

February 4, 2019

To,

**The Manager,  
National Stock Exchange of India Ltd.**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra East, Mumbai-400051

**The Manager  
BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400023

Scrip Code: SATIN

Scrip Code: 539404

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to Regulation 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of other applicable laws, if any, please find the Investor Presentation for the quarter/nine months ended on December 31, 2018, as approved by the Board of Directors in their meeting held on February 4, 2019.

We request you to make this presentation public by disclosing the same on your website.

The above information is also available on the website of the Company: [www.satincreditcare.com](http://www.satincreditcare.com)

Thanking You,

Yours Sincerely,  
For **Satin Creditcare Network Limited**

**(Choudhary Runveer Krishanan)**  
**Company Secretary & Compliance Officer**

Encl: a/a

# SATIN CREDITCARE NETWORK LIMITED



## Q3FY19 CORPORATE PRESENTATION

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FEBRUARY 2019

BSE: 539404 | NSE: SATIN  
Corporate Identity No. L65991DL1990PLC041796



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## Satin Overview

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# Company Overview



- 01 Gross Loan Portfolio (“GLP” or “Gross AUM<sup>(1)</sup>”) of Rs. 6,208 cr<sup>(2)</sup>, YoY growth of 27.2%
- 02 Improved operational metrics – RoA 4.2 %, RoE 27.6%, CRAR 30.1% & Cost to Income Ratio 46.2% in Q3 FY19<sup>(1)</sup>
- 03 Subsidiaries: -RoE of TSL for 9M FY19 stood at 26.02%;  
- Excellent Portfolio quality with Nil delinquency since inception of business of SHFL
- 04 Better geographical diversification, expanded footprints in North East and South, marking presence in 23 States/UTs
- 05 Demonetization woes over, improved collection efficiency and portfolio quality, conservative estimate of ECL<sup>(3)</sup>
- 06 Business Correspondent (BC) business with IndusInd reached ~Rs 407 cr AUM
- 07 Major fund requirement for FY19 tied up
- 08 Received NBFC license for Satin Finserv Ltd, Satin’s MSME arm
- 09 Cashless disbursement enabled at 100% of branches; 70% of total disbursement in Dec’18
- 10 Amongst the first MFIs to receive ISO 27001:2013 certification for information security
- 11 Long term Credit Rating CARE A-; Short term rating CRISIL A1; Grading MFI 1 (MFI One)
- 12 Received social rating upgrade to sA from Microfinanza, C1 Code of Conduct Assessment (COCA) from ICRA
- 13 The first MFI to foray in Fintech space, by launching “Loan Dost”, an app based digital lending platform

# Key Performance Indicators<sup>(1)</sup>



## Continuing the growth story

Particulars	AUM (Rs cr)	Revenue (Rs cr)	NII (Rs cr)	PAT (Rs cr)	RoA (%)	RoE (%)	CRAR <sup>(3)</sup> (%)	Cost/ Inc (%)
Q3FY19	6,208	402	236	71	4.2	27.6	30.07	46.2
Q3FY18	4,882	260	127	47 <sup>(2)</sup>	3.7 <sup>(2)</sup>	27.4 <sup>(2)</sup>	23.32	71.2
Q2FY19	6,191	365	197	46	2.7	18.8	25.23	54.0
YoY	27.2%	55.0%	85.9%	50.6%	14.9%	0.7%	28.9%	-35.1%
QoQ	0.3%	10.1%	19.9%	54.9%	57.2%	46.9%	19.2%	-14.4%

Particulars	AUM (Rs cr)	Revenue (Rs cr)	NII (Rs cr)	PAT (Rs cr)	RoA (%)	RoE (%)	CRAR (%)	Cost/ Inc (%)
9MFY19	6,208	1,095	607	145	3.0%	19.6%	30.07	51.4%
9MFY18	4,882	736	348	37	0.8%	5.7%	23.32	70.3%
YoY	27.2%	48.8%	74.5%	291.7%	255.6%	244.3%	28.9%	-26.8%

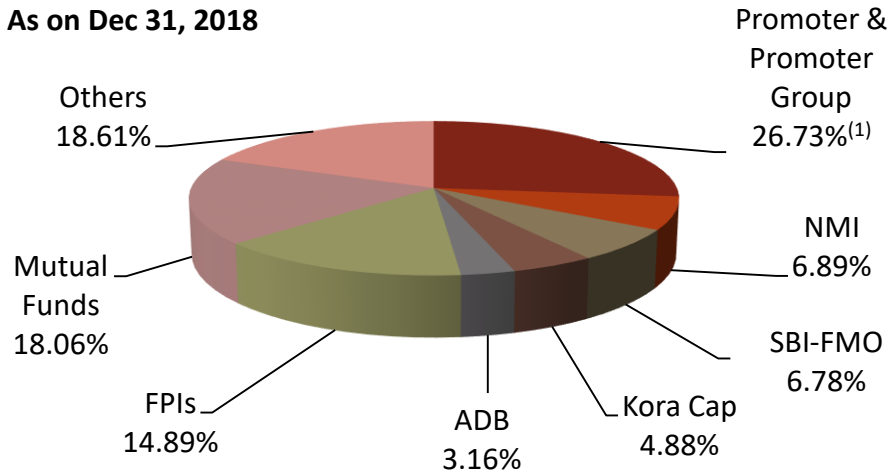
(1) On consolidated basis; RoA and RoE are calculated on annualized basis; (2) PAT, RoA and RoE for Q2 FY18 is high on account of reversal of ECL of Rs. 40 cr due to recoveries made in impacted portfolio ; (3) Calculated as per IND AS

# Company Overview contd



## Marquee Shareholder Base

As on Dec 31, 2018



## Key Market Statistics

Particulars	Value (Rs)
BV Jun'18	196.65
BV Sep'18	205.79
BV Dec'18	218.62
CMP	256.55

## Key Shareholders

### Mutual Funds:

DSP Equity & Bond Fund  
Aditya Birla Sun Life Trustee Pvt Ltd  
UTI – Hybrid Equity Fund

### Foreign Portfolio Investor

Morgan Stanley Mauritius Company Ltd  
Government Pension Fund Global  
Massachusetts Institute of Technology

### Financial Institutions

IDFC First Bank Ltd  
IndusInd Bank Ltd

### Foreign Bank

Asian Development Bank

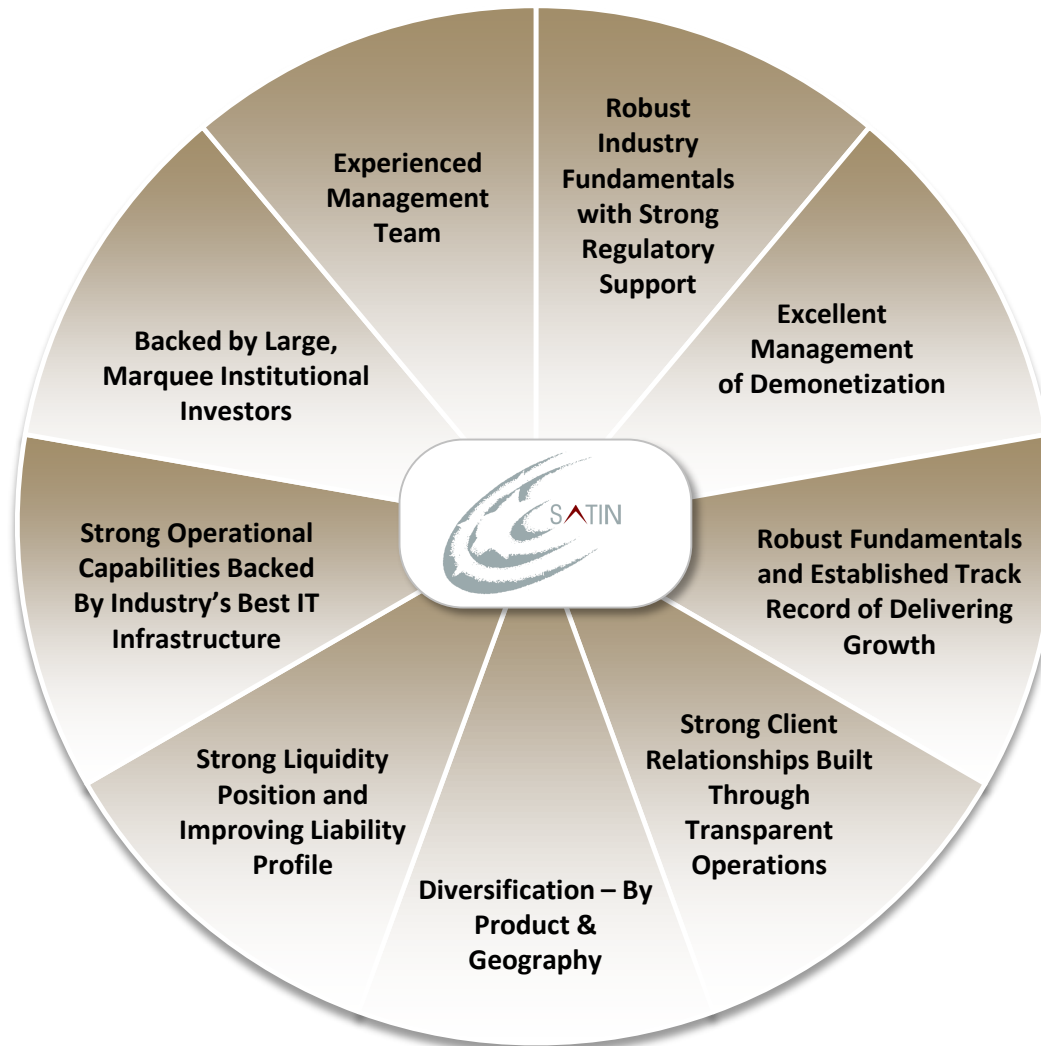
(1) On fully diluted basis 28.6%; Book value is on consolidated basis; Share price as on Jan 25, 2019



## Key Investment Thesis

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# Key Investment Thesis

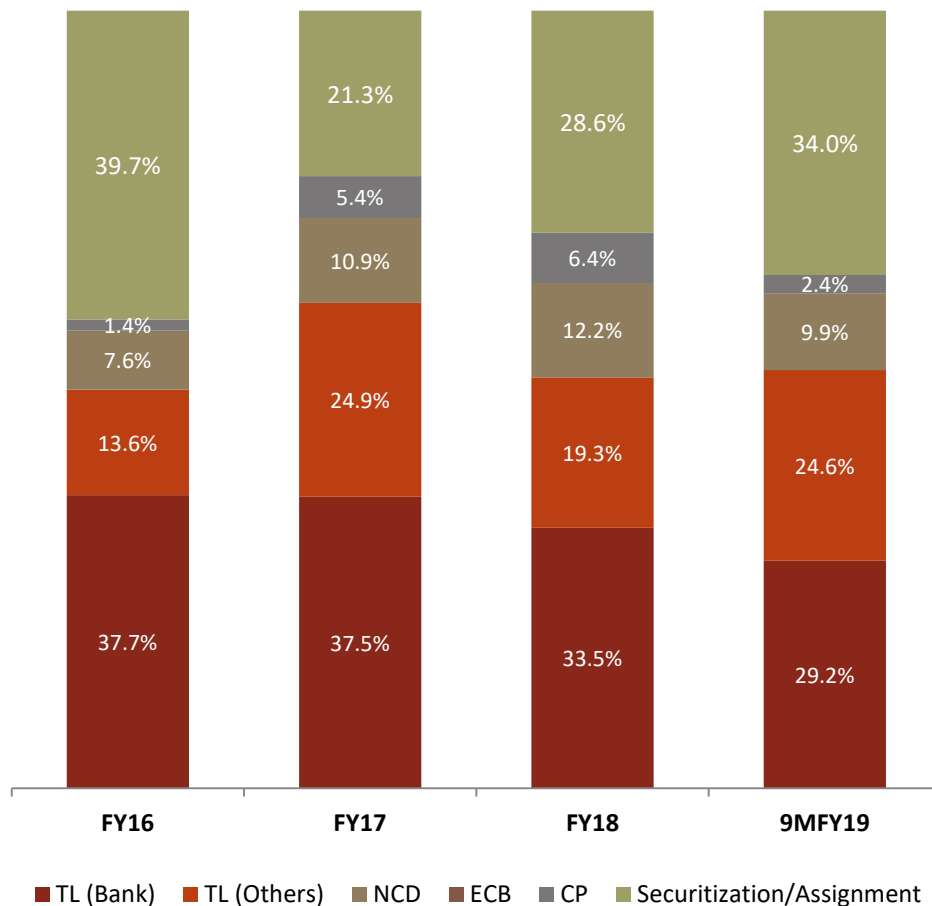


# Improving Liability Profile



## Diversified mix of funding

### Source of funds raised during the period



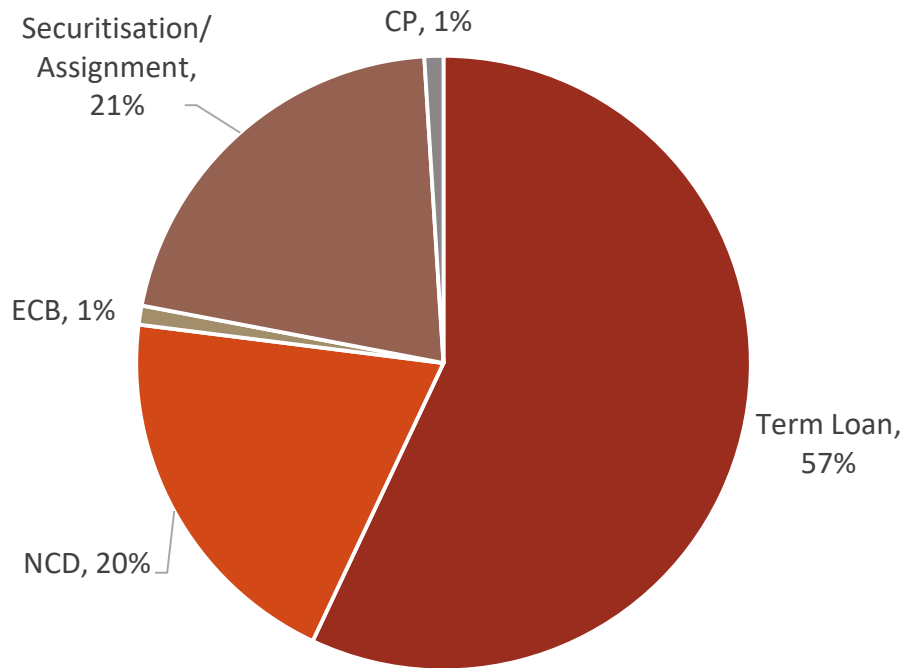
## One of The Largest Lender Base 77 active lenders

