



SATIN CREDITCARE NETWORK LIMITED

Corporate Identity Number: L65991DL1990PLC041796

Registered Office: 5th Floor, Kundan Bhawan, Azadpur Commercial Complex, Azadpur, Delhi- 110033, India

Corporate Office: Plot No. 492, Udyog Vihar, Phase – III, Gurugram, Haryana – 122016, India (Tel: +91 124-4715400)

Website: www.satincreditcare.com; **E-mail:** secretarial@satincreditcare.com

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Satin Creditcare Network Limited (“the **Company**”) believes that a Board which is well informed/familiarised with Company, contributes significantly to the Company. Also, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended), the Company is required to familiarise its Independent Directors (“IDs”) with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Accordingly, the Company follows a structured familiarisation programme for the IDs as under:

- ✓ On joining, IDs are familiarised about the background of the Company, they are made aware of their roles, rights and responsibilities in the Company through a formal letter of appointment, which also stipulates various terms and conditions of their engagement, etc. They are also familiarised with important statutory & regulatory provisions, Code of Conduct, overview on performance evaluation and other policies of Company applicable to them.
- ✓ IDs have complete access to the information within the Company. As a part of agenda of Board/ Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia the organization structure, Company’s strategy, business model, operations, markets, product offerings, finance, risk management framework, technology, quality updates and other relevant areas on a quarterly and annual basis along with quarterly/ annual results at the Board meetings and Audit Committee meetings and/ or other meetings called to explain the same.
- ✓ Updates on relevant regulatory changes and new developments are presented to the Directors, from time to time;

During the Financial Year 2020-21, to demonstrate good governance model 1 (One) structured familiarisation programme was conducted for all the Directors of the Company including Independent Directors wherein a presentation was made to familiarise the Directors with the nature of industry and business model of the Company covering the following:

- ✓ Microfinance Through Window of Relevance;
- ✓ Improved Penetration Level;
- ✓ Growth in Customer Base to Drive MFI Loan Portfolio;
- ✓ Women-Centric Sustainable Development: Microfinance;
- ✓ Company’s Model of Microfinance;
- ✓ Company’s Product offerings;
- ✓ Company’s Business Model; and
- ✓ Business Model of Subsidiaries.

The details of programmes attended by the Independent Directors are given below:

Sr. No.	Name of Director	No. of Programmes Attended		No. of Hours of Orientation	
		FY 2020-21	On Cumulative basis till date	FY 2020-21	On Cumulative basis till date
1.	Mr. Sanjay Kumar Bhatia	1	6	0.30 Hour	5.30 Hours
2.	Mr. Sundeep Kumar Mehta	1	5	0.30 Hour	4.30 Hours
3.	Mr. Anil Kumar Kalra	1	5	0.30 Hour	4.30 Hours
4.	Mr. Goh Colin	1	5	0.30 Hour	4.30 Hours
5.	Mrs. Sangeeta Khorana	1	4	0.30 Hour	3.30 Hours

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SATIN CREDITCARE NETWORK LTD.

