFI business

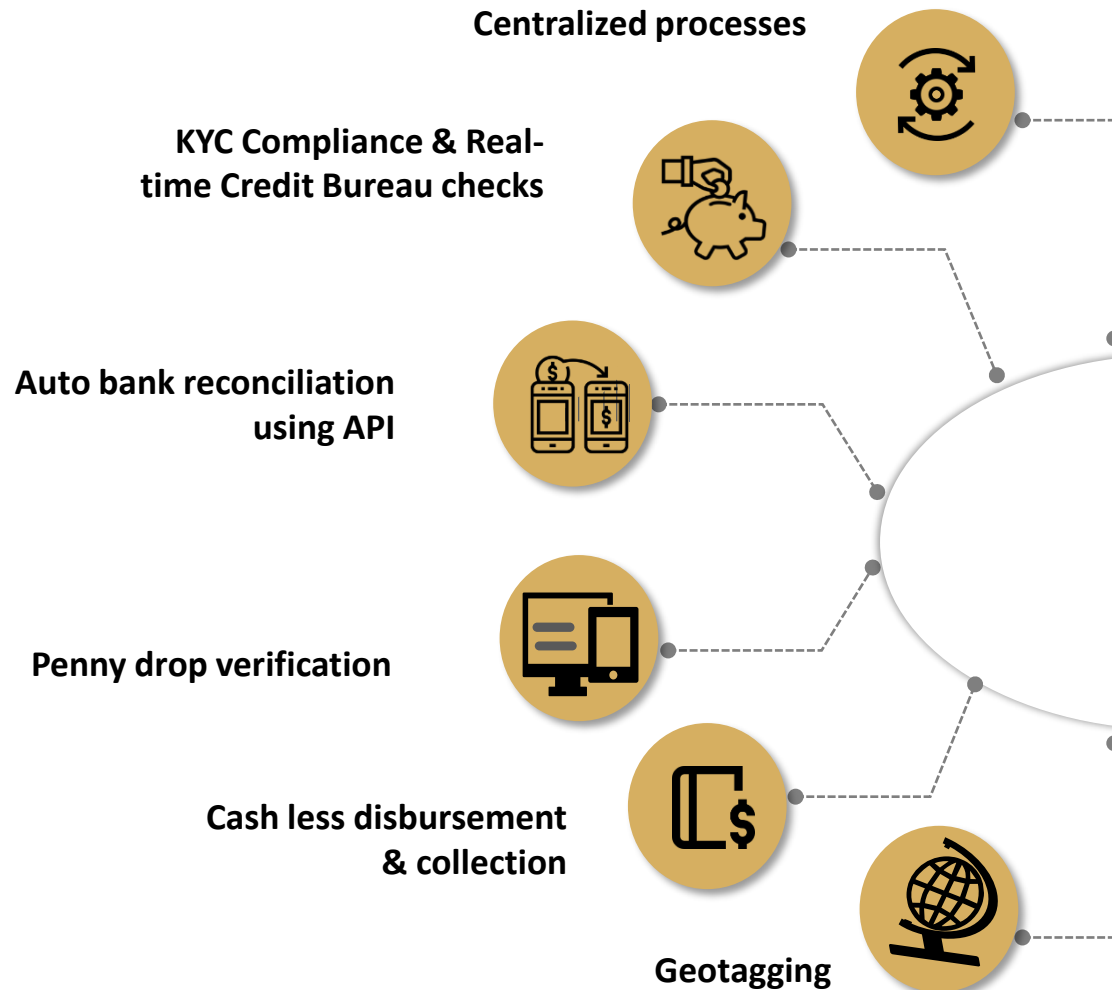
#### Gold Standard Information Security

- Our company is the first MFI to be certified with ISO 27001:2013, which affirms the prevalence of robust ISMS specifying the requirements for establishing, implementing, maintaining and continually improving ISMS within the organisation
- This certification indicates SATIN has integrated a robust ISMS in its business processes & exemplifies that information security and client confidentiality are part of the cornerstones of SATIN's strategic objectives

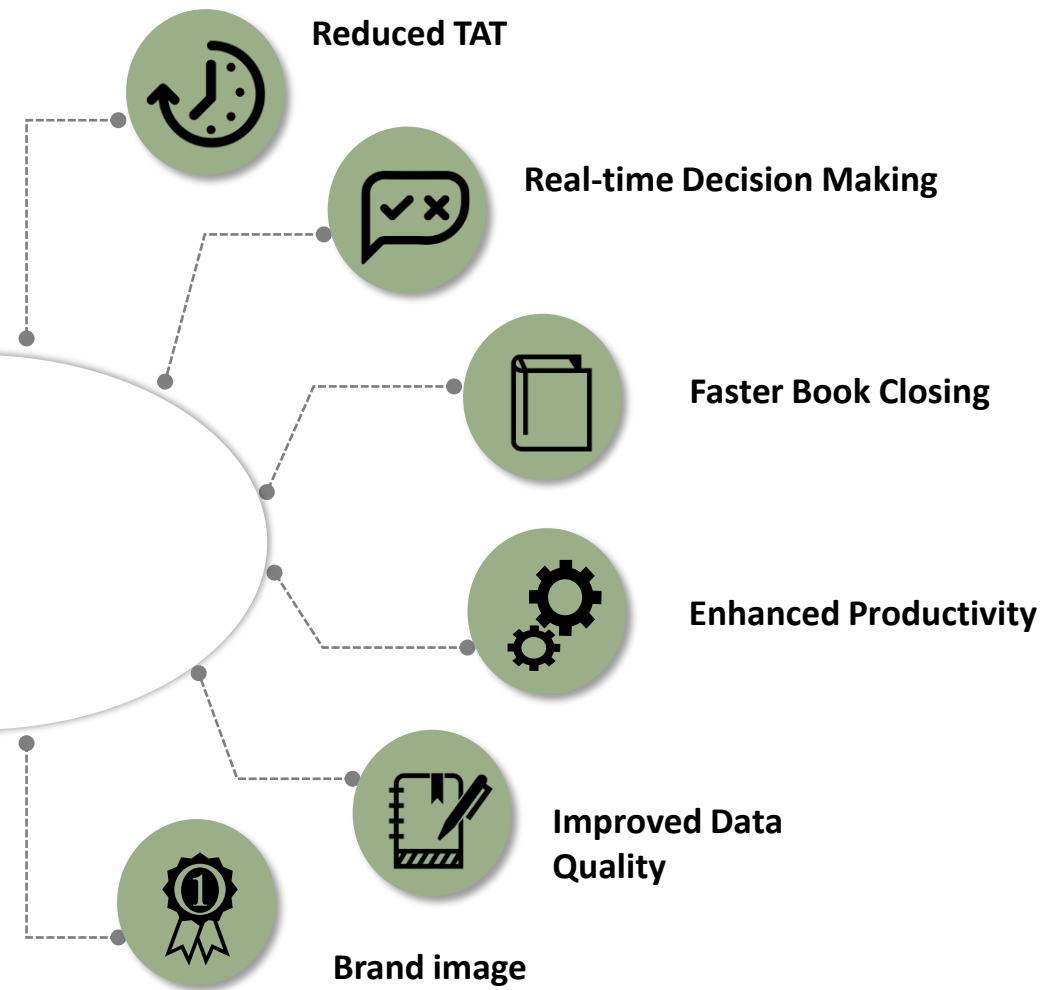
# ... Leading to Operating Efficiency & Scalability



## New initiatives...



## ...leading to improved processes



## 4. Robust Underwriting & Full-fledged in-house Internal Audit



### Robust Underwriting



#### Real-time Credit Bureau checks

to track loan history of the prospective clients, also created own Credit Bureau scorecard for individual clients for better screening



#### Rotating Responsibility

Shuffling CSOs every 9 months and transferring every 18 months to reduce human biases. Risk Officers visit clients regularly



#### Centralized Share Services

KYC verification, IVR, TVR, ensuring uniform processes



#### Geo-tagging

of 100% branches and centers and 92% clients' houses



#### Account Verification & Cashless Disbursement

via penny drop verification along with strict KYC compliance, also cashless disbursement eliminates the cash handling risk