Top 10 Funders <sup>(1)</sup>	% Share as on 31 Dec 2018
NABARD	17%
State Bank of India	11%
Bandhan Bank Limited	6%
IDFC First Bank Limited	5%
HSBC	4%
FMO Netherlands	3%
Standard Chartered Bank	3%
RBL Bank Ltd	3%
Bank Of Baroda	3%
Indostar Capital Finance Limited	3%
<b>Total Of Top 10 Lenders</b>	<b>58%<sup>(2)</sup></b>

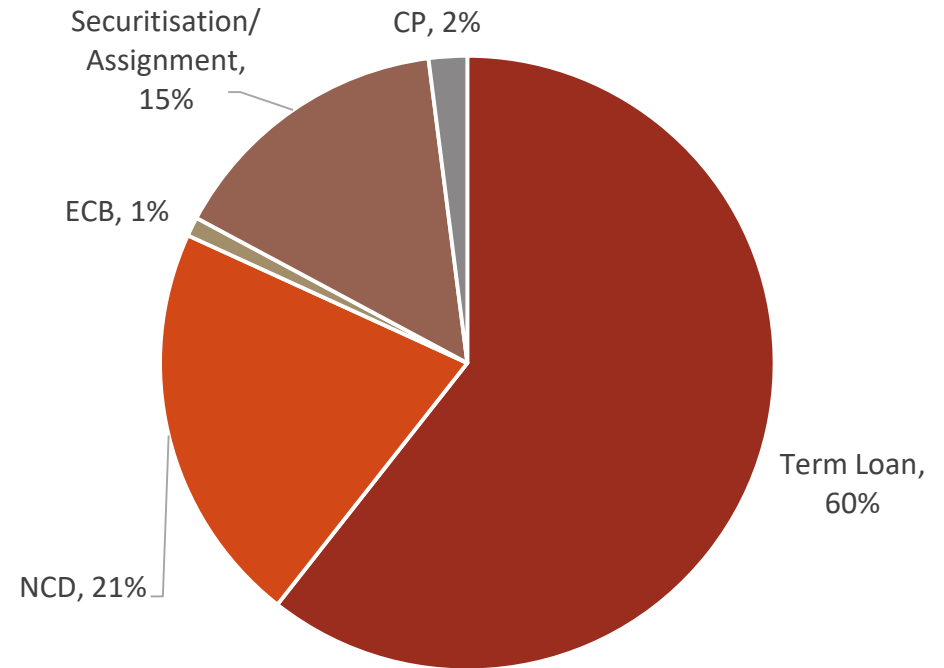
# Dynamic Liability Profile Insulated from Capital Market Turbulence



Product-wise Dec'18



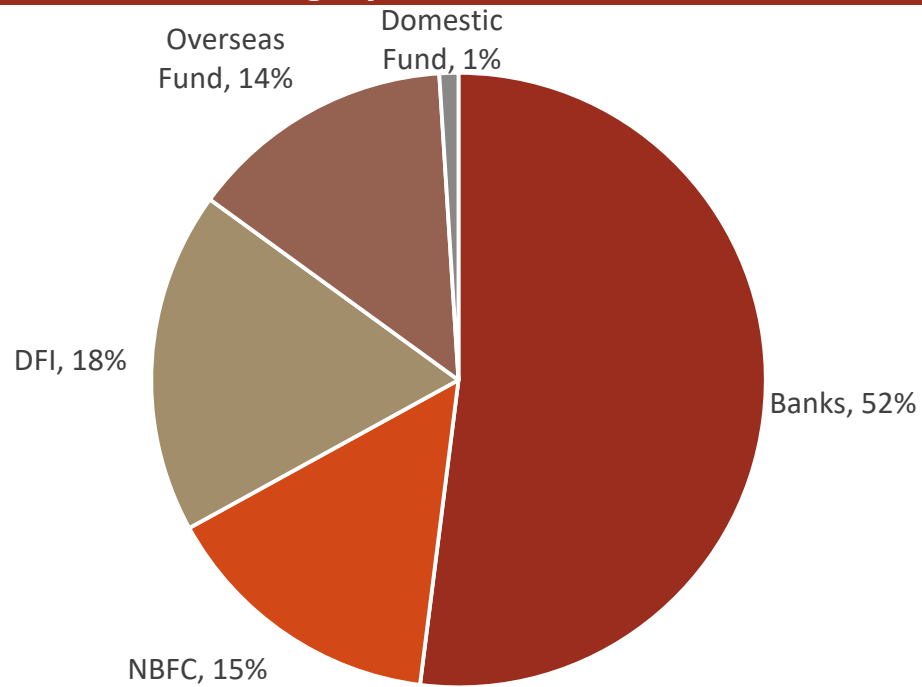
Product-wise Mar'18



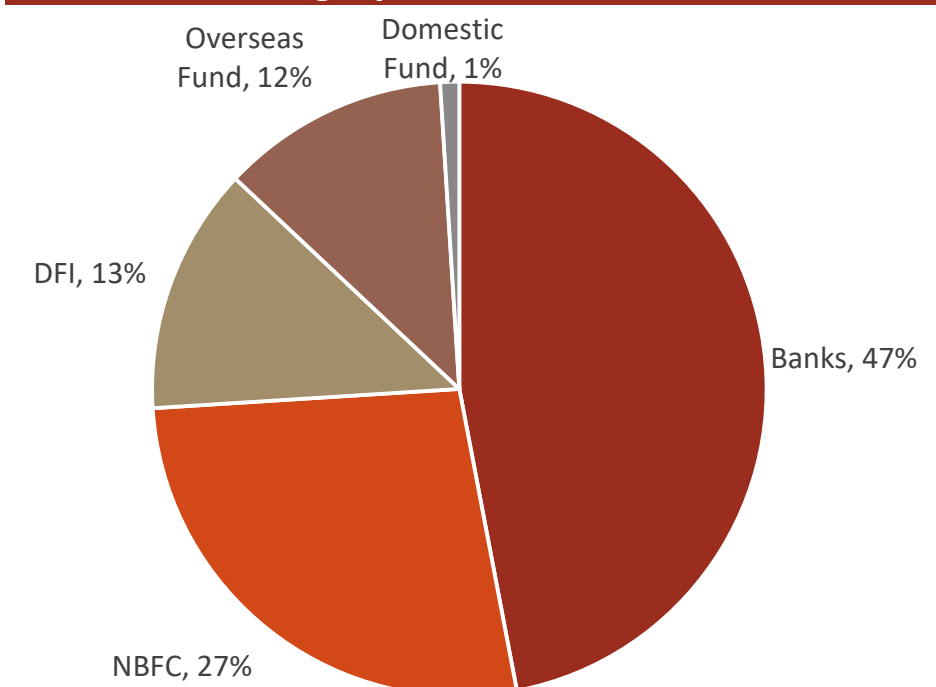
- No dependence on funding from commercial papers
- NCDs are primarily subscribed by overseas investors (FPIs)
- ~ 77% of borrowings are on fixed rates

# Dynamic Liability Profile Insulated from Capital Market Turbulence

Category of Lender Dec'18



Category of Lender Mar'18



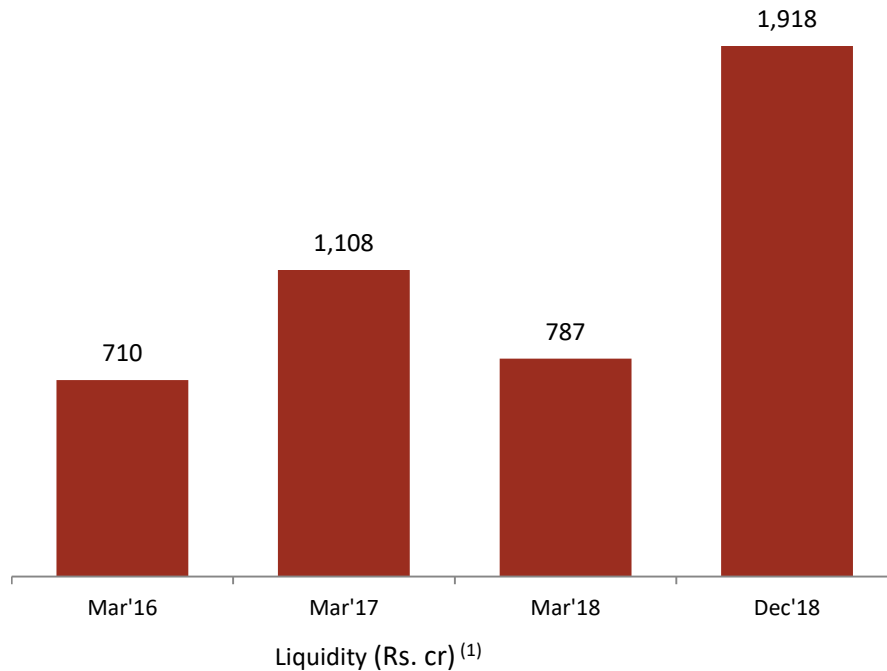
- Lower dependence on PSL funding
- No dependence on mutual funds to meet funding requirements

# Strong Liquidity and ALM



## Strong Liquidity Position to Sustain Growth

Amount raised in last 7 days of December 2018: Rs. 944.6 cr

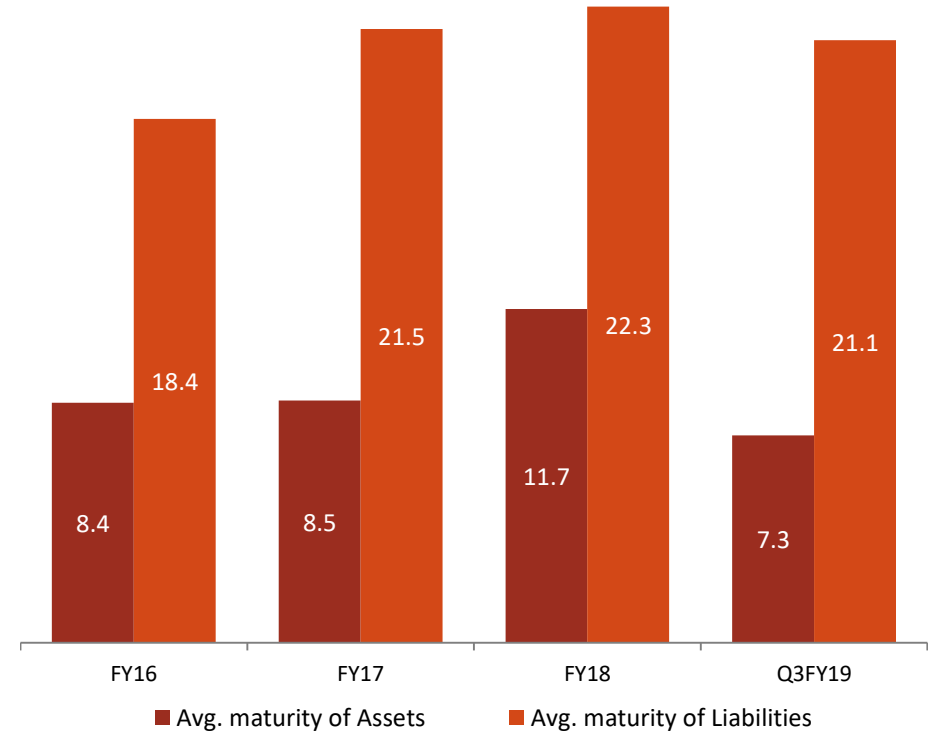


## Benefit of positive ALM continues

ALM as on Dec'18

Average maturity of Assets: 7.3 months

Average Maturity of Liabilities: 21.1 months



(1) Total cash and cash equivalents, excluding lien marked FDs

## Strong Liquidity Position contd



Static ALM as on Dec 31, 2018 (Rs cr)	Jan'19	Feb'19	Mar'19	Apr'19	May'19	Jun'19	Total
<b>Inflows</b>							
Liquidity at the beginning of month*	1,918.1	1,767.9	1,861.7	1,921.7	2,025.4	2,199.1	1,918.1
Principal - Loan portfolio	310.1	273.8	288.3	294.0	306.2	259.7	1,732.1
Interest - Loan portfolio	70.5	57.0	55.8	51.6	48.2	38.7	321.8
<b>Total (A)</b>	<b>2,298.7</b>	<b>2,098.7</b>	<b>2,205.7</b>	<b>2,267.3</b>	<b>2,379.8</b>	<b>2,497.5</b>	<b>3,972.0</b>
<b>Outflows</b>							
Principal repayments	488.4	156.7	248.0	208.2	153.9	267.3	1,522.6
Interest repayments	42.3	80.3	36.0	33.8	26.8	46.7	265.9
<b>Total (B)</b>	<b>530.7</b>	<b>237.0</b>	<b>284.0</b>	<b>242.0</b>	<b>180.7</b>	<b>314.0</b>	<b>1,788.5</b>
<b>Cumulative positive gap (A-B)</b>	<b>1,767.9</b>	<b>1,861.7</b>	<b>1,921.7</b>	<b>2,025.4</b>	<b>2,199.1</b>	<b>2,183.5</b>	<b>2,183.5</b>

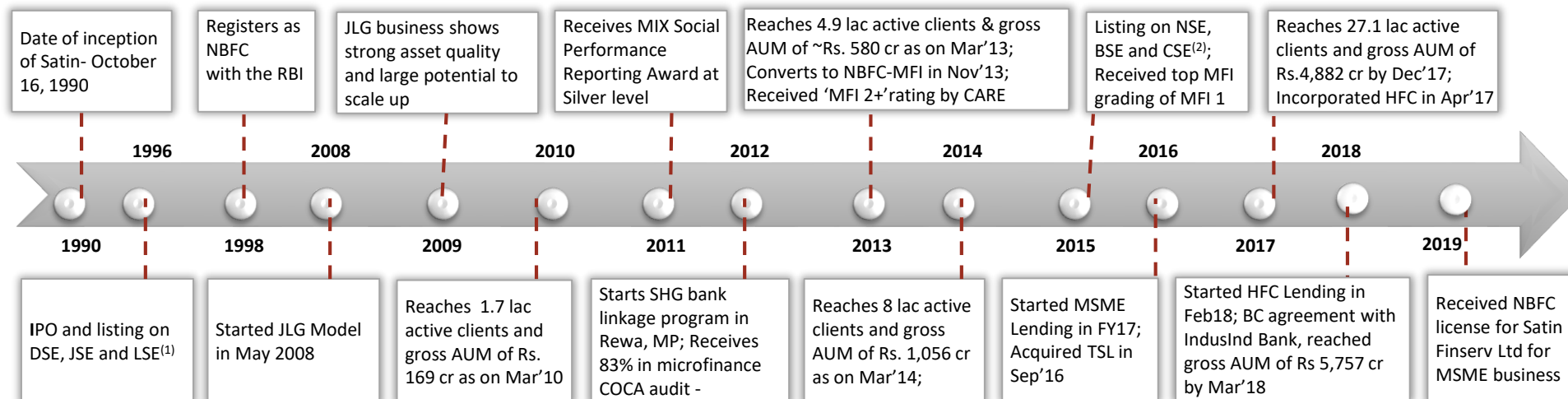
\*Excluding margin money deposits ~Rs 330 cr lien with lenders and undrawn sanction in hand ~Rs 371 cr; differences due to round off