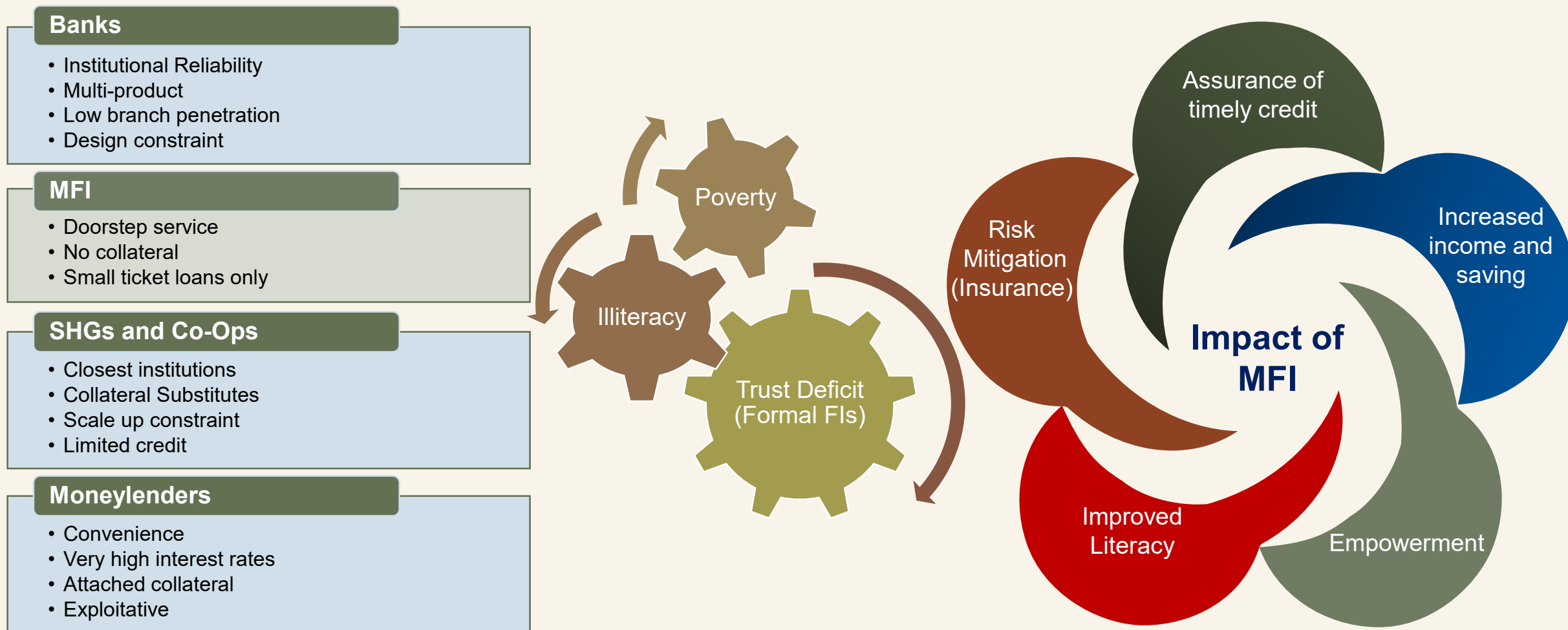
Reaching out!

**Familiarization Programme for Independent Directors
Financial Year 2020-21**

**BUILDING A DIFFERENCE
TO MAKE A DIFFERENCE**

Microfinance Through Window of Relevance

Microfinance is a way to promote economic development, employment and growth through the support of micro-entrepreneurs and small businesses; it has emerged as a powerful tool for women empowerment which helps in gaining greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making at home, community, society and nation level