### Full-fledged in-house Internal Audit

**117**

Zonal Auditors &  
Regional Auditors

#### Feedback based

Compliance Audit

**100%** Digital

on Audit Reports and Findings

**986** Audits

completed in Q4FY21

#### Quarterly Audit

Regional Office, Branch & Social  
Performance Management

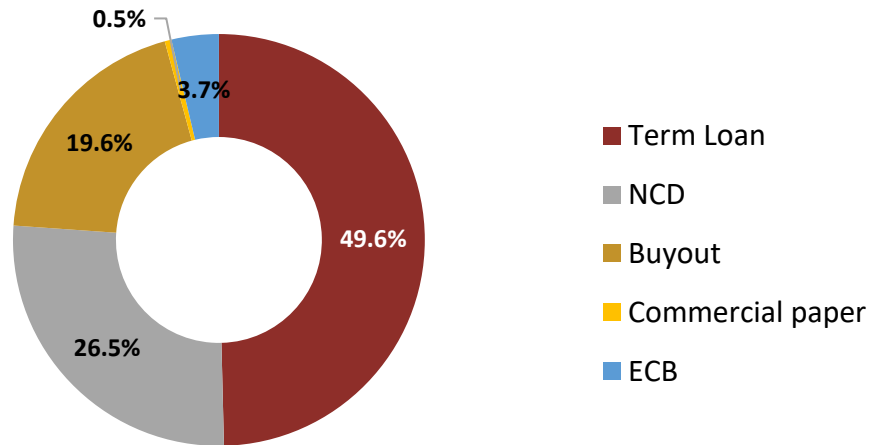
**18** man-days

field audit per auditor per month

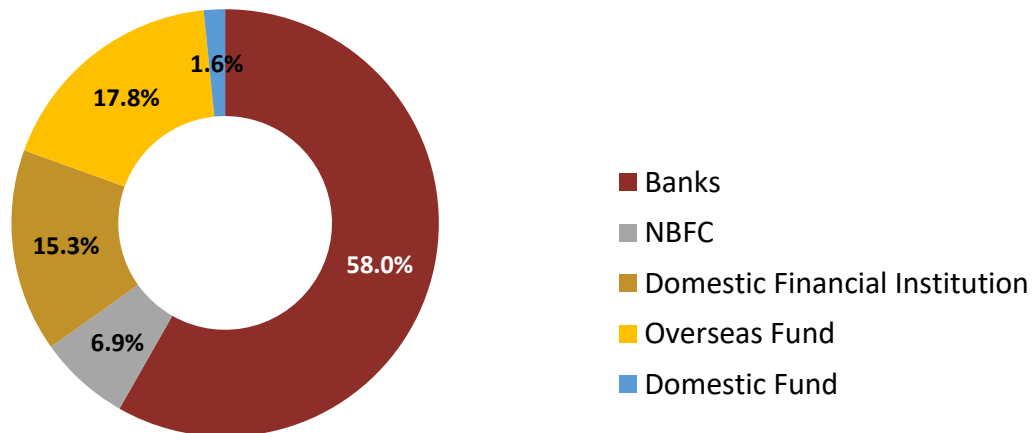
## 5. We have a well-diversified Liability Profile... ... insulated from Capital Market Turbulence



**Product-wise Mar'21**



**Lender-wise Mar'21**



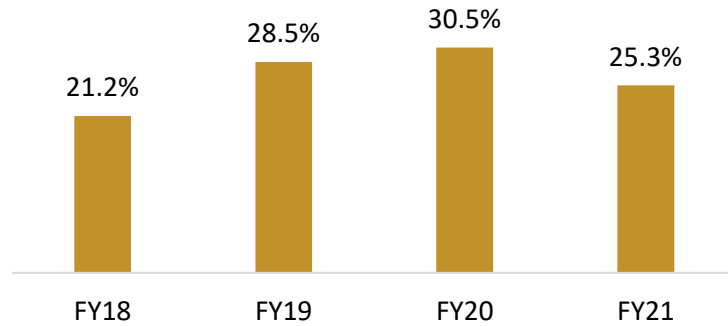
**Large Lender Base  
64 Active Lenders**

Top 10 Lending Partners	% Share as on 31 <sup>st</sup> Mar'21
Indian Bank	13%
NABARD	11%
IDFC First Bank	7%
State Bank of India	6%
Bank of Baroda	5%
Blue Orchard Microfinance Fund	5%
AAV S.A.R.L.	4%
SIDBI	3%
Standard Chartered Bank	3%
HSBC	3%
<b>Total of Top 10 lenders</b>	<b>60%</b>

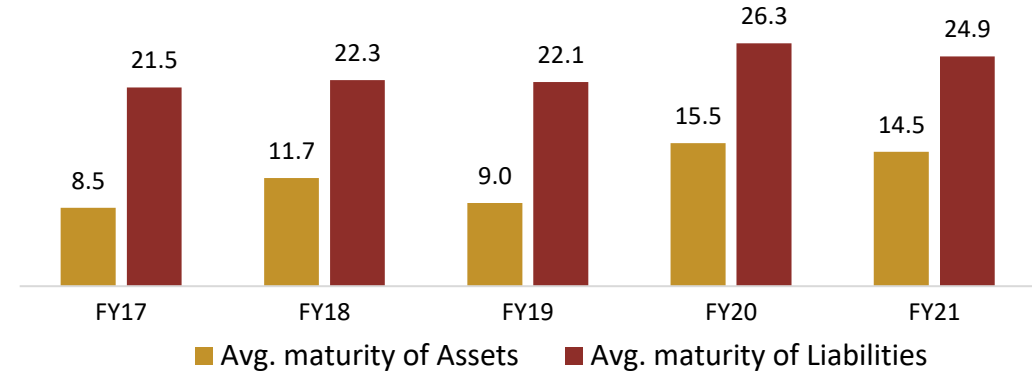
## 6. Strong Capitalization with Ample Liquidity



### Healthy CRAR to Support Growth Opportunities



### Benefit of Positive ALM Continues



Static ALM as on 31 <sup>st</sup> Mar'21 (Rs. Crore)	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Total
<b>Inflows</b>							
Liquidity at the beginning of month*	1,469	1,594	1,686	1,591	1,602	1,694	1,469
Principal - Loan portfolio	247	175	228	257	265	283	1,455
Interest - Loan portfolio	95	59	72	75	73	72	446
<b>Total (A)</b>	<b>1,811</b>	<b>1,828</b>	<b>1,986</b>	<b>1,923</b>	<b>1,939</b>	<b>2,049</b>	<b>3,370</b>
<b>Outflows</b>							
Principal repayments	176	114	323	285	186	286	1,370
Interest repayments	41	29	72	36	59	63	301
<b>Total (B)</b>	<b>217</b>	<b>143</b>	<b>395</b>	<b>321</b>	<b>245</b>	<b>349</b>	<b>1,671</b>
<b>Cumulative Mismatch (A-B)</b>	<b>1,594</b>	<b>1,686</b>	<b>1,591</b>	<b>1,602</b>	<b>1,694</b>	<b>1,699</b>	<b>1,699</b>

\*Excluding margin money deposits of Rs. 284 crore lien with lenders and undrawn sanction in hand of Rs.143 crore as on Mar'21

# Diversification with allied product offerings



## Taraashna Financial Services Ltd - TFSL

- » Acting as a business correspondent, TFSL provides credit to clients in rural and semi-urban areas on behalf of partner banks and NBFCs
- » The cashless disbursement percentage has reached ~97% of TFSL's total disbursement for Mar'21; 2% collection through cashless mode
- » TFSL has a low-risk business model which is highly capital efficient
- » AUM stood at Rs 748 crore, with presence across 7 states
- » The Company operates through 217 branches, and has more than 3.9 lacs clients
- » TFSL will now source business for SCNL & SFL under Nai Roshni