# Key Milestones

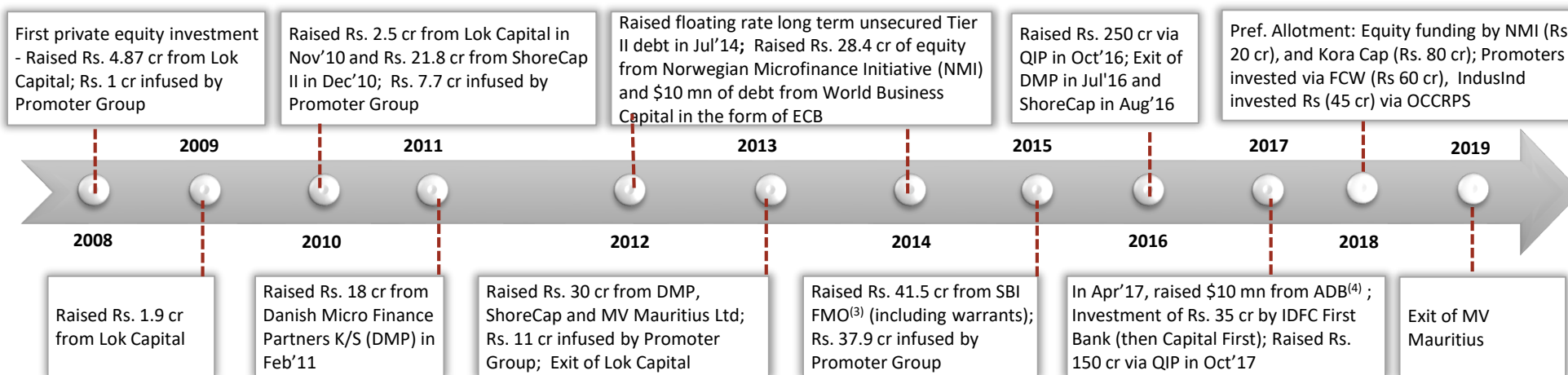
20 years to reach AUM of Rs 100 Cr; next 8 years to reach AUM of Rs. 5,000 Cr



## Business Timeline



## Fund Raising Timeline



Note: 1. Regional Stock Exchanges (DSE – Delhi Stock Exchange, JSE – Jaipur Stock Exchange, LSE – Ludhiana Stock Exchange); (2) BSE - BSE Limited, NSE - National Stock Exchange of India Limited, CSE - The Calcutta Stock Exchange Limited; (3) SBI FMO Emerging Asia Financial Sector Fund Pte. Limited; (4) ADB – Asian Development Bank



# Select Accolades & Key Highlights



## Finance:

- First Direct Equity Investment in Microfinance by Asian Development Bank
- First MFI to receive funding from Mudra Bank
- Raised multiple rounds of sub debt from reputed financial institutions (domestic and international) and ECB from World Business Capital
- First NBFC-MFI to raise funds from a domestic bank against guarantee by Asian Development Bank and IFMR Capital



## Social:

- “C1” grade in Code of Conduct Assessment (COCA) in January 2019
- sA social rating from Microfinanza in November 2018
- Winner of “Best NBFC-MFI Award” in 2017 & Runner-up for “CSR Initiatives & Business Responsibility Award” in NBFC-MFI category– CIMSME Banking and NBFC Awards 2016
- “Client Protection Certificate” under the Smart Campaign – 2016 from M-CRIL



## HR & IT:

- ““Digital Innovation in Microfinance India” by Eastern India MFI Summit in December 2018
- “SKOCH Award” for Digital Transformation in December 2018
- “Excellence Award” by B2B Info Media in November 2018
- Dream Companies to Work For” awarded by World HRD Congress in February 2018



## Operations:

- ISO 27001:2013 certification in October 2018 for Information security
- “Rural Champions of The Year” Award by ET Edge in September 2018
- Featured in “Fortune The Next 500” in July 2018
- Certificate for being the ‘Best Micro Finance Company in India’ from Worldwide Achievers at the Business Leaders’ Summit and Awards, 2016
- “India Iconic Name in Microfinance” Award – 2015 from IIBA

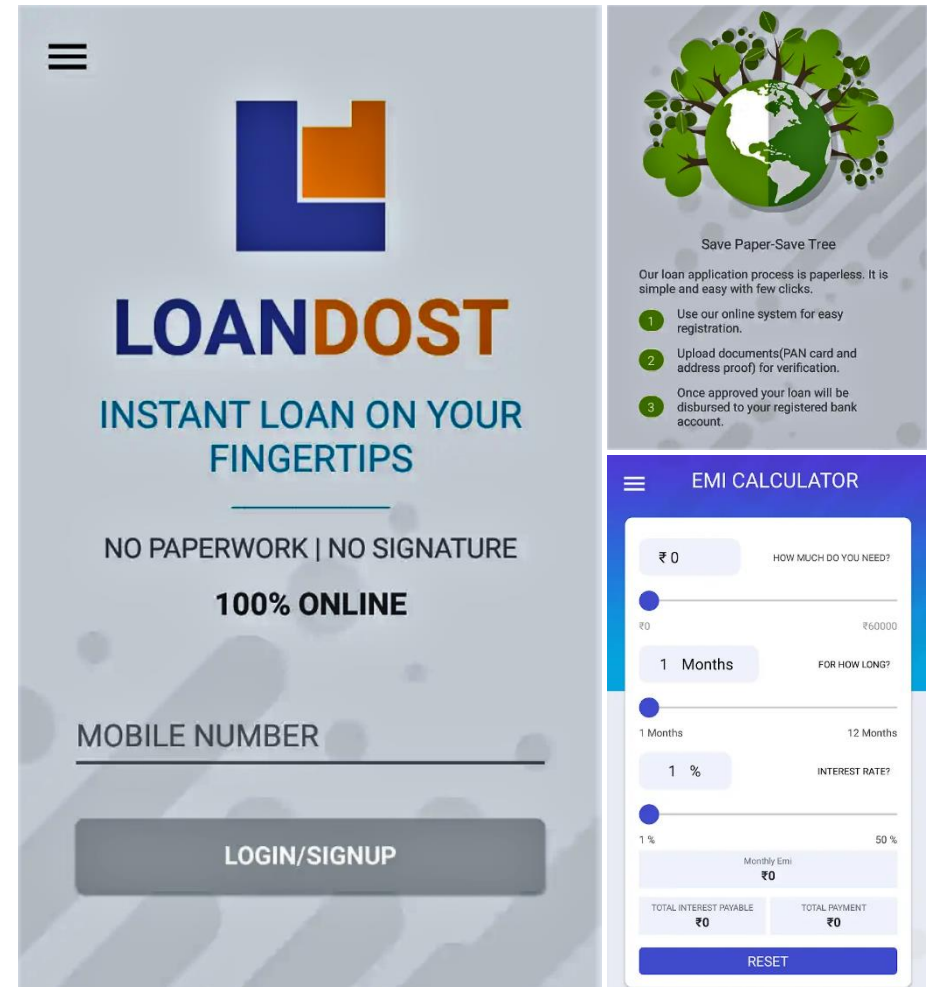


# Loan Dost – New Initiative in Digital Lending



*Amongst the First MFIs to foray in digital lending with no human intervention, tapping the millennials*

- With the objective to broad base users, Satin launched “Loan Dost”, a fintech venture, to provide short to medium personal loans to salaried individuals in Nov 2018
- App based platform available on Google Play Store for Android users, instant loans from Rs. 20,000-60,000
- With its technological advancement, Satin will harness the internet connectivity and smartphone penetration in Tier 2 & Tier 3 cities
- **Key highlights** are:
  - No human intervention
  - Strong evaluation process including Psychometric test, fetching bank and tax details with borrower consent
  - Attractively priced in comparison to peers
  - Seamless integration with all banks
  - Repayment through UPI



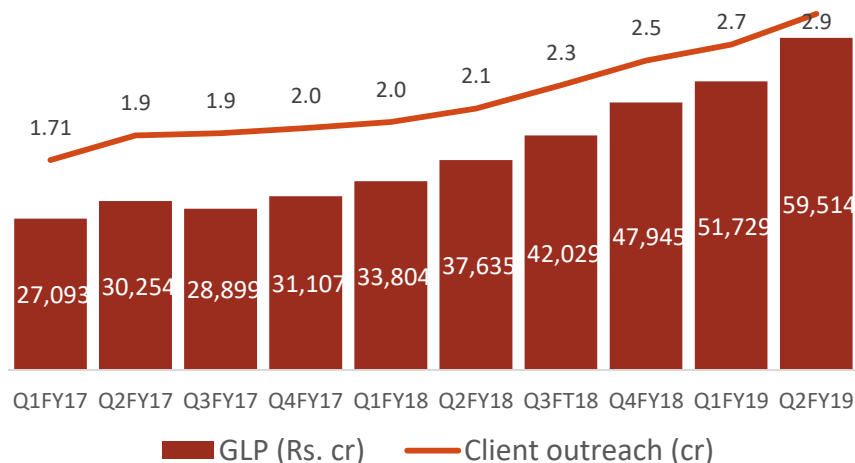
# Robust Industry Fundamentals with Strong Regulatory Support - Growth to Continue



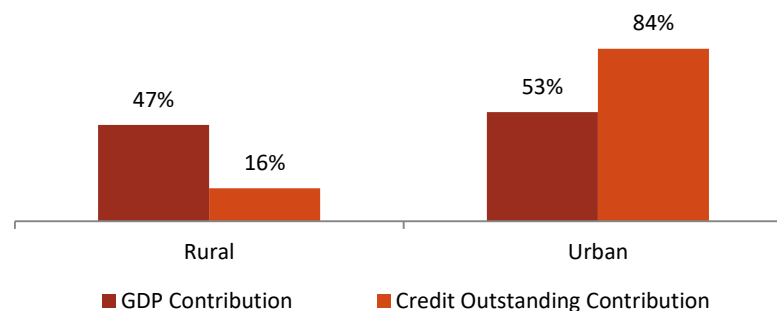
## Industry Snapshot

- NBFC-MFIs have 2.93 cr borrowers and outstanding GLP of Rs. 59,514 cr as at Q2FY19
- Average loan disbursed per account was Rs. 25,070 in Q2FY19
- Top 10 states account for 84% of outstanding industry GLP and 84% of disbursement in Q2FY19
- Top 10 MFIs contribute 74% of industry GLP and 75% of disbursement in Q2FY19
- Presence across 30 states/union territories
- Combined network of 12,094 branches, 99,214 staff; of which 63% are loan officers
- Credit market is highly underpenetrated
  - Rural areas accounted for only 16% of overall o/s bank-credit while comprising of 2/3<sup>rd</sup> households and contributing ~47% of FY17 GDP in India

## High growth in loan portfolio and client reach



## Low penetration of banking credit in rural areas (FY17)

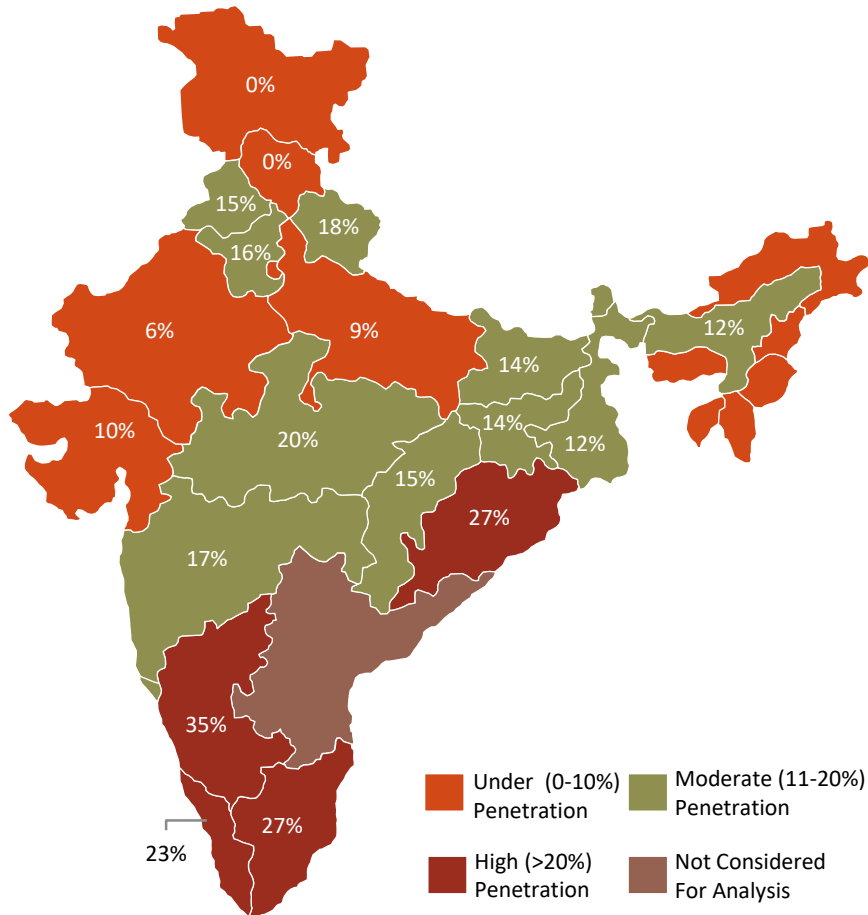


# Low Penetration of MFI in India – Structural Growth Driver



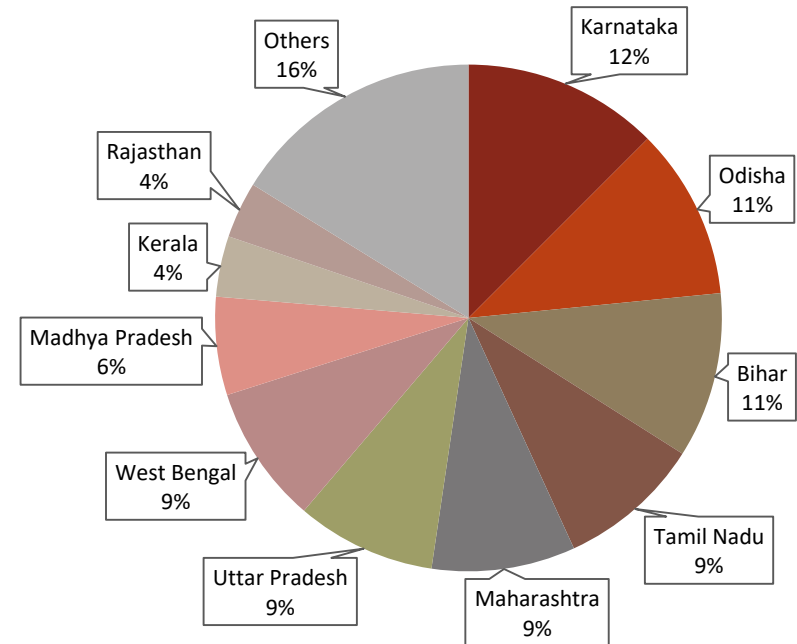
Northern and Western states are relatively under penetrated