Improved Penetration Level



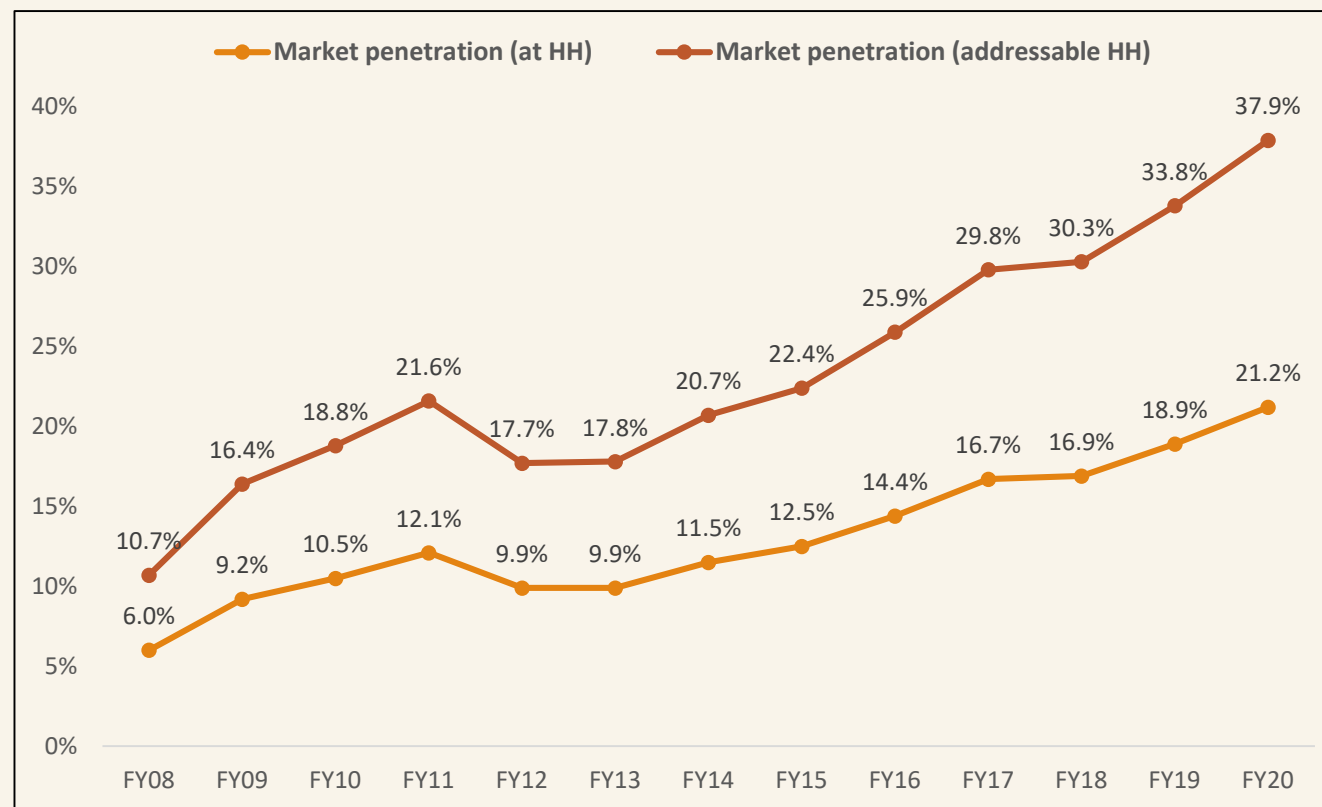
Penetration levels have improved meaningfully over the past decade with <18% level as of FY12 to ~38% by end-FY20

Growth in rural areas has outpaced the urban segment, recording 38% CAGR over the past three years vs the urban segment at 24% CAGR for the same period.

Rural segment is expected to continue to drive growth for the sector over the next decade, as cost efficiencies over the past decade and investments in technology/digital initiatives enable a much deeper penetration