## Satin Housing Finance Ltd (SHFL)

- » 100% retail book comprising of:
  - » Affordable home loans – 79%
  - » Loan against property – 21%
- » Excellent portfolio quality since inception, Collection Efficiency of 100% during FY21
- » Mainly caters to clients belonging to Middle and Low-Income Groups in peripherals of Tier II and below cities
- » CRAR of 90.2% and gearing of 1.5x. Total equity stands at Rs 95 crore
- » Total AUM Rs 226 crore including DA of Rs 16 crore
- » Two consecutive profitable quarters despite challenging business environment
- » Standalone rating of BBB (Stable) from CARE

## Satin Finserv Limited (SFL)

- » Incorporated in Aug'18, got license from RBI to start business in Jan'19
- » Standalone credit rating of CARE BBB- (Stable)
- » Gross Loan Portfolio of Rs 131 crore
- » CRAR for Q4FY21 is 81.4%
- » Total networth stands at Rs 106.5 crore
- » Business focus on secured retail MSME lending
- » 15 Branches across 8 states with 1,725 active loan clients
- » SFL has migrated to in-house software

# Successfully Navigated Crisis During Legacy of 30 Years



## Learnings from Demonetization

### ❑ Implementation of best-in-class technology

- Reduced TAT
- Real-time data
- Enhanced Productivity
- Improved monitoring and control

### ❑ Diversifying Geographical Presence

- Increasing exposure to Newer states
- 95.8% of Districts with <1% exposure
- Uttar Pradesh share brought down from 40.9% in Dec'16 to 21.0% in Mar'21

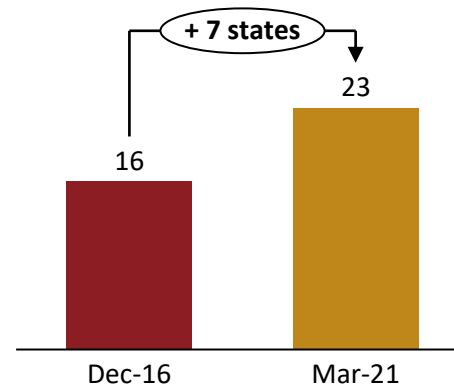
### ❑ Strong Capitalization with Ample Liquidity

- Capital Adequacy has improved from 18.3% in 2016 to 25.3% currently
- Raised Rs 560 crore equity capital
- Liquidity of over Rs 1,460 crore

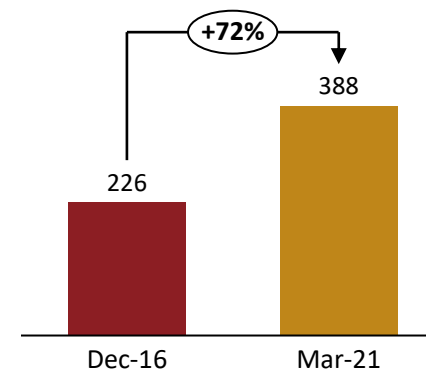
### ❑ Strategic Changes

- Diversified out of unsecured MFI portfolio by floating subsidiaries in housing and MSME finance
- Changed center meeting to bi-weekly
- Process re-engineering
- Strengthened management team

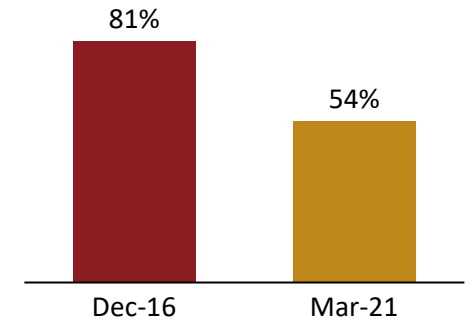
### De-risking Geographic Concentration (No. of States)



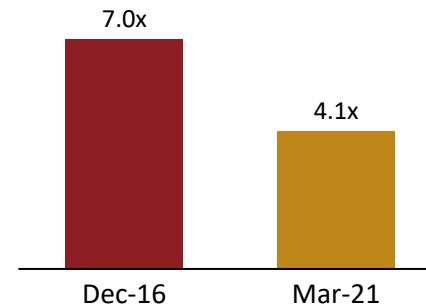
### District Diversification



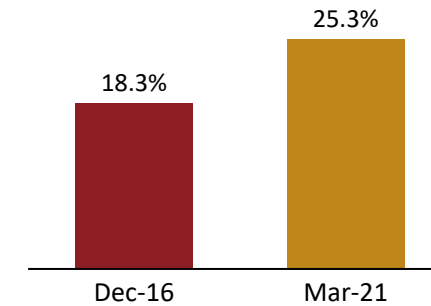
### Reduction in Top 4 State Contribution