State-wise MFI penetration data<sup>(1)</sup>



Top 10 states having 84% market share in Sep'2018

Market Share (%)



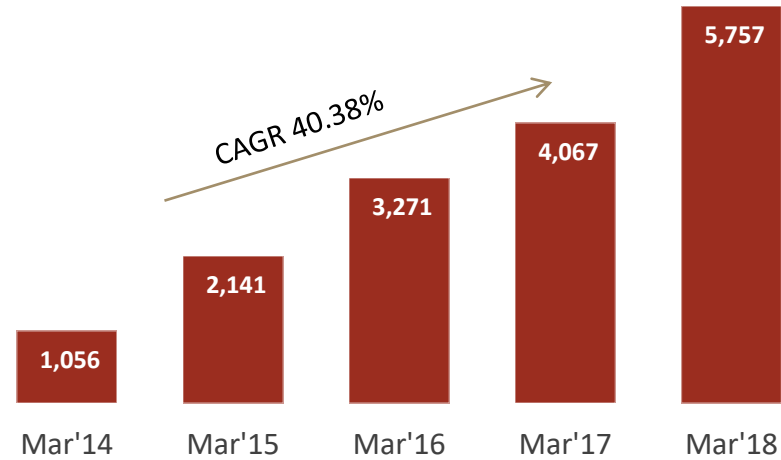
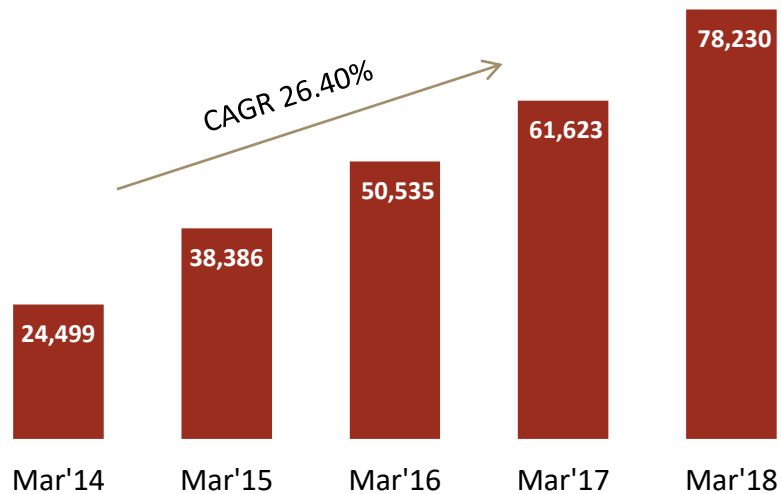
Source: MFIN, CRISIL Research; Notes: (1) AP & Telangana have not been considered for analysis; Penetration is calculated as no. of MFI clients divided by no. of households in 2017; PAN India penetration based on analysis of 20 states; States arranged in decreasing order of GLP, Data only shown for states where 5 or more MFIs are operating

# Satin Surges Ahead Faster Than Industry



Industry is growing in last 5 years at a CAGR of ~26%

Despite the setback of demonetization, Satin maintained its growth momentum



■ Industry GLP Rs cr

■ Satin GLP Rs cr

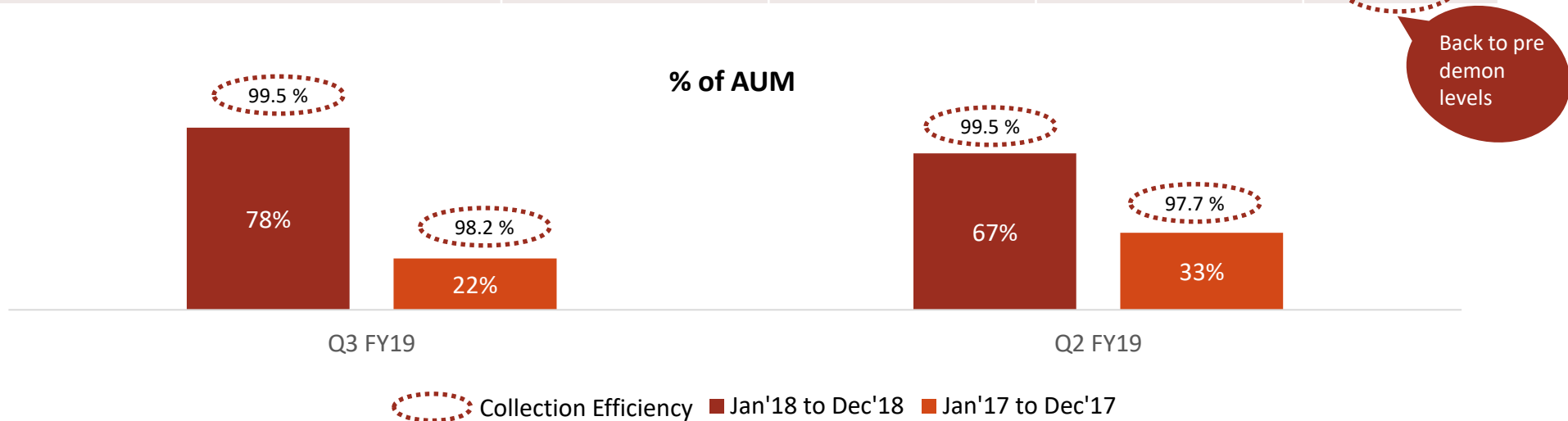
- Data for industry is compiled from MFIN Micrometer reports and includes MFIs and SFBs
- Satin GLP is taken on a consolidated basis, since TSL was acquired during FY17

# Collection Efficiency Heading Towards Normalcy



***Emerged from the woes of demonetization*** - Collection efficiency is showing an upward trend on account of increase in credit discipline in disbursement during last 12 months

Period of disbursement	Demand till 31 Dec'18 (Rs cr)	Collection till 31 Dec'18 (Rs cr)	% of AUM	Cumulative CE%
Jan'17 to Dec'17	3,954.9	3,883.1	22%	98.2%
Jan'18 to Dec'18	2,069.5	2,058.2	78%	<b>99.5%</b>



# PAR and Expected Credit Loss (ECL)



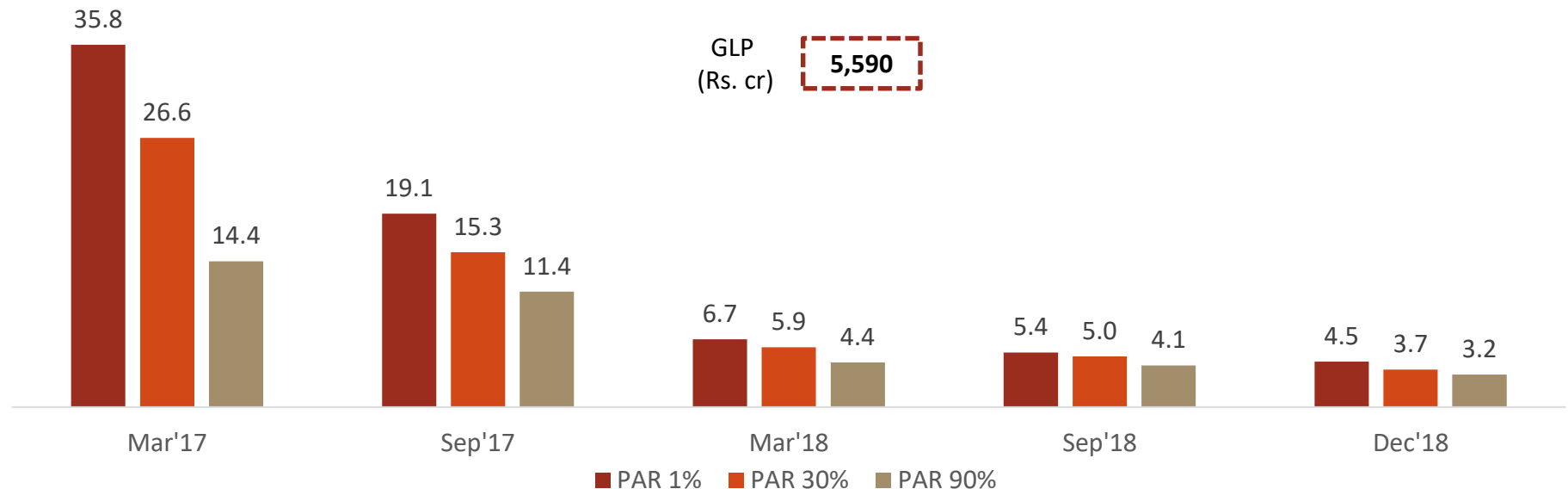
The worst is over

ECL methodology prescribed in IND AS is based on the principle of providing for expected future losses, rather than incurred losses.

**Expected Credit Loss (ECL):** Probability of credit losses over the expected life of the financial asset.

**ECL Calculation** = Exposure at Default (ED) x Probability of Default (PD) x Loss Given Default (LGD)

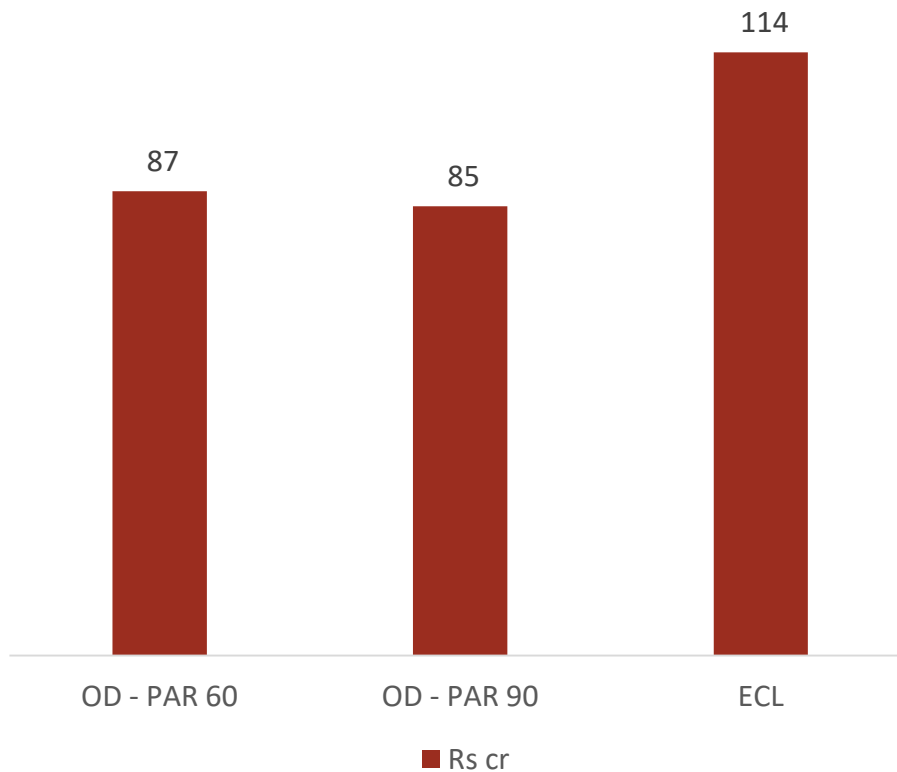
ECL computation is based on analysis of historical portfolio PAR trends and macro economic parameters. Given the backdrop of impact of demonetisation on portfolio quality, management has remained conservative in approach. ECL computation will evolve as portfolio quality improves and returns to normalcy.