Source: Nomura | Anchor Report

Estimated current penetration level at 38% of addressable households in India



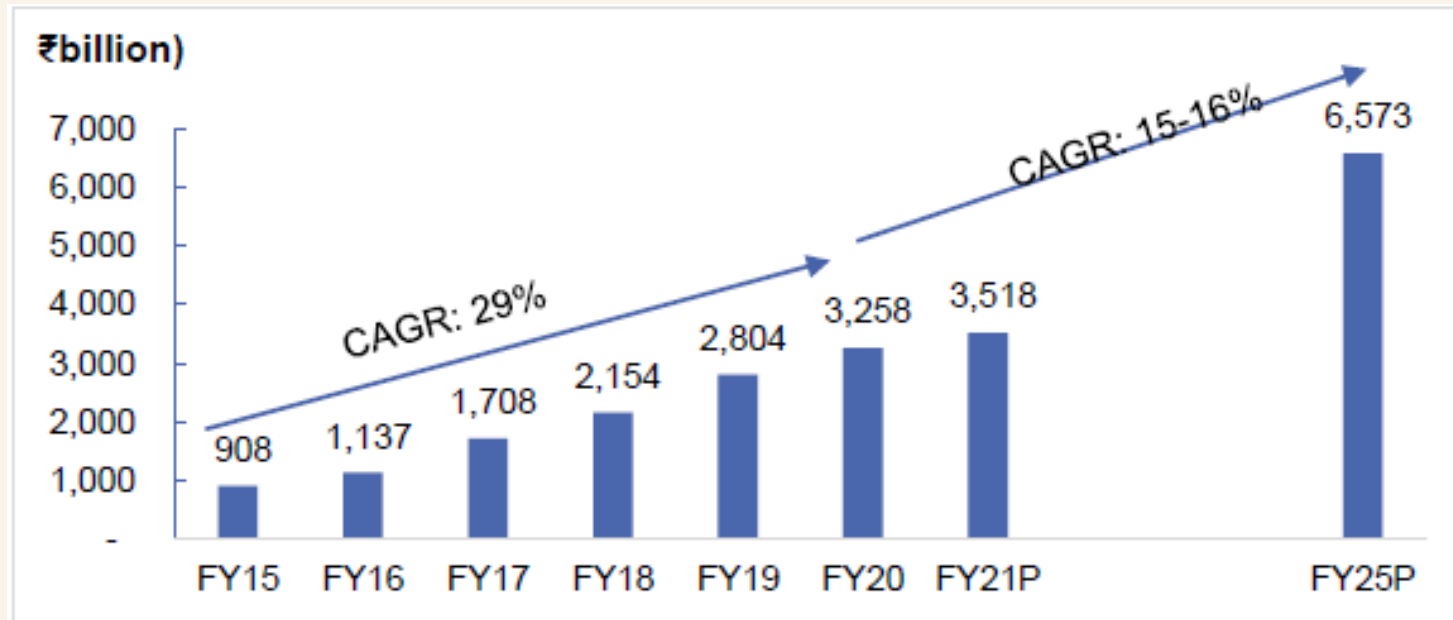
Source: Equifax, Nomura estimates

Growth in Customer Base to Drive MFI Loan Portfolio



The microfinance industry's GLP is estimated to reach approximately ₹3.50 trillion in fiscal 2021 from ₹1.70 trillion in fiscal 2017

Growth is expected to be driven by continuous expansion in the customer base of MFIs as well as increased penetration in rural areas



Note: P: Projected, Graph includes data for bank lending through joint liability group, bank lending through self-help groups, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs

Source: MFIN, Company reports, CRISIL Research

Women-Centric Sustainable Development : Microfinance



Women constitute the core fabric of microfinance and are also the critical success factor