### Reduced Leverage



### Improved Capital Adequacy



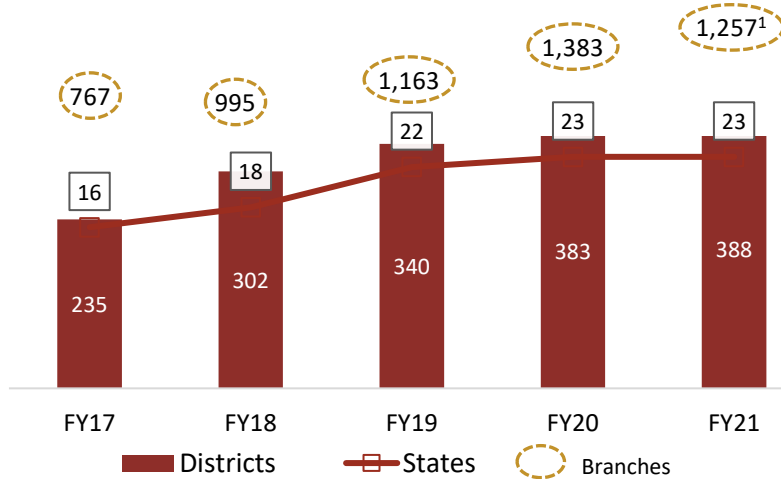
# Key Financial & Operational Metrics



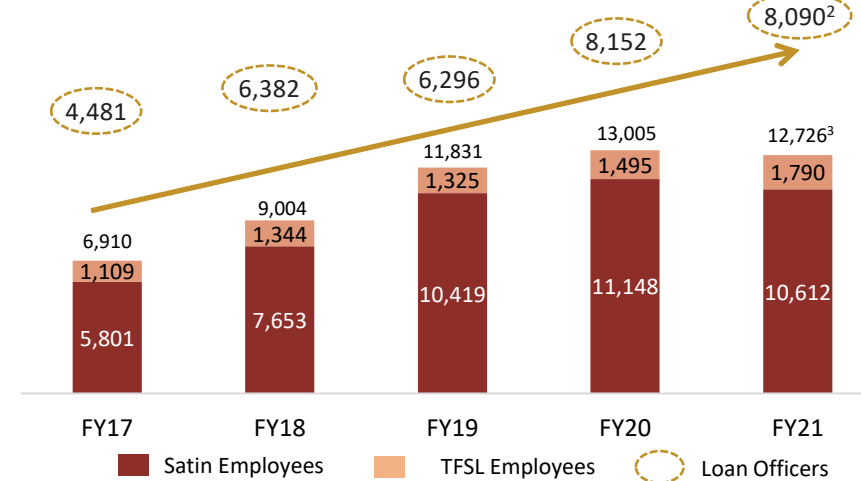
# Key Operation Metrics



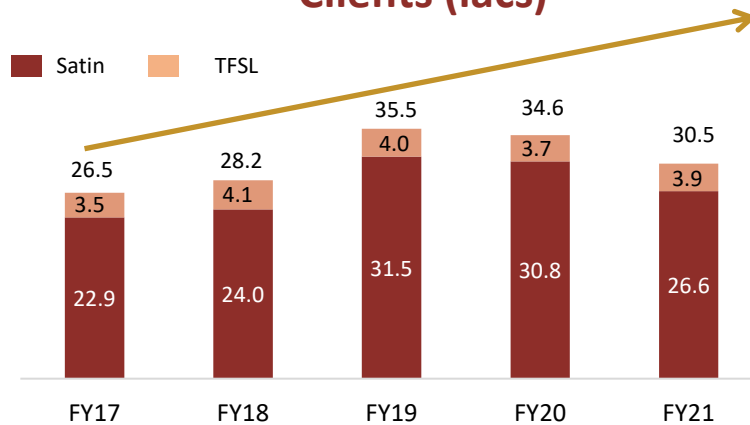
## Districts, States and Branches



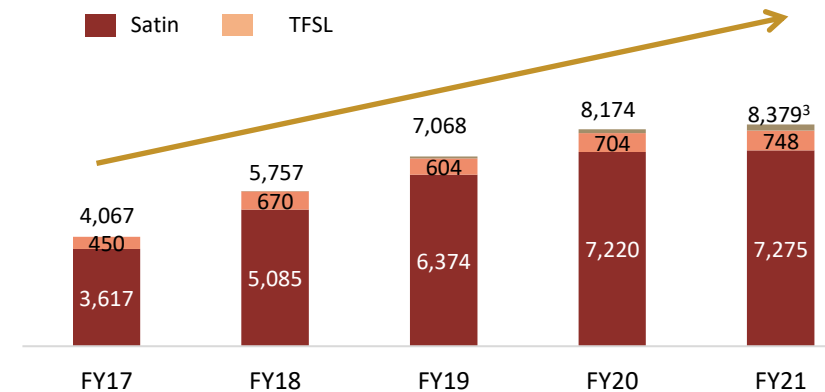
## Employees & Loan Officers



## Clients (lacs)



## Gross Loan Portfolio (Rs. crore)

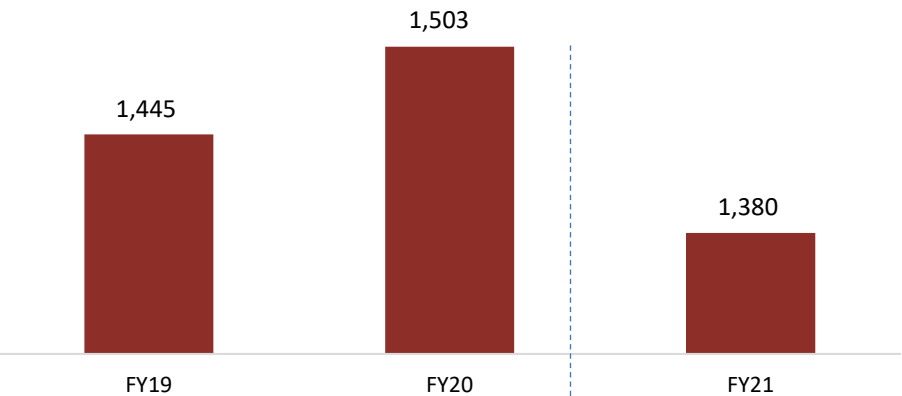


Note: (1) Data on Consolidated basis. On a standalone basis, the number of branches were 1,011; (2) Data on a consolidated basis. On a standalone basis the number of loan officers were 6,511; (3) Consolidated figures includes Satin Housing Finance Limited and Satin Finserv Ltd. as well.

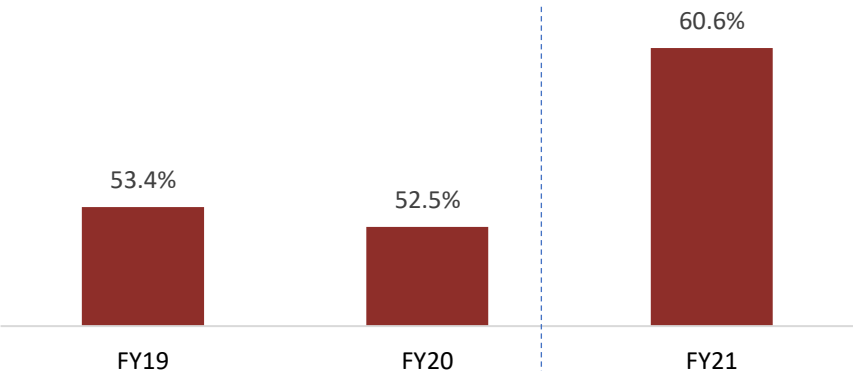
# Key Consolidated Financials



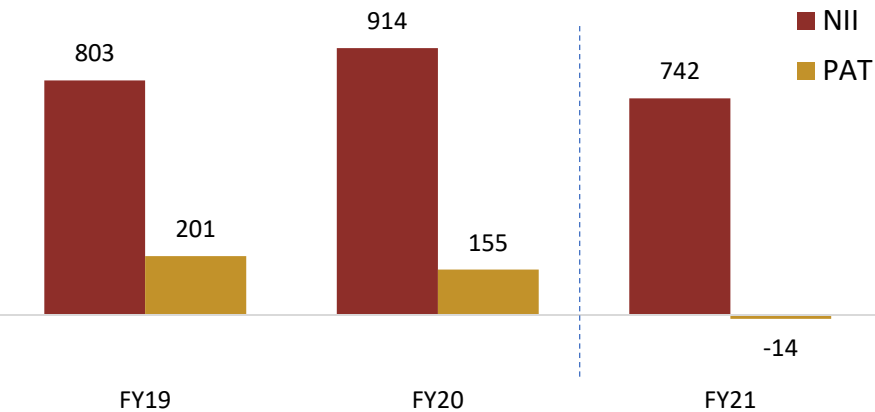
Gross Income (Rs. crore)



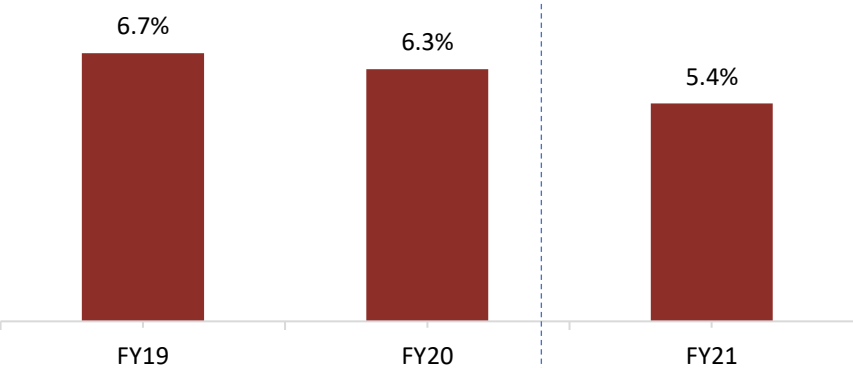
Cost to Income Ratio (%)



NII and PAT (Rs. crore)



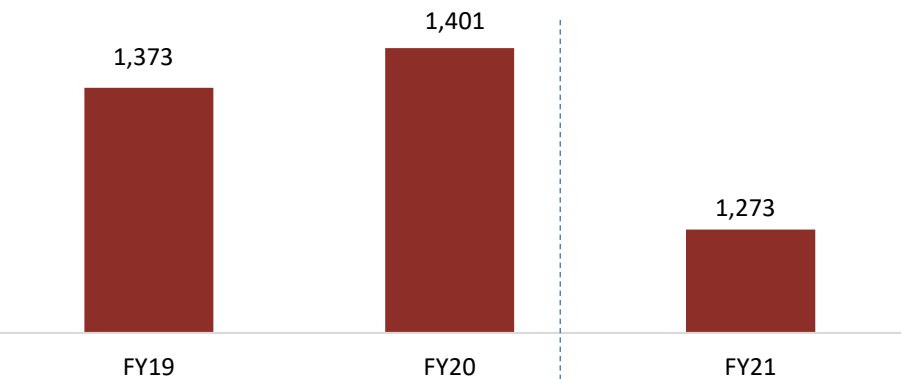
Opex to Avg GLP (%)