# Provisioning



OD vs ECL as of Dec'18



- Collection against write-off during 9M FY19 is Rs ~11.4 Cr
- The Overdue (OD) for more than 90 days is Rs. 85 cr
- ECL is Rs. 114 cr



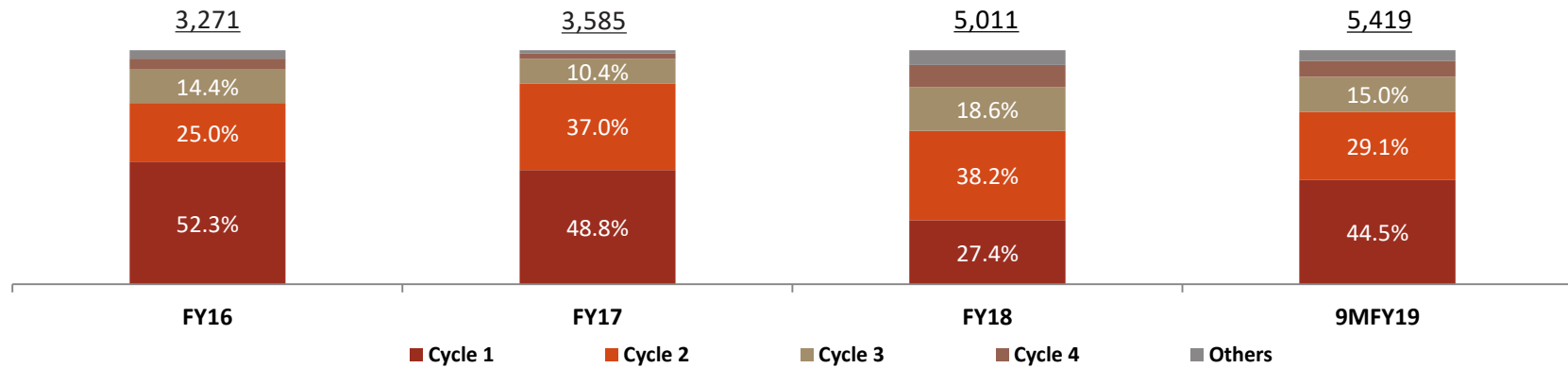
# Growth Changes Customer Mix



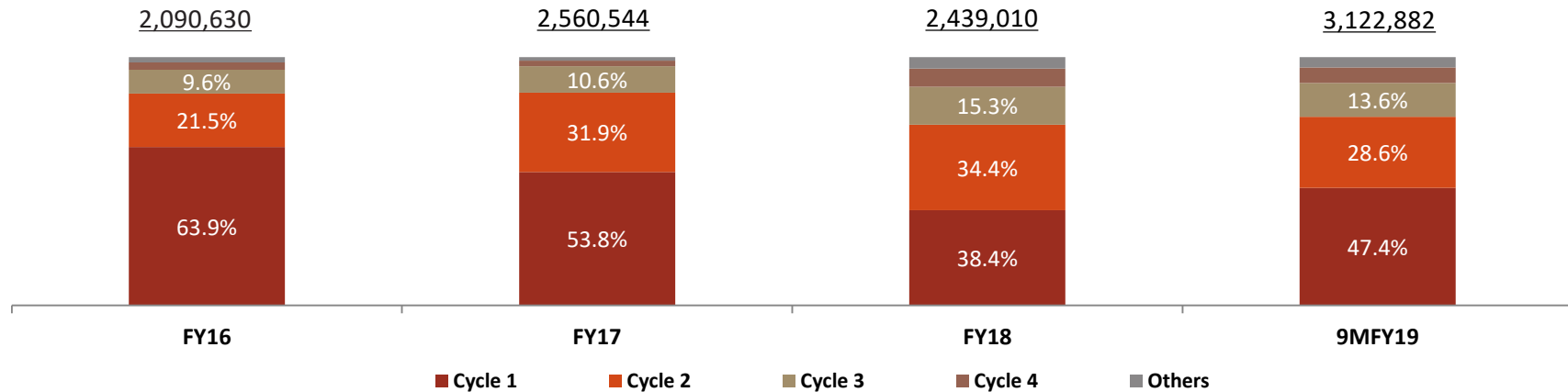
## Trend in Loan Cycle

- Focus is now on acquisition of new customers due to geographical expansion, leading to increase in first cycle customers

By GLP (Rs. cr)



By No. of Loan Accounts

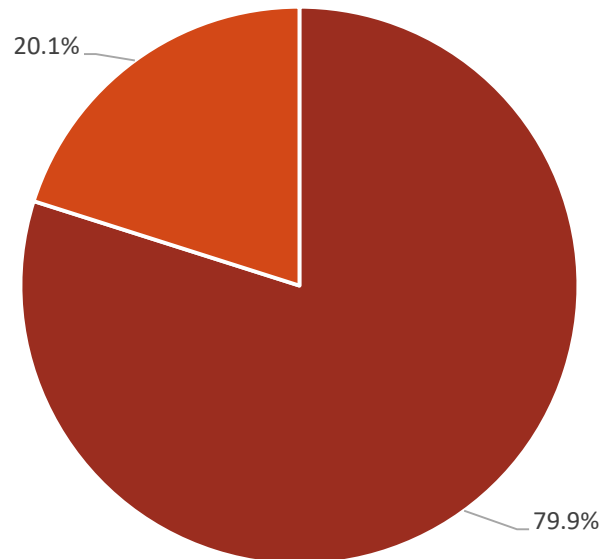


Note: Data above excludes MSME segment and is on standalone basis.

# Rural Focus of Operations

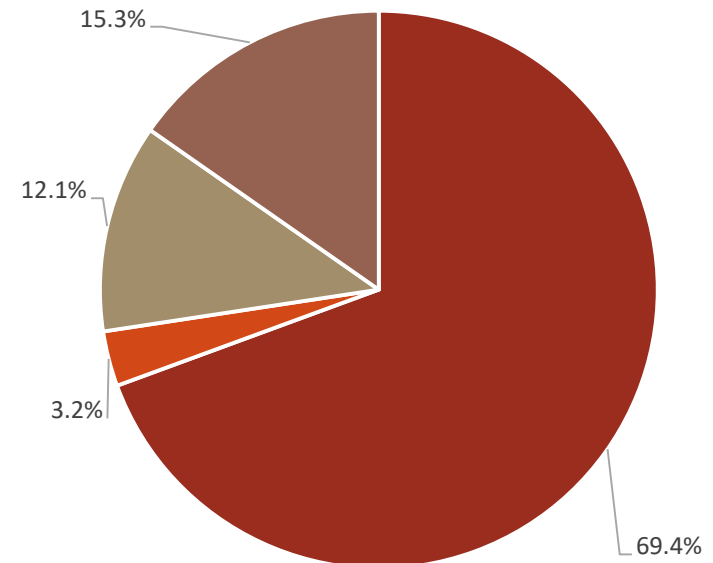


## Financing the rural growth story



■ Rural ■ Urban

## Purpose-wise details



■ Agriculture & allied ■ Production ■ Trading ■ Others

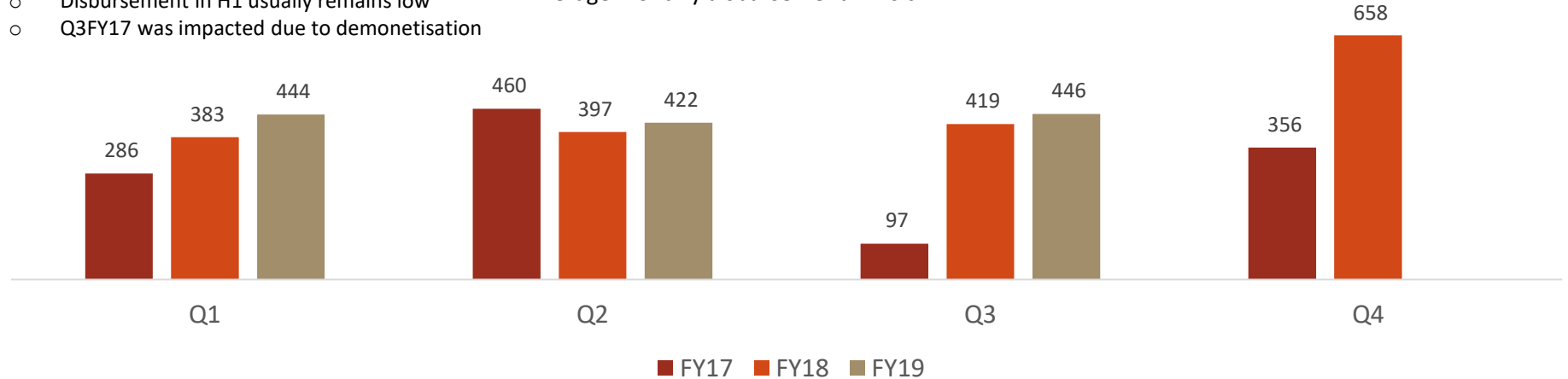
# Strong Client Demand resulting in Rebound in Disbursements, along with Rapid scaling up of Cashless Disbursements



## Growth While Focusing on Quality<sup>1</sup>

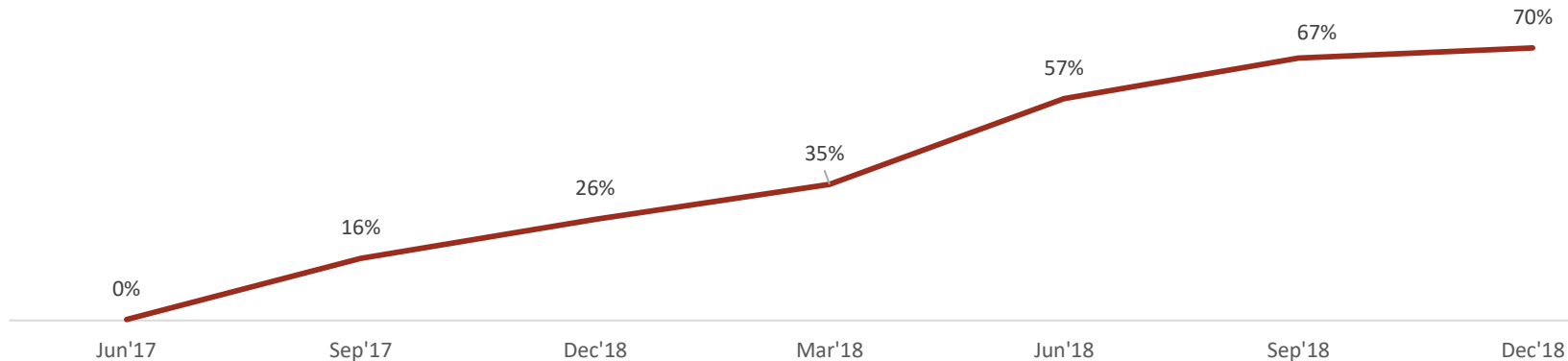
- Disbursement in H1 usually remains low
- Q3FY17 was impacted due to demonetisation

Average monthly disbursement in Rs cr



## Digitization efforts that were started during demonetization are showing results

Cashless disbursements as % of total disbursements\*

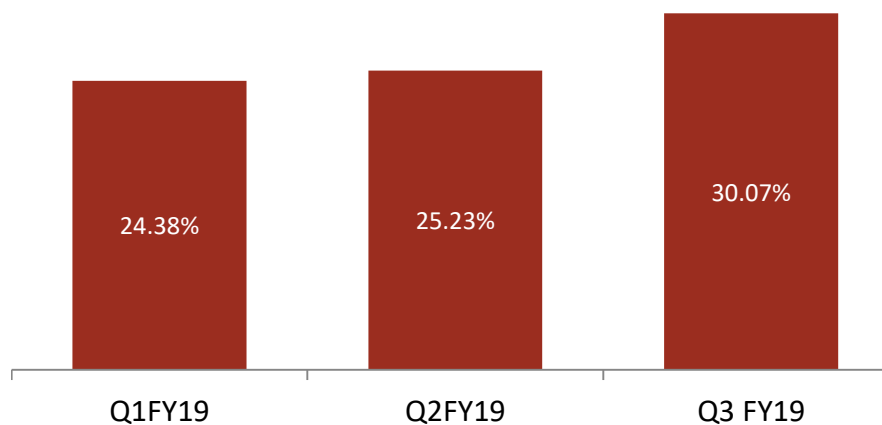


Note: All charts above are on standalone basis; (1) Average monthly disbursements \* Data for microfinance only and numbers are MTD

# Strong Capitalization



Healthy CRAR<sup>(1)</sup> to help Capitalize on Growth Opportunities

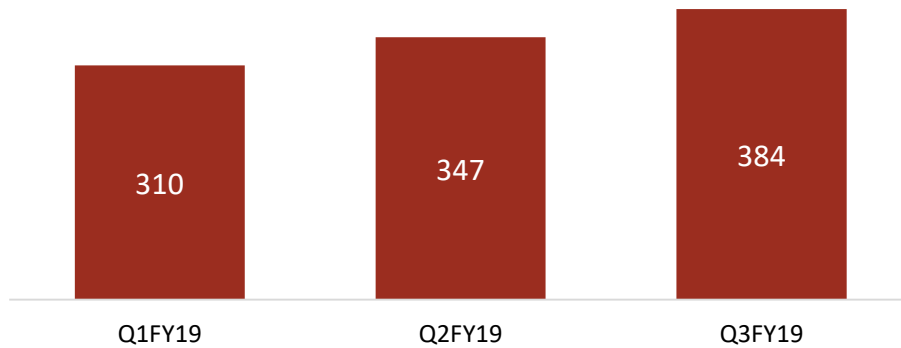


- Tie-up with IndusInd Bank and renewed interest of banks for Direct Assignment are reducing the requirement of capital for growth

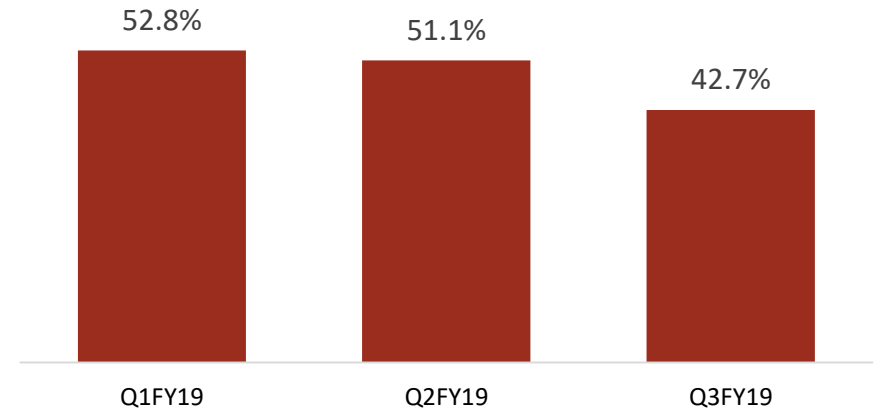
# Track Record of Delivering Growth



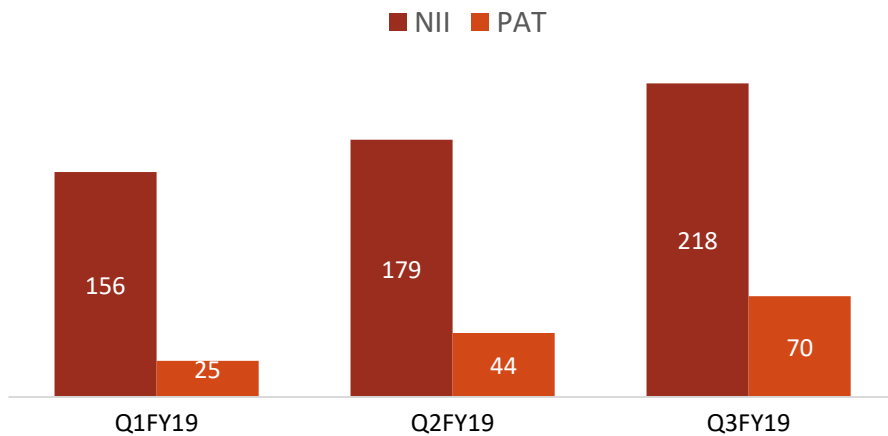
Gross Income (Rs. cr)