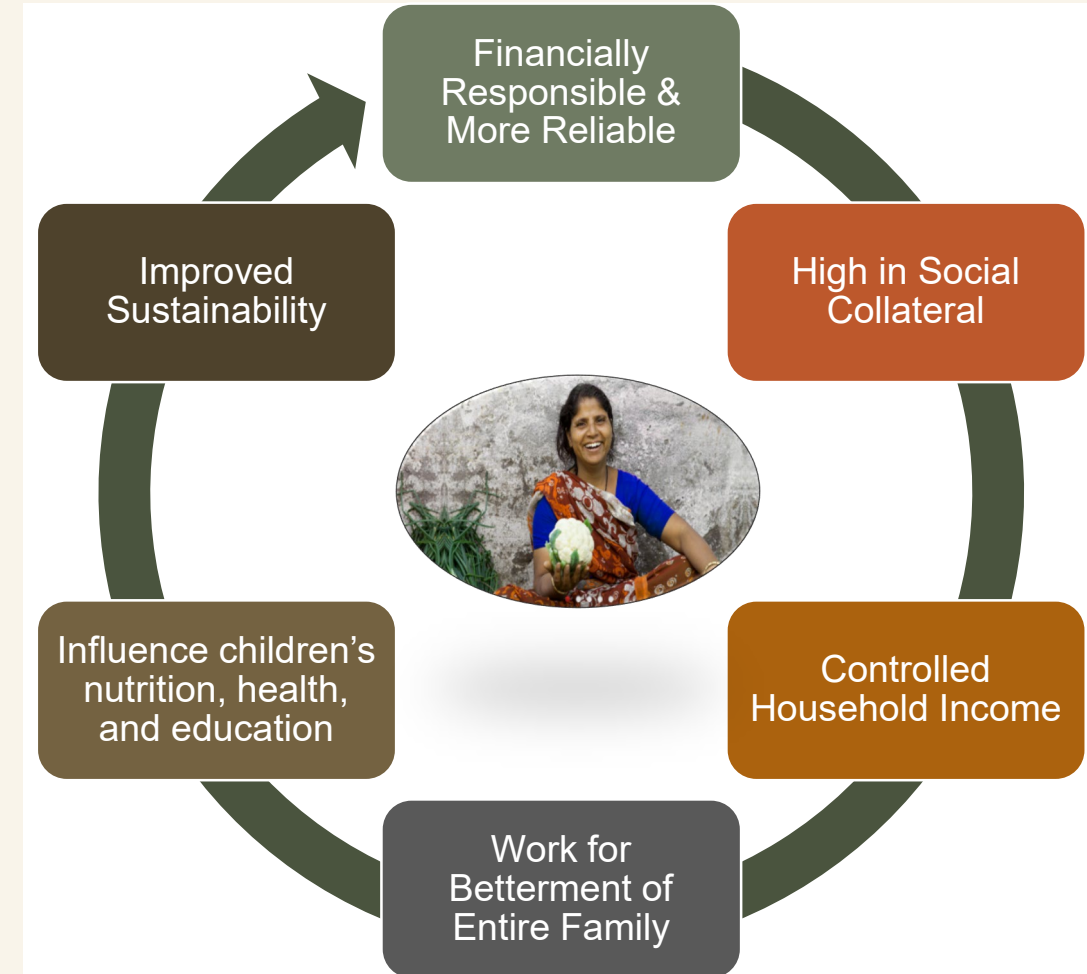
Women are often among the most vulnerable and poorest members of low-income societies

70% of the world's poor are women

Microfinance is a powerful instrument of social change, particularly for women

Obvious economic and social benefits to involving women in microfinance programs

Women are the family nucleus, that is vital for societal improvement and progress



SCNL's Model of Microfinance



SCNL has adopted the Joint Liability Group (JLG) Model for microfinance

Group Formation

- 4-6 women come together to form a homogeneous group
- Formed on the basis of social collateral
- A Group Leader is chosen from amongst the group members

Centre Formation

- 3-5 groups come together to form a centre of 12-30 members
- A Centre Leader is chosen
- All members of a centre are jointly liable to repay on behalf of defaulting members

Disbursement and Repayment

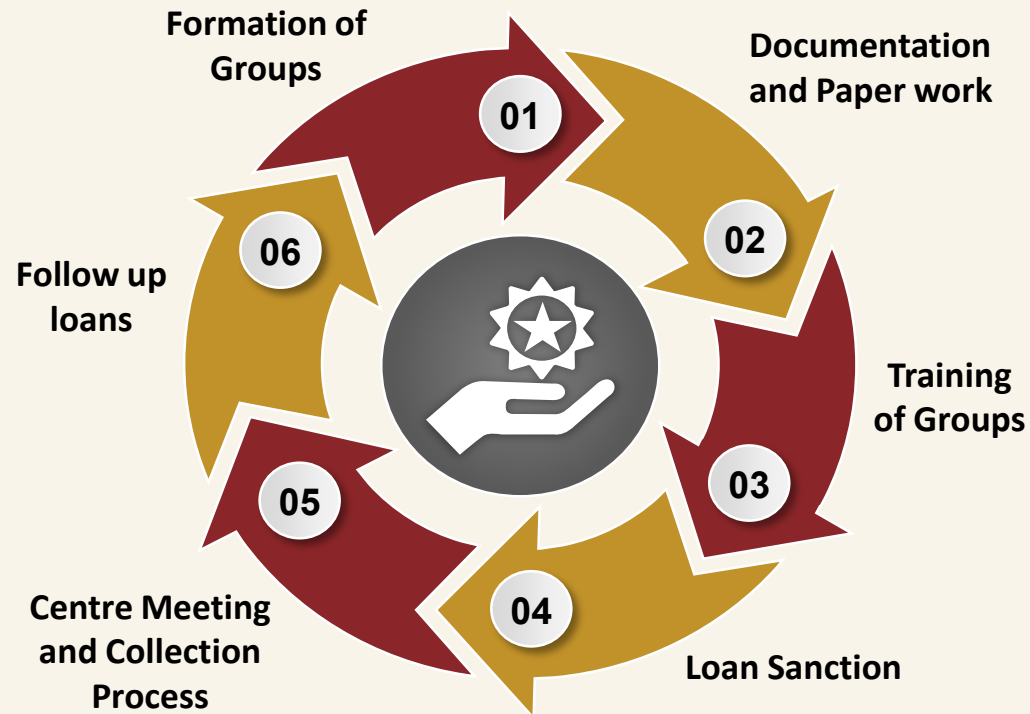
- Post KYC check and Credit Bureau check, loans are disbursed to each of the members belonging to a particular centre
- On specific repayment dates Centre members come together to repay the amount due