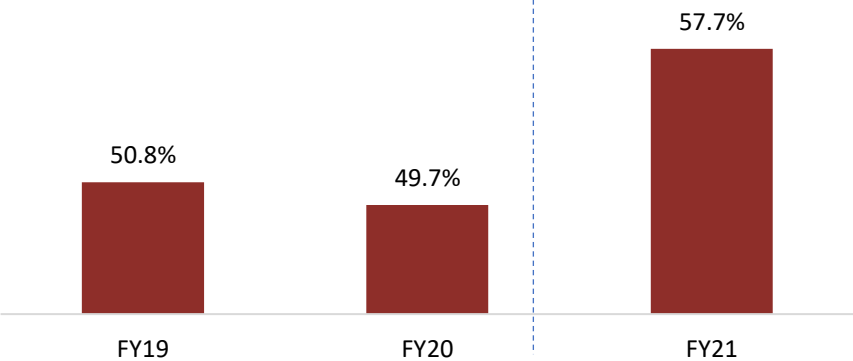
# Key Standalone Financials



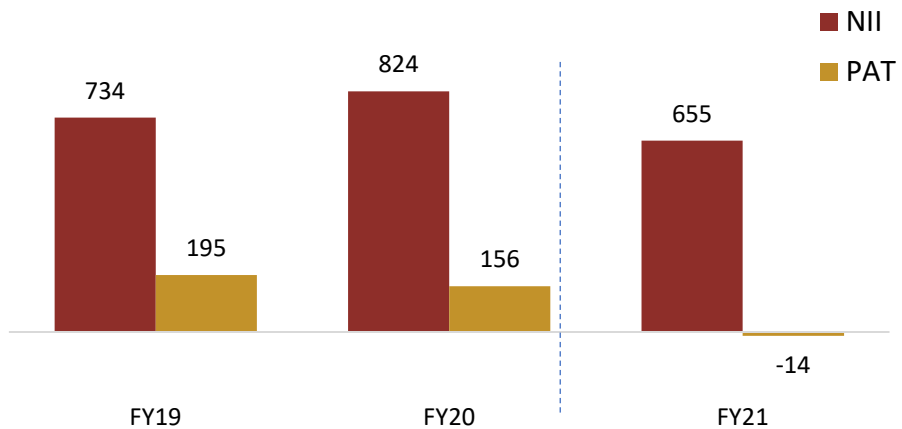
Gross Income (Rs. crore)



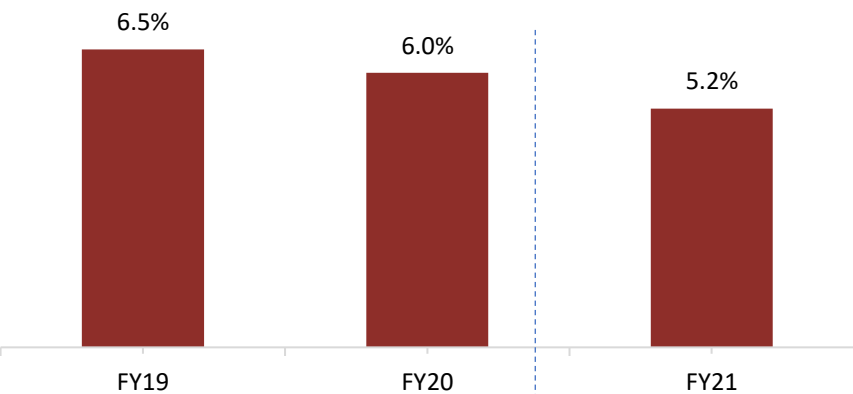
Cost to Income Ratio (%)



NII and PAT (Rs. crore)



Opex to GLP (%)



# Financial & Operational Details (Consolidated)



# Annexure – Business Details – Consolidated



Particulars	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%
<b>AUM (Rs. crore)</b>	<b>8,379</b>	<b>8,174</b>	<b>2.5%</b>	<b>7,880</b>	<b>6.3%</b>
On-Book JLG AUM*	5,660	4,621		5,333	
Securitization	72	46		28	
Assignment	1,375	2,056		1,216	
Business Correspondence	256	543		362	
TFSL - Business Correspondence	748	704		646	
SHFL - Housing Finance (on-book)	226 <sup>(1)</sup>	139		200 <sup>(2)</sup>	
SFL	131	111		127	
<b>AUM Mix (Rs. crore)</b>	<b>8,379</b>	<b>8,174</b>	<b>2.5%</b>	<b>7,880</b>	<b>6.3%</b>
MFI Lending	6,685	6,380		6,253	
Product Financing	24	30		11	
MSME	310	267		280	
Business Correspondence - IndusInd Bank	256	543		362	
TFSL - Business Correspondence	748	704		646	
SHFL - Housing Finance	226	139		200	
SFL	131	111		127	
<b>No. of Branches</b>	<b>1,257</b>	<b>1,383</b>	<b>-9.1%</b>	<b>1,252</b>	<b>0.4%</b>
SCNL	1,011	1,140		1,021	
TFSL	217	213		202	
SHFL	14	15		14	
SFL	15	15		15	

**Note:**

\* Includes securitization, differences due to rounding off

1) The portfolio also includes Assigned portfolio of Rs.16 crore

2) ) The portfolio also includes Assigned portfolio of Rs.5 crore

# Annexure – P&L Statement – Consolidated



Particulars (Rs. crore)	FY21	FY20	YoY%	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ %
<b>Revenue</b>								
Interest and Fee Income	1,076	994		297	257		270	
DA Income	112	236		54	85		0	
Treasury Income	71	117		13	23		18	
BC Fees	88	127		31	35		24	
Other Operating Income	32	29		14	10		8	
<b>Total Revenue</b>	<b>1,380</b>	<b>1,503</b>	<b>-8.2%</b>	<b>408</b>	<b>409</b>	<b>-0.2%</b>	<b>321</b>	<b>27.3%</b>
<b>Expenses</b>								
Finance Cost	638	589		163	139		159	
Employee Benefit Expenses	337	351		94	90		82	
Credit Cost & FLDG for BC	302	223		57	127		159	
Other Expenses	98	111		37	30		24	
Depreciation and amortization expense	15	18		4	5		3	
<b>Total Expenses</b>	<b>1,390</b>	<b>1,292</b>	<b>7.6%</b>	<b>355</b>	<b>391</b>	<b>-9.2%</b>	<b>427</b>	<b>-16.9%</b>
<b>Profit Before Tax</b>	<b>-10</b>	<b>212</b>	<b>-104.6%</b>	<b>53</b>	<b>18</b>	<b>195.1%</b>	<b>-106</b>	<b>-147.2%</b>
Tax expense	4	57		15	5		-26	
<b>Profit after Tax</b>	<b>-14</b>	<b>155</b>	<b>-109.0%</b>	<b>38</b>	<b>13</b>	<b>189.1%</b>	<b>-80</b>	<b>-147.2%</b>
Other comprehensive income net of taxes	-35	45		18	33		-47	
<b>Total Comprehensive Income</b>	<b>-49</b>	<b>200</b>	<b>-124.5%</b>	<b>56</b>	<b>46</b>	<b>21.2%</b>	<b>-127</b>	<b>-144.2%</b>

# Financial Details (Standalone)



# Annexure - Financial Performance – Standalone



Particulars (Rs. crore)	Q4FY21	Q4FY20	Q3FY21	FY21	FY20
Gross yield <sup>(1)</sup>	21.18%	22.07%	17.21%	17.57%	20.61%
Financial Cost Ratio <sup>(2)</sup>	8.88%	7.95%	9.02%	8.52%	8.49%
Net Interest Margin <sup>(3)</sup>	12.30%	14.12%	8.19%	9.04%	12.12%
Operating Expense ratio <sup>(4)</sup>	6.37%	6.32%	5.34%	5.22%	6.02%
Loan Loss Ratio <sup>(5)</sup>	2.58%	6.81%	9.25%	3.96%	2.97%
RoA <sup>(6)</sup>	2.18%	0.72%	-4.34%	-0.18%	2.26%
RoE <sup>(8)</sup>	11.95%	3.49%	-22.84%	-0.92%	12.00%
Leverage (Total Debt <sup>(7)</sup> / Total Net Worth)	4.09	3.72	4.41	4.09	3.72
Cost to Income Ratio	51.76%	44.76%	65.21%	57.74%	49.66%