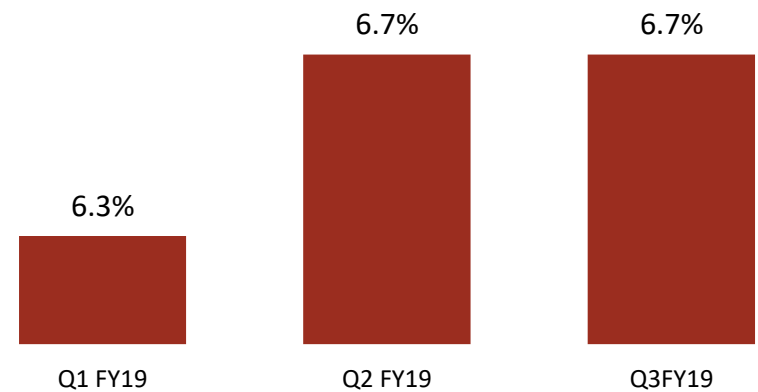
Cost to Income Ratio (%)



NII<sup>1</sup> and PAT (Rs. cr)



Opex to GLP (%)

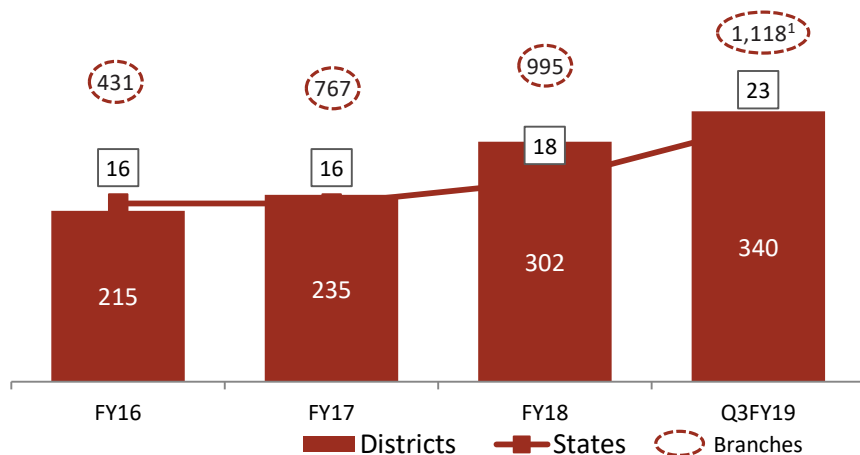


Note: Data on standalone basis; (1) Represents total income less interest expense

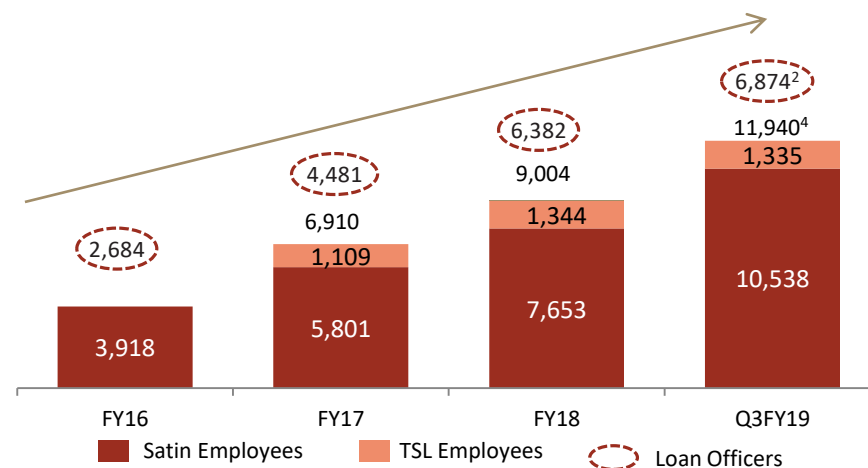
# Operational Highlights (1/2)



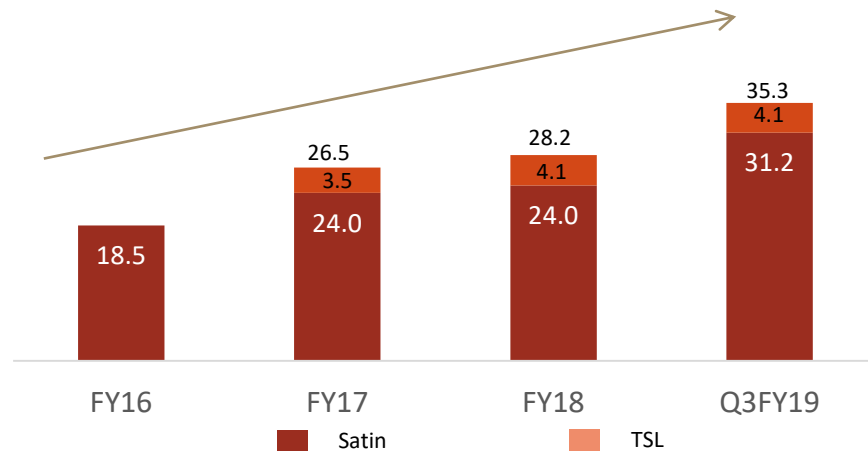
## Districts, States and Branches



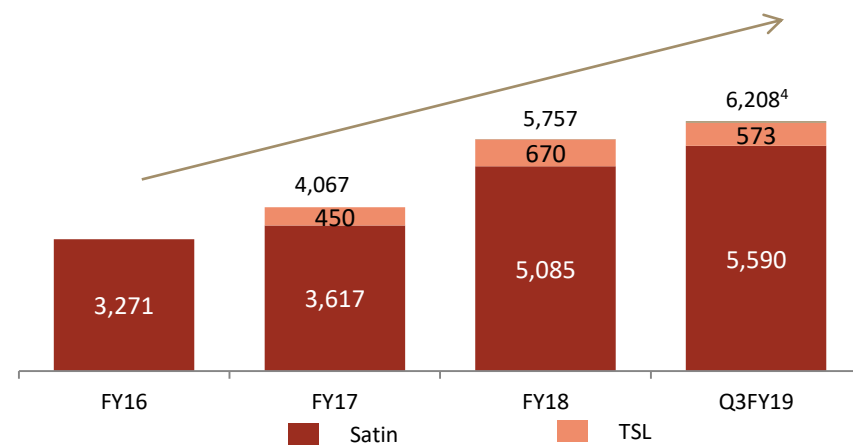
## Employees & Loan Officers



## Active Clients (lacs)



## Gross Loan Portfolio (Rs. cr)

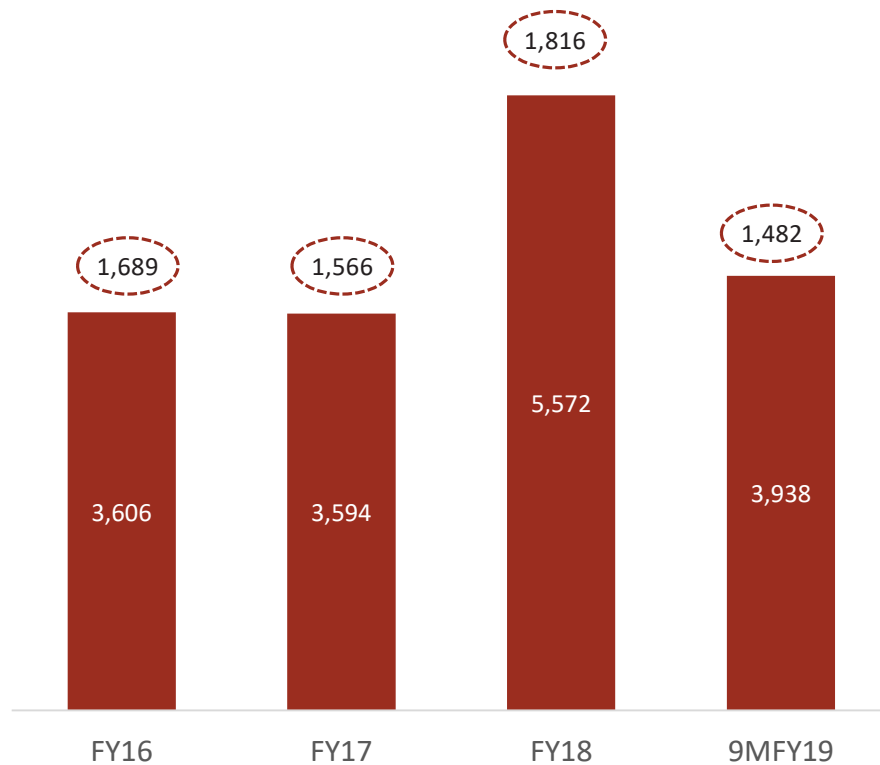


Note: (1) Data on Consolidated basis - On a standalone basis, the number of branches were 937 (Dec'18); (2) Data on a consolidated basis - On a standalone basis the number of loan officers were 5,937 (Dec'18); (3) On standalone basis; (4) Consolidated figures includes Satin Housing Finance Limited.

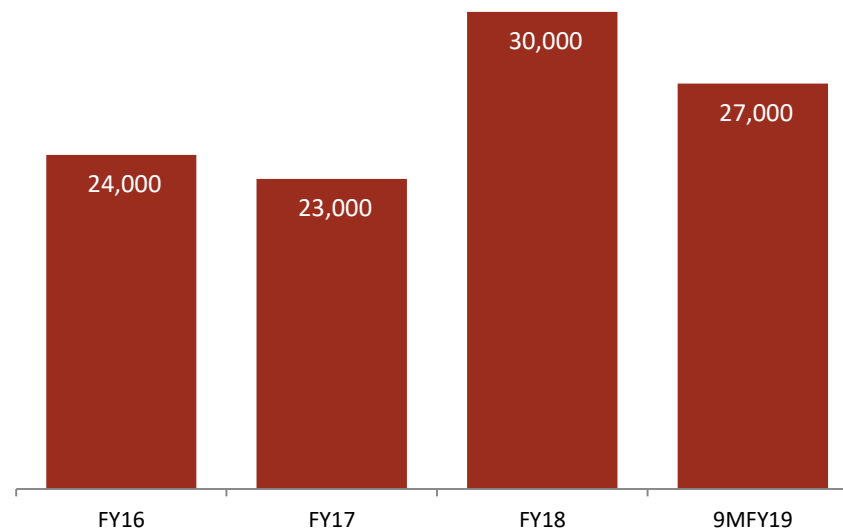
# Operational Highlights (2/2)



Disbursement<sup>1</sup> (Rs. cr) & No. of Loans<sup>1</sup> ('000)



Satin JLG loans - Average Ticket Size<sup>2</sup> (Rs)



No. of Loans ('000)

Note: (1) Standalone basis; (2) TSL's average ticket size was 26,900(9MFY19)

# Transparent Operations



## Transparent Operations

### Smart Campaign – Client Protection Certification



### Loan Card with transparent terms and conditions



## Strong Internal Audit Processes and Systems ensure portfolio quality

### Full fledged in-house Internal Audit department for Group Lending and MSME

- 88 member team of Zonal Auditors & Regional Auditors, HO support
- Each Zonal Auditor looks at 3 Regions
- Each Regional Auditors looks at 8-10 branches , with a complete audit once a quarter.
- Branches per Internal Audit staff – 8-10

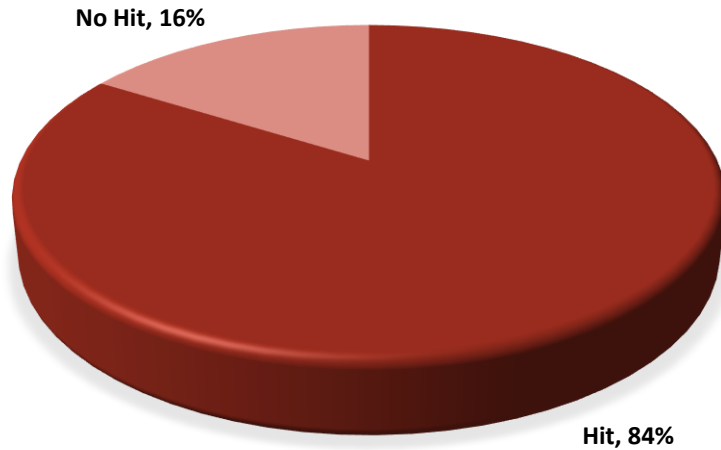
Various Audits conducted	Frequency
Branch Audit	Quarterly (Large>6,000 Clients, Medium 3,000-6,000 Clients, Small<3,000 clients)
Regional Office Audit	Quarterly
Social Audit	Quarterly
Compliance Audit	Varies depending on feedback from other audits



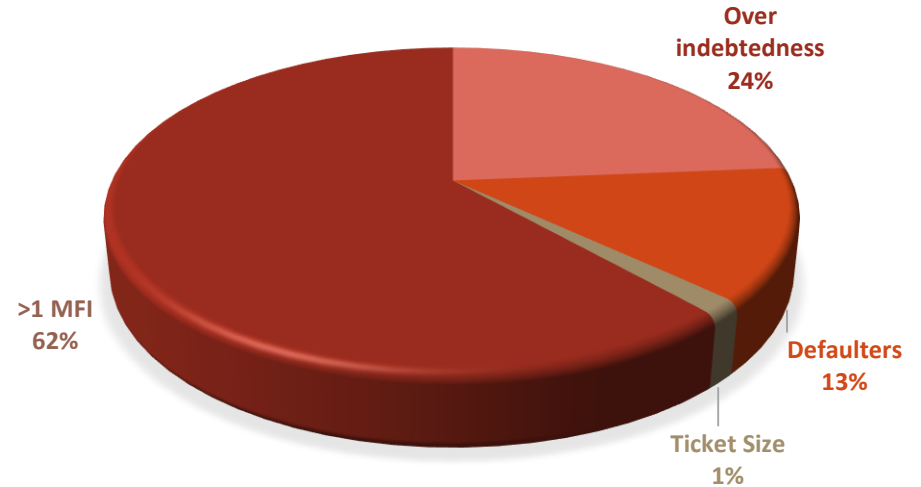
# Credit Bureau Data For Screening Loan Applications



Hit Rate for all Products-Q3FY19



CB Rejection Reason-Q3FY19



SCNL Guidelines

	Limit	RBI Guidelines	MFIN Guidelines
Indebtedness Limit (INR)	80,000	Yes	Yes
Maximum No. of MFIs	2	Yes	Yes

Rejection Rate for all products is ~15% for Q3FY19

**Note:**

- Rejections are done based on data derived from CB report
- Rejection detail belongs to JLG customers

# Company's Product Mix - MSME and Housing Finance taking good shape



	MFI Segment <sup>(1)</sup>	Non-MFI Segment	Business Correspondent services	Housing Finance
Product features as on Dec'18	MFI Lending	Loans to MSME <sup>(2)</sup>	Taraashna Services Ltd <sup>(3)</sup>	Satin Housing Finance Ltd <sup>(4)</sup>
<b>Start Date</b>	May'08 (JLG)	Apr'16	May'12 <sup>(3)</sup>	Feb'18
<b>Ticket Size Range</b>	Upto Rs. 50,000	Rs. 100,000 – Rs. 100,000,000	Upto Rs. 50,000 (JLG - Microfinance)	Rs 100,000 – Rs 4,000,000
<b>Tenure</b>	12 - 24 months	12 -120 months	12 - 24 months	24 – 240 months
<b>Frequency of Collection</b>	Bi-Weekly	Monthly	Bi-Weekly / 2 Bi-Weekly	Monthly
<b>No. of States/UTs</b>	23	5	8	4
<b>No. of Branches</b>	931	33	178	3
<b>Gross Loan Portfolio (Rs. cr)</b>	5,419	171	573	46
<b>No. of loan accounts</b>	3,122,882	1,462	406,042	369
<b>Avg. Ticket Size for 9M FY19</b>	Rs.27,000 (JLG)	Rs. 1,700,000	Rs. 26,900 (JLG)	Rs. 1,432,000

**Notes** - (1) As on Dec'18, MFI Segment included MFI Lending (loans under JLG model, IndusInd BC, water & sanitation loans and loans to individual businesses) and Product Financing (Loans for solar lamps, cycles); (2) MSME: Micro, Small & Medium Enterprises; (3) TSL acquisition is effective Sep 1, 2016; (4) Satin Housing Finance Ltd was incorporated on April 17, 2017

\*As of Q3 FY19, there were 931 branches with Microfinance operations & 33 branches with MSME operations. Out of the 33 MSME branches, 27 of them also had microfinance operations & 6 were unique.