SCNL's Product Offerings



	MFI	Business Correspondent services	Housing Finance	SME
Product features	SCNL	Taraashna Financial Services Ltd	Satin Housing Finance Ltd	Satin Finserv Limited (SFL)
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

SCNL's Business Model



MICROFINANCE... & BEYOND

Income Generating Loans (IGL)

Long Term Loans (LTL)

Social impact financing of solar lamps, bicycles, water and sanitation facilities etc.

Housing Finance

Micro Small & Medium Enterprises (MSME)

Business Correspondence & Digital Lending

Visionary Management backed by Professional Team

Established track record of delivery through vast branch network

Strong client relationship built on transparent practices & internal controls

Low-risk lending aimed at income generation

Diversification by product & geography

Proprietary IT platform & Technology prowess

Large marquee institutional investor base

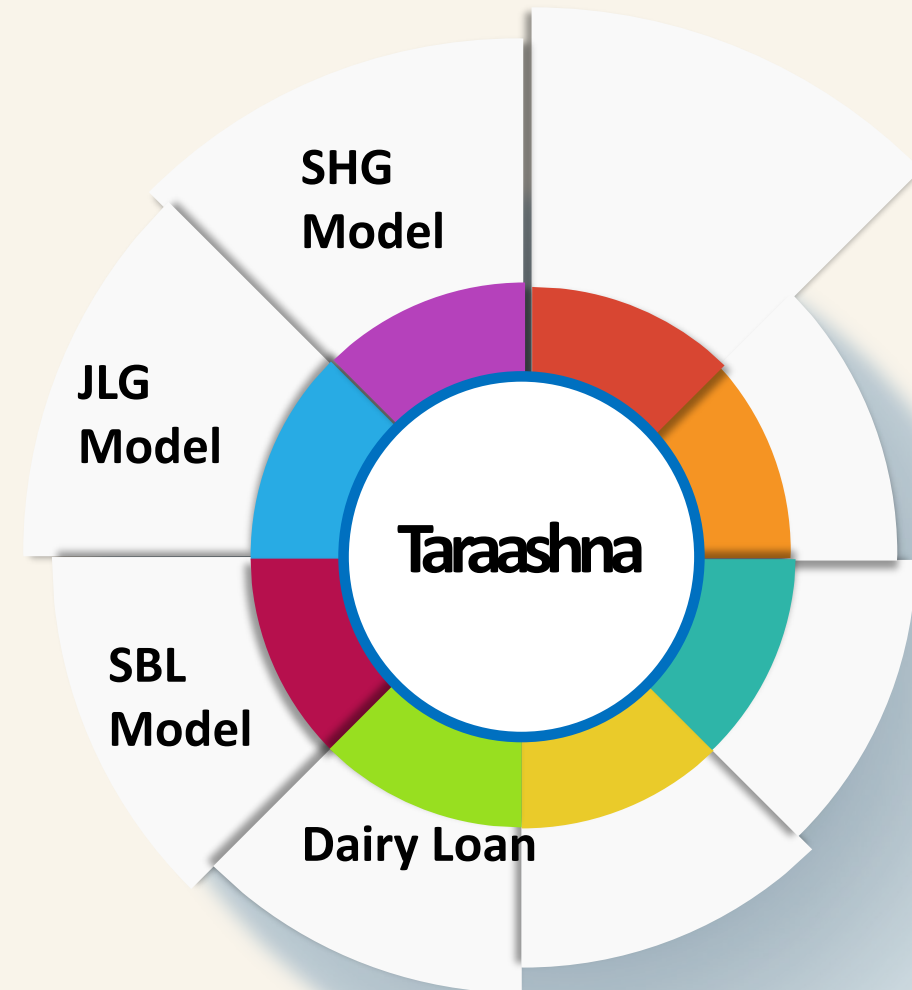
Comfortable liquidity and CRAR

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

Taraashna Financial Services Limited (TFSL) – Business Model



- ❑ Self Help Group(SHG) is a small homogeneous group of micro-entrepreneurs who form the group for a common cause and interest
- ❑ TFSL facilitates the formation of Joint Liability Groups(JLGs). The JLG members come together and offer a mutual guarantee to the bank to avail bank loans
- ❑ Secured loans to small businesses as well as other entities engaged in income generation activities
- ❑ TFSL is facilitating dairy & animal husbandry industry through a joint venture with dairy companies, facilitating small entrepreneurs/farmers by providing them with small & mid-sized ticket secured loans



Satin Housing Finance Limited (SHFL)



Satin Housing Finance Limited (SHFL) is a newly incorporated on April 17, 2017 as a wholly owned subsidiary company of Satin Creditcare Network Limited (SCNL)



SHFL is engaged in providing long-term finance for purchase, construction, extension and repair of houses for the retail segment along with loans against residential property, commercial property and plots