Asset Quality (on-book)	Q4FY21	Q4FY20	Q3FY21	FY21	FY20
GNPA %	8.4	3.3	9.6	8.4	3.3
ECL as % of AUM	5.1	3.4	5.7	5.1	3.4

1. Gross Yield represents the ratio of total Income in the relevant period to the average AUM
2. Financial Cost Ratio represents the ratio of interest Expense in the relevant period to the Average AUM
3. Net Interest Margin represents the difference between the Gross Yield and the Financial Cost Ratio
4. Operating Expenses Ratio represents the ratio of the Operating Expenses (expenses including depreciation but excluding Credit Cost and interest Expense) to the Average AUM
5. Loan Loss Ratio represents the ratio of credit cost (including FLDG on BC) to the Average AUM
6. RoA is annualized and represents ratio of PAT to the Average Total Assets
7. Total Debt includes Securitization and preference shares considered as debt in accordance of IndAS
8. RoE is annualized and represents PAT(Post Preference Dividend) to the average equity (i.e., net worth excluding preference share capital)

# Annexure - P&L Statement – Standalone



Particulars (Rs. crore)	FY21	FY20	YoY%	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ %
<b>Revenue</b>								
Interest and Fee Income	1,031	966		284	247		259	
DA Income	110	236		53	85		-	
Treasury Income	66	112		12	21		17	
BC Income	35	62		15	14		10	
Other Operating Income	30	25		12	9		8	
<b>Total Revenue</b>	<b>1,273</b>	<b>1,401</b>	<b>-9.1%</b>	<b>375</b>	<b>376</b>		<b>294</b>	<b>27.8%</b>
<b>Expenses</b>								
Finance Cost	618	577		157	135		154	
Employee Benefit Expenses	281	297		77	75		68	
Credit Cost & FLDG for BC	287	202		46	116		158	
Other Expenses	84	97		33	28		20	
Depreciation and amortization expense	13	15		4	5		3	
<b>Total Expenses</b>	<b>1,283</b>	<b>1,188</b>	<b>-8.0%</b>	<b>316</b>	<b>359</b>	<b>-11.9%</b>	<b>403</b>	<b>-21.6%</b>
<b>Profit Before Tax</b>	<b>-10</b>	<b>213</b>	<b>-</b>	<b>59</b>	<b>17</b>	<b>250.9%</b>	<b>-109</b>	<b>-</b>
Tax expense	4	57		17	4		-27	
<b>Profit After Tax</b>	<b>-14</b>	<b>156</b>	<b>-</b>	<b>43</b>	<b>12</b>	<b>242.4%</b>	<b>-82</b>	<b>-</b>
Other comprehensive income net of taxes	-35	45		19	33		-47	
<b>Total Comprehensive Income</b>	<b>-48</b>	<b>201</b>	<b>-</b>	<b>61</b>	<b>46</b>	<b>34.8%</b>	<b>-129</b>	<b>-</b>

# Financial Details (Subsidiaries)



# Annexure - P&L Statement – TFSL



Particulars (Rs. crore)	Q4FY21	Q4FY20	Q3FY21	FY21	FY20
<b>Revenue</b>					
<b>Total Revenue</b>	<b>17.7</b>	<b>22.2</b>	<b>13.1</b>	<b>59.3</b>	<b>69.8</b>
<b>Expenses</b>					
Finance Cost	1.3	0.8	1.2	4.5	3.2
Employee Benefit Expenses	12.5	9.4	9.2	39.1	38.3
Credit Cost	10.3	4.2	-0.3	11.3	13.4
Other Expenses	3.3	7.7	2.4	10.0	14.4
Depreciation and amortization expense	0.4	0.4	0.4	1.5	1.7
<b>Total Expenses</b>	<b>27.7</b>	<b>22.5</b>	<b>12.9</b>	<b>66.3</b>	<b>71.0</b>
<b>Profit Before Tax</b>	<b>-10.0</b>	<b>-0.3</b>	<b>0.2</b>	<b>-7.0</b>	<b>-1.2</b>
Tax expense	-2.7	-0.1	0.1	-2.0	-0.2
<b>Profit After Tax</b>	<b>-7.3</b>	<b>-0.4</b>	<b>0.1</b>	<b>-5.0</b>	<b>-1.0</b>
Other comprehensive income net of taxes	0.0	0.2	0.0	-0.2	0.3
<b>Total Comprehensive Income</b>	<b>-7.3</b>	<b>-0.2</b>	<b>0.1</b>	<b>-5.2</b>	<b>-0.7</b>

# Annexure - P&L Statement – SHFL



Particulars (Rs. crore)	Q4FY21	Q4FY20	Q3FY21	FY21	FY20
Revenue					
Interest and Fee Income	8.1	5.4	6.6	25.8	17.1
Treasury Income	0.0	0.3	0.0	0.3	1.6
Other income	2.4	0.8	0.6	3.5	2.3
<b>Total Revenue</b>	<b>10.5</b>	<b>6.5</b>	<b>7.2</b>	<b>29.6</b>	<b>21.0</b>
Expenses					
Finance cost	3.8	2.9	3.6	13.6	8.3
Employee benefit expenses	3.2	3.1	2.7	10.5	9.7
Credit Cost	-0.2	0.9	-1.6	0.1	1.2
Other expenses	1.1	0.0	0.9	2.9	2.5
Depreciation and amortization expenses	0.1	0.1	0.1	0.4	0.5
<b>Total Expenses</b>	<b>7.9</b>	<b>7.1</b>	<b>5.6</b>	<b>27.5</b>	<b>22.2</b>
<b>Profit Before Tax</b>	<b>2.6</b>	<b>-0.6</b>	<b>1.6</b>	<b>2.1</b>	<b>-1.3</b>
Tax expense	0.8	-0.1	0.4	0.7	-0.3
<b>Profit After Tax</b>	<b>1.9</b>	<b>-0.5</b>	<b>1.2</b>	<b>1.4</b>	<b>-1.0</b>
Other comprehensive income	0.0	0.0	0.0	0.0	0.0
<b>Total Comprehensive Income</b>	<b>1.8</b>	<b>-0.5</b>	<b>1.2</b>	<b>1.4</b>	<b>-1.0</b>

# Annexure - P&L Statement – SFL



Particulars (Rs. crore)	Q4FY21	Q4FY20	Q3FY21	FY21	FY20
Revenue					
Interest and Fee Income	6.5	5.7	5.9	23.8	13.6
Treasury Income	0.1	0.1	0.1	0.4	0.2
Other income	0.1	0.1	0.1	0.6	0.2
<b>Total Revenue</b>	<b>6.6</b>	<b>5.9</b>	<b>6.1</b>	<b>24.8</b>	<b>14.0</b>
Expenses					
Finance cost	1.2	0.7	1.1	4.4	1.8
Employee benefit expenses	2.1	2.1	1.8	7.1	6.7
Credit Cost	0.1	0.6	0.9	3.3	1.5
Other expenses	0.9	0.4	0.9	3.3	3.1
Depreciation and amortization expenses	0.1	0.1	0.1	0.3	0.1
<b>Total Expenses</b>	<b>4.3</b>	<b>3.9</b>	<b>4.8</b>	<b>18.4</b>	<b>13.1</b>
<b>Profit Before Tax</b>	<b>2.3</b>	<b>2.0</b>	<b>1.3</b>	<b>6.4</b>	<b>0.9</b>
Tax expense (DTA)	0.6	0.5	0.3	1.7	0.2
<b>Profit After Tax</b>	<b>1.7</b>	<b>2.5</b>	<b>1.0</b>	<b>4.8</b>	<b>0.6</b>
Other comprehensive income	-0.0	0.0	0.0	0.0	0.0
<b>Total Comprehensive Income</b>	<b>1.6</b>	<b>2.5</b>	<b>1.0</b>	<b>4.8</b>	<b>0.6</b>