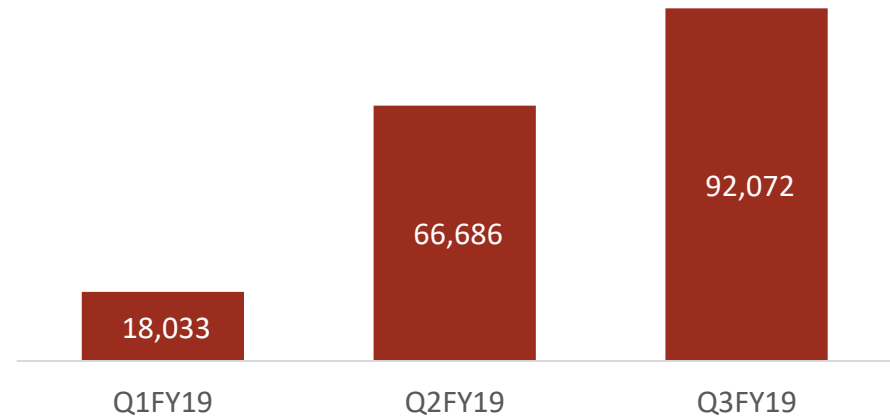
# Business Correspondent (BC) Partnership with IndusInd Bank



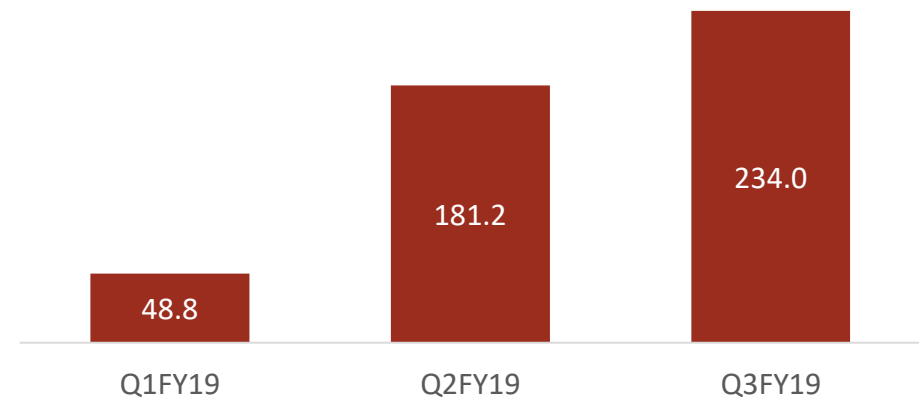
## Growing the Asset Under Management

- Satin entered into BC partnership with IndusInd Bank in H2 FY18
- 9 Regional offices and 171 branches are actively disbursing under this arrangement
- Eventually 40% of branch network will be exclusive to IndusInd in a phased manner
- Share of BC portfolio<sup>(1)</sup> to total AUM has grown from ~1% in Q1FY19 to ~7.3% in Q3 FY19 at Rs 407 cr
- Advantages from the agreement are on-tap funding, low capital requirement, contained cost of liquidity among others

No of loans disbursed



Disbursements in Rs. cr

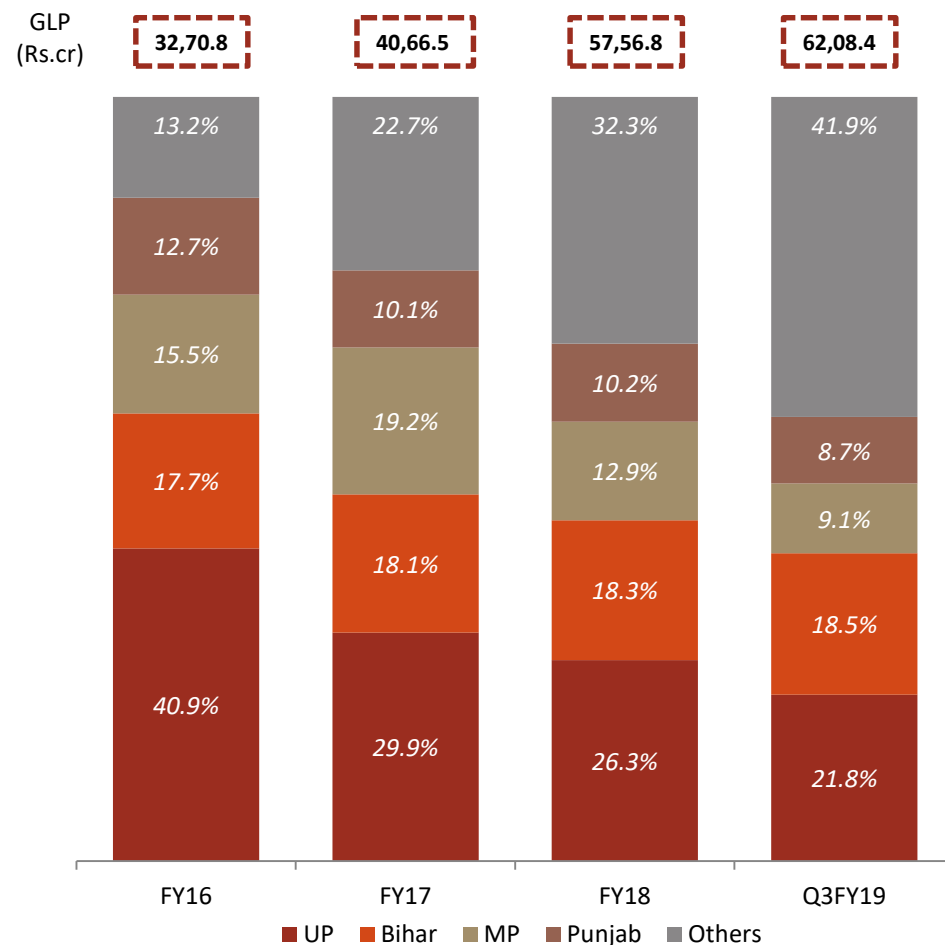


(1) On a standalone basis

# Diversification – By Geography



Focus on Geographic Diversification<sup>1</sup> and limiting concentration per state <20% by 2020



Substantially Reducing Geographic concentration

States	GLP - Q3 FY19 Rs cr	Q3 FY19 % mix	FY15 % mix	Change	CAGR %
UTTAR PRADESH	1352.2	21.8%	43.3%	↓	10.6%
BIHAR	1147.9	18.5%	17.2%	↑	35.4%
MADHYA PRADESH	567.6	9.1%	18.5%	↓	10.1%
PUNJAB	543.2	8.7%	8.2%	↑	35.0%
ASSAM	490.4	7.9%	0.0%	↑	-
RAJASTHAN	441.4	7.1%	1.6%	↑	96.5%
WEST BENGAL	375.8	6.1%	0.0%	↑	-
ORRISA	331.2	5.3%	0.0%	↑	-
HARYANA	230.4	3.7%	1.1%	↑	84.9%
GUJARAT	187.2	3.0%	0.0%	↑	-
MAHARASHTRA	128.0	2.1%	0.9%	↑	67.7%
DELHI & NCR	111.1	1.8%	5.1%	↓	0.7%
UTTARAKHAND	95.4	1.5%	4.0%	↓	2.6%
JHARKHAND	94.7	1.5%	0.0%	↑	-
CHHATTISGARH	63.0	1.0%	0.0%	↑	-
TRIPURA	22.9	0.4%	0.0%	↑	-
TAMIL NADU	10.7	0.2%	0.0%	↑	-
JAMMU & KASHMIR	5.7	0.1%	0.1%	↔	22.5%
HIMACHAL PRADESH	5.2	0.1%	0.0%	↑	-
MEGHALAYA	2.9	0.0%	0.0%	↑	-
PONDICHERRY	1.0	0.0%	0.0%	↑	-
CHANDIGARH	0.2	0.0%	0.0%	↔	-19.5%
KARNATAKA	0.1	0.0%	0.0%	↑	-
TOTAL	6208.4	100.0%	100.0%		32.8%

Note: 1. Loan portfolio in each state as a % of Gross Loan Portfolio on a consolidated basis, TSL became wholly owned subsidiary in Sep'18 and SHFL incorporated on Apr 17, 2017

# Impact of Digital Transformation

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- 01** Mobile Technology Platform – Last Mile Connectivity
- 02** Process re-engineered to enable customer acquisition within 3 minutes
- 03** Live Dashboard Every Two Minutes
- 04** Increased digitization of processes
- 05** Geo Location Tracking
- 06** Real-time Credit Checks
- 07** Instant Bank Account Verifications
- 08** Enabling Brand Recall Value
- 09** QR Code Scan
- 10** Cashless Disbursements

# ISO 27001:2013 – Amongst the First MFIs to be Certified



## *Satin's Aspirational Journey Towards Building a Sensitive Culture Around Information Security*

- Information security is a key mandate for every organisation
  - International Organization for Standardization (ISO) is the world's largest developer of international standards
- 
- The ISO 27001:2013 standard specifies the requirements for establishing, implementing, maintaining and continually improving an information security management system (ISMS) within the organization
- 
- All micro finance companies are supposed to adhere to the RBI Master Guidelines on Information Security
  - Satin took the guidance a step ahead by getting ISO certification
- 
- **ISO certification affirms Satin has integrated a robust Information Security Management System (ISMS) in its business processes**
  - Information security and client confidentiality are part of the cornerstones of Satin's strategic objectives

# Backed by Large, Marquee Institutional Investors



## Investor confidence

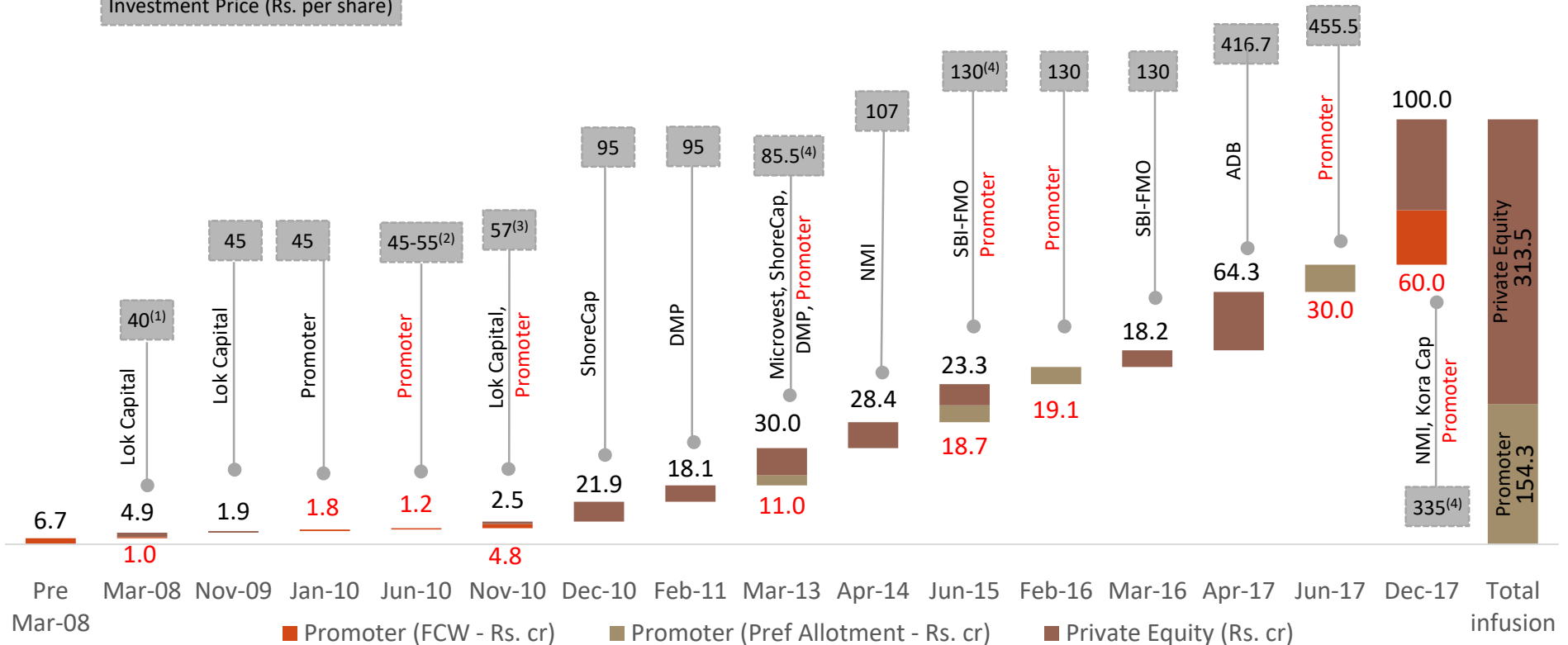
- 7 rounds of equity capital raise with marquee investors with complete profitable exits to 4 investors
- Raised Rs. 250 cr from marquee institutions via QIP in Oct 2016. Further raised Rs. 150 cr in Oct 2017 via QIP from large domestic mutual funds