SHFL offers a suite of innovative and flexible loan products, in sync with customers' needs and at competitive pricing



Satin Finserv Limited (SFL)



- ❑ Satin Finserv Limited is a Wholly Owned Subsidiary of Satin Creditcare Network Limited
- ❑ Company incorporated on 10-08-2018 and received NBFC License on 09-01-2019
- ❑ Commenced business operations from March 2019
- ❑ Provides small ticket MSME loans secured against collateral of property and Corporate loans
- ❑ Caters mainly to the MSME, SME & Self-Employed Segment
- ❑ Currently sourcing business in Delhi, Haryana, Punjab, Gujarat, Madhya Pradesh, Uttar Pradesh, West Bengal and Maharashtra
- ❑ Management team with substantial experience in the lending business



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 Dec'20; 2% collection is through cashless mode
- » TFSL has a low-risk business model which is highly capital efficient
- » AUM stood at Rs 646 crore, with presence across 7 states
- » The Company operates through 202 branches, and has more than 3.6 lacs clients



Satin Housing Finance Ltd (SHFL)

- » 100% retail book comprising of:
 - » Affordable home loans – 82%
 - » Loan against property – 18%
- » Excellent portfolio quality since inception, Collection Efficiency of >99% during 9MFY21
- » Mainly caters to clients belonging to Middle and Low-Income Groups in peripherals of Tier II and below cities
- » CRAR of 97.3% and gearing of 1.4x. Total equity stands at Rs 95 crore
- » AUM Rs 200 crore with DA of Rs 5 crore
- » Profitable quarter despite challenging business environment
- » Standalone rating of BBB from CARE
- » 10 active lenders including NHB refinance



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 127 crore
- » CRAR for Q3FY21 is 85.5%
- » Total equity stands at Rs 102.5 crore
- » Business focus on secured retail MSME lending, wholesale lending to small NBFC MFI and others
- » 15 Branches across 8 states with 1,429 active loan clients
- » SFL has migrated to in-house software

Thank You

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