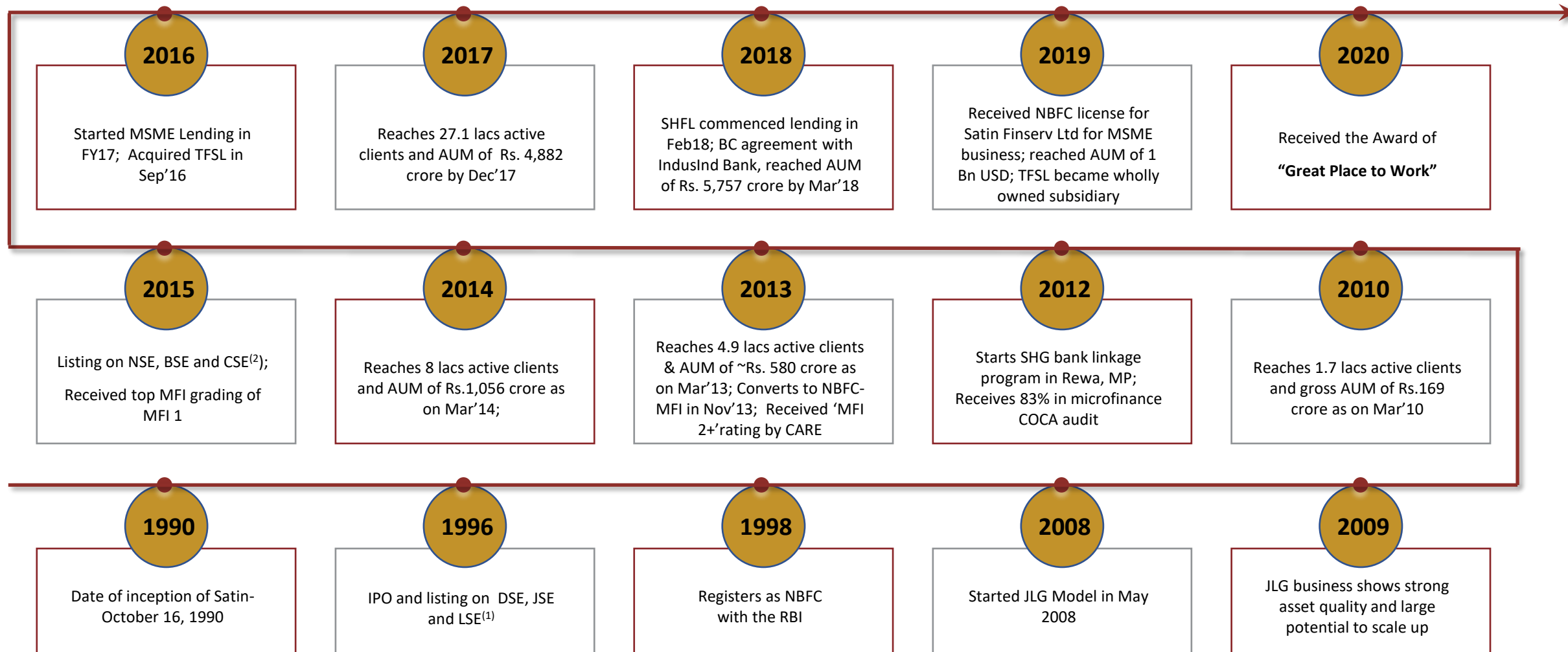
# Company Background



# Key milestones



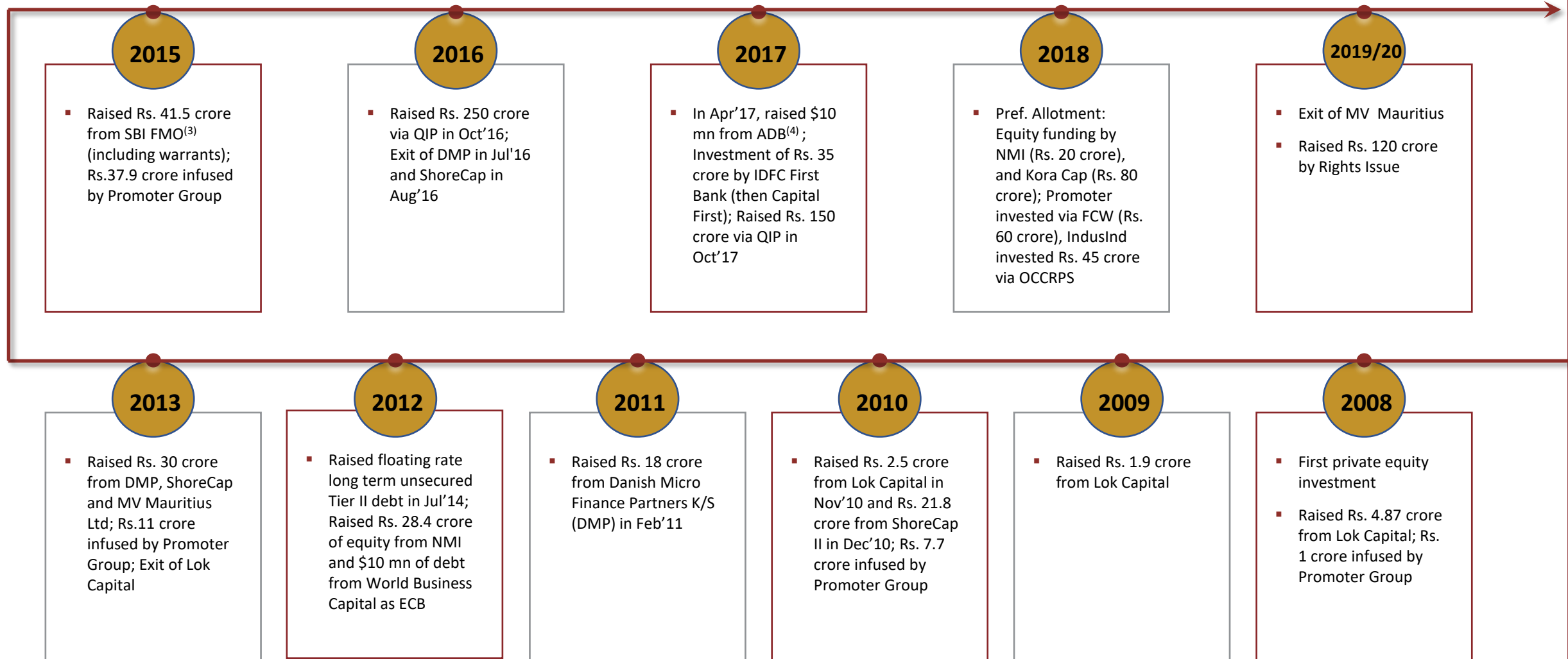
## Business Timeline



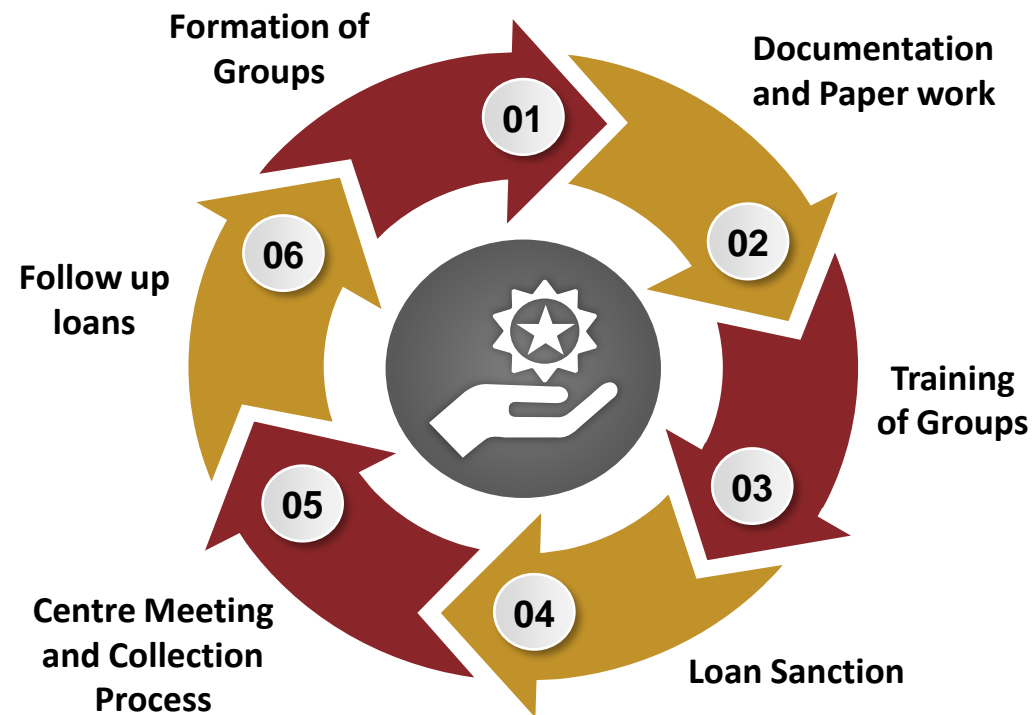
# Key milestones



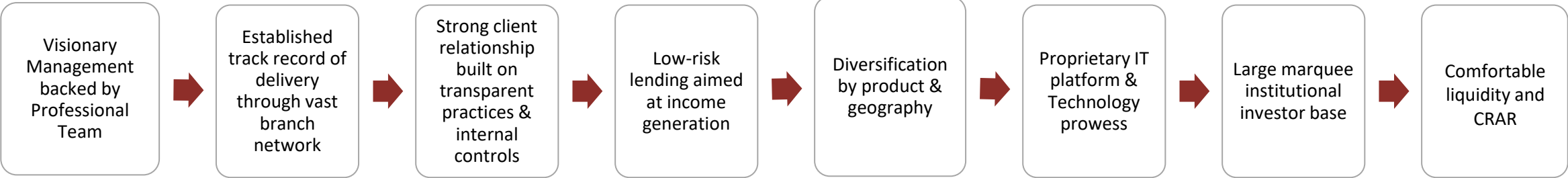
## Fund Raising Timeline



# Our Business Model



## MICROFINANCE... & BEYOND



**CREATING A NICHE BY BEING A ONE-STOP FINANCIAL SERVICES PROVIDER FOR OUR CUSTOMERS**

## ... With Customised Products as per Client Needs



### Income Generation Loan (Prarambh)

Ticket Size :  
Rs. 10,000 – Rs. 30,000

Tenure : 24 months

### Long Term Loan (Vridhhi)

Ticket Size :  
Rs. 30,000 – Rs. 50,000

Tenure : 24 months

### Product Financing/Wash Loan

Ticket Size :  
Rs. 799 – Rs. 17,999

Tenure : 3-18 months

### Eligibility Criteria

- Household Income: Rural-Rs. 1.25 Lacs & Urban/Semi-Urban- Rs. 2 Lacs
- Satin can be 3<sup>rd</sup> lender & 2<sup>nd</sup> MFI
- Credit scorecard

- Outstanding (incl. applied loan): <=Rs. 1.25 Lacs
- OTP validation

# Making a Difference to the Community



## Supporting Local Communities During COVID-19 Pandemic

Distributed masks, ration and hygiene kits across districts in Punjab during COVID pandemic. Reached out to more than 3000 households. Outcome- Appreciation by the local administration and strengthened connect with clients

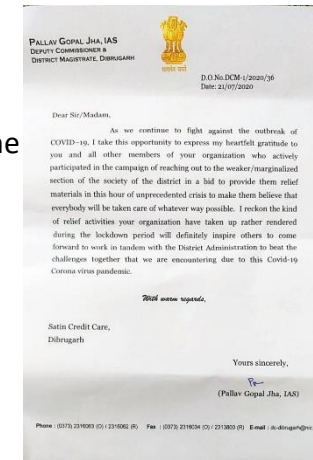


## Health Check-up Camps

5 Free health check-up camps in Assam and Odisha



SCNL was awarded an appreciation letter from the District Collector, Dibrugarh (Assam) for our COVID relief initiatives in the district



Appreciation by the local administration and strengthened connect with clients



## Financial Empowerment Workshops

Relaunched Financial Empowerment Workshops in a different format in the wake of COVID-19 - shorter duration and smaller gathering. Distributed ration and stationary kits.



## Relief Work post Amphan Cyclone- West Bengal

- Reached out and provided ration kits to around 5000 households in the aftermath of the Amphan Cyclone.
- Undertook relief work in the most affected 150 villages in our operation area.



## Flood & Cyclone Relief Initiatives

Flood relief camps in West Bengal, Assam and Bihar



Building a Difference to Make a Difference



# Awards and Accolades

- Mr. HP Singh, CMD, was conferred the Best CEO of the Year at '**Golden Globe Tigers**' virtual awards ceremony in Malaysia
- Mr. HP Singh received the '**Exemplary Leader**' Award
- Mr. HP Singh received Business Leader of the Year Award in NBFC Sector at World HRD Congress by ET Now



**November 2018**

Got sA social rating from **Microfinanza**



**December 2018**

Won the "**SKOCH Award**" for Digital Transformation



**January 2019**

Received "**C1**" grade in Code of Conduct Assessment from **ICRA**



**July 2019**

Moved up in "**Fortune The Next 500**"



**July 2019**

Got 1st Prize in Customer Service Index by **MFIN**



**September 2019**

"Outstanding Contribution to Water and Sanitation Lending" from Sa-Dhan and Water.org



**November 2019**

Awarded "Company with Great Manager"



**February 2020**

Won "National Best Employer Brand" "Dream Companies to Work For"



**February 2021**

SCNL Annual Report FY20 "ranked 17 worldwide" at Vision Awards by LACP, USA



**March 2021**

Re-certified as "Great Place to Work"



**April 2021**

Featured in "India's 30 Best Workplaces in BFSI-2021"



**Great Place To Work®**

**Certified**

MAR 2021–FEB 2022  
INDIA

## Environment

- **Water and Sanitation (WASH) Loans**
- SCNL has been constructively working towards safe water and sanitation in around 120 districts and more than 30,000 villages in 5 states of Assam, Bihar, Chhattisgarh, Uttar Pradesh and West Bengal
- In the FY21, SCNL disbursed a total of 26,819 WASH loans post reactivation in Oct'20
- **Clean Energy Loans**
- More than 1 lakhs clean energy loans were disbursed
- SCNL's clean energy programme is an illustration of its dedication to serve the bottom of pyramid section of society by providing customized financial solution

## Social

- Our strength lies in our ground level knowledge and the strong bond that we have created with our stakeholders
- SCNL is reaching its borrowers through a suite of financial and non-financial services, tailored to meet their needs, including lending under Joint Liability Group model, loans to individual businesses, product financing, community level initiatives, financing household level toilet and water facility
- Almost all of SCNL clients are women, 75% of whom are based in rural hinterlands of India
- Around 72% of the clients are from BPL category

- Number of Board Meetings Conducted during the FY21: 10
- Average attendance rate at the Board and Board committee meetings (%): 100% approx.
- Number of Board Committee Meetings Conducted during the FY 2020-21: Audit Committee- 8, Risk Management Committee- 3, Nomination and Remuneration Committee- 5, Stakeholders Relationship Committee- 1, Corporate Social Responsibility Committee- 2, IT Strategy Committee- 2, Rights Issue Committee- 5, Working Committee Meeting- 46

## Governance



SCNL and the UN Sustainable Development Goals

# Contact Information



Company (Investors & Media) :

**Ms. Aditi Singh**

Head – Investor Relations & Corporate Communication

E: [aditi.singh@satincreditcare.com](mailto:aditi.singh@satincreditcare.com)

T: +91 124 4715 400 (Ext – 7004)

[www.satincreditcare.com](http://www.satincreditcare.com)