## Promoter Commitment

- Raised Rs. 35 cr from large NBFC
- Promoter stake in Satin is quite high among listed MFIs having invested at regular intervals at par with incoming PE investors
- Adequate board representation – There are 3 Nominee Directors on the board representing the Investors

## Private Equity Financing Rounds supported by Promoters Investing at Par with Incoming PE investors (Rs. cr)

Investment Price (Rs. per share)



Note: Each funding round is flagged with Issue Share Price in Rs.; (1) Issue price for Lok Capital of Rs. 40, and Issue price for Promoter of Rs. 10; (2) Rs. 50 lac investment at issue price of Rs. 45, and Rs. 67 lac investment at issue price of Rs. 55; (3) Issue price for Lok Capital: Rs. 57, Issue price for Promoter: Rs. 55; (4) Same Issue price for PE investor and Promoter;

## Future Business Strategy

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# Future Business Strategy



## Core operations (MFI Lending)

- Focus on Portfolio Quality
- Geographic diversification – Started operations in Assam and Orissa in FY18; Meghalaya, Tripura, Tamil Nadu, Pondicherry and Karnataka in FY19. Aim to achieve per state exposure to <20% by 2020
- Increase penetration in existing states – through existing branches and by establishing new branches to have a PAN India presence
- Scale up BC operations with IndusInd Bank
- Diversify revenue sources by increasing share of cross-sell income
- Achieve 100% cashless disbursement by March 2019
- Credit scores for individuals and groups

## Allied Businesses through wholly owned subsidiaries

### MSME

- Expand operations to new geographies – Presently operating in Delhi NCR, Haryana, Punjab, MP and Maharashtra
- Focus on portfolio quality
- Received NBFC license from RBI

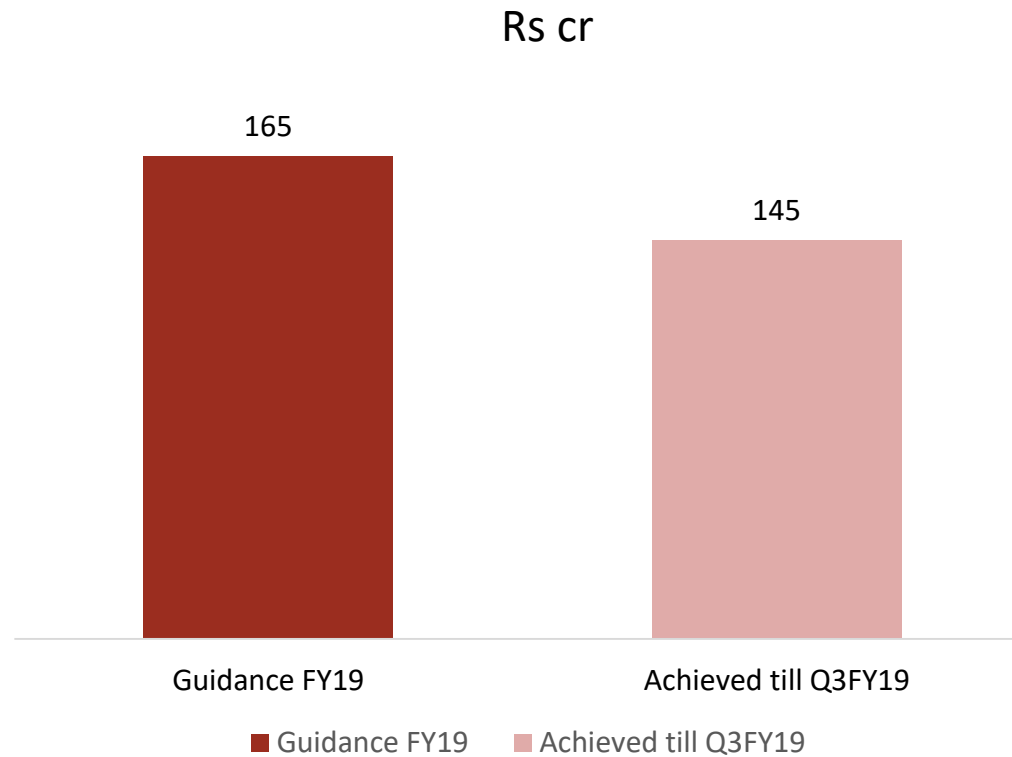
### SHFL – Housing Finance

- Aspire to be a niche housing finance player in tier II, III and IV cities and towns
- Focus on portfolio quality

### TSL – Business Correspondent

- Entered into BC arrangement with a leading bank, will help in scaling operations
- Plan to broad base offerings besides microfinance

# Guidance for FY19 versus achieved<sup>(1)</sup>



Annexure

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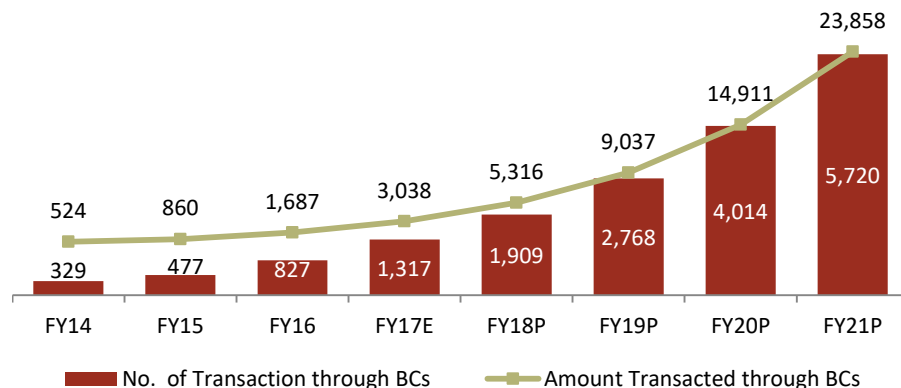
**Industry Overview -BC Operations, MSME Finance and Small Ticket Housing Finance**

# BC Operations



## Number of BC transactions to soar given lower cost of operations

BC Transactions – Value (Rs. Bn) and Volume (Mn)

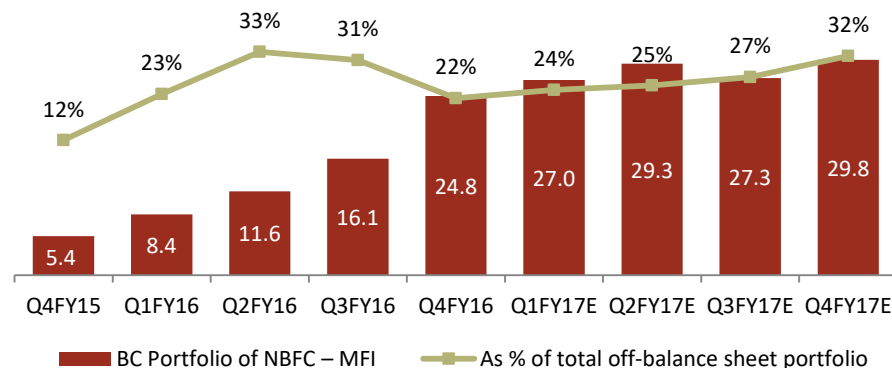


## Massive growth potential for growth of BC portfolio of NBFC-MFIs

- BC portfolio to witness healthy growth as overall banking credit growth recovers, MFI industry stabilizes and competition from SFBs reduces
- Micro-lending through BCs have attracted banks due to several benefits such as:
  - Meeting of PSL targets without any direct involvement of banks as loans are sourced by MFIs, who are in direct contact with the borrower
  - Better resource utilisation for banks as rural branches get relieved from a significant part of low-ticket size micro-lending obligations
  - Improved portfolio quality - NBFC-MFIs have expertise in micro-lending as part of their core portfolio, unlike banks who primarily focus on industrial and other higher ticket-size lending

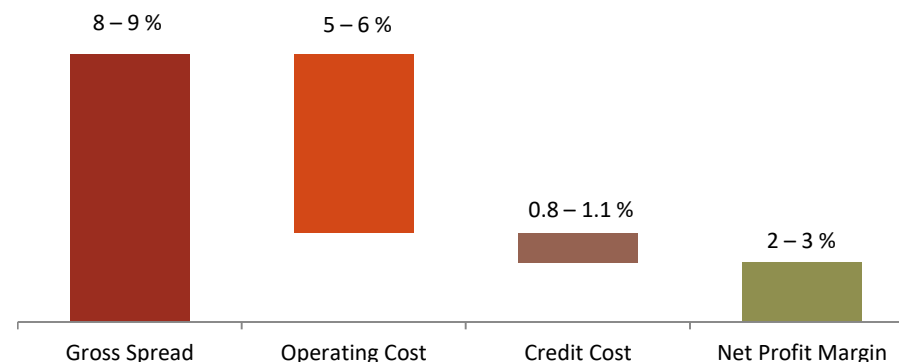
## BC portfolio of NBFC-MFIs on the rise

BC Portfolio of NBFC – MFI (Rs. Bn)



## Higher margins and attractive RoA makes BC business lucrative even for MFIs

Estimated Costs and Ratios BC Business

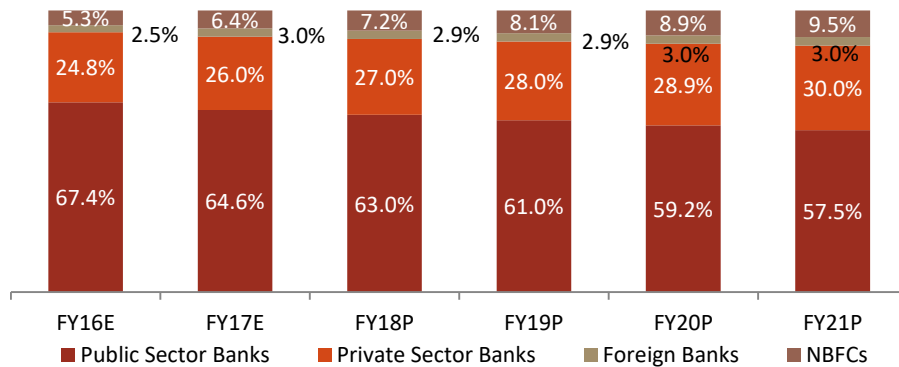


# Micro, small and medium enterprise (MSME) finance



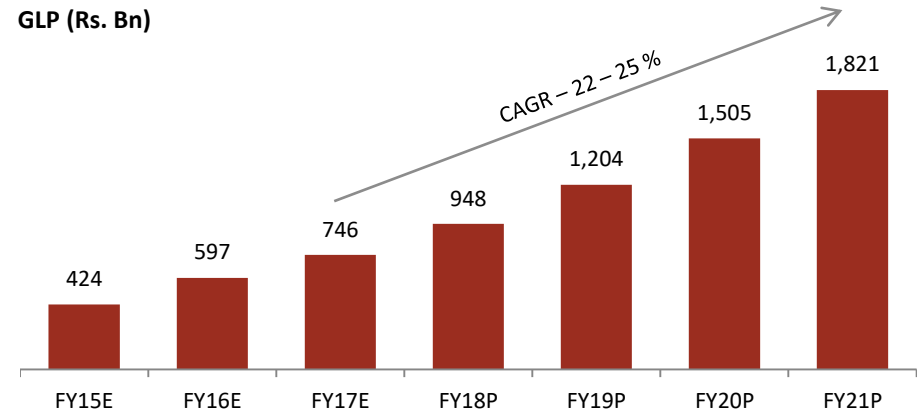
## Share of NBFCs and private banks to increase in MSMSE credit

Share of MSME Finance By Institutions



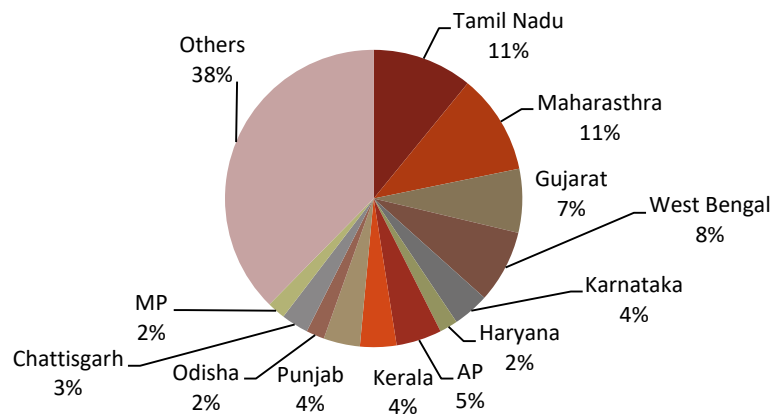
## NBFCs' MSME credit to sustain impressive growth

GLP (Rs. Bn)



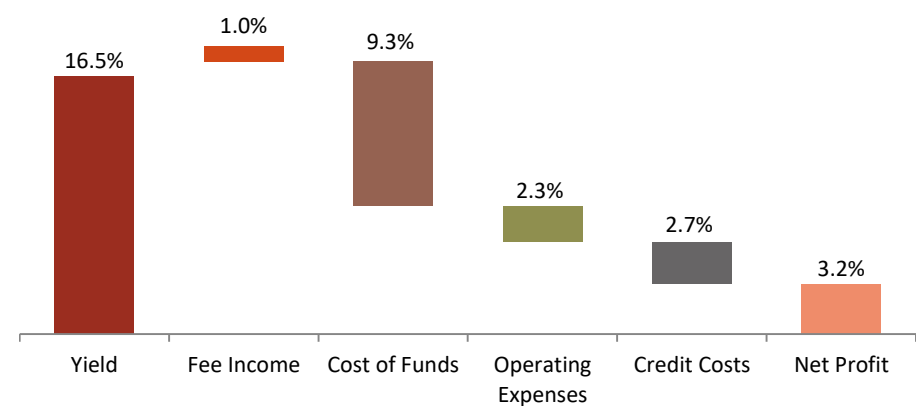
## Southern, western states contributing to majority of MSME loan outstanding with banks

Statewise FY17 GLP (Rs. Bn)



## Profitability of NBFC lending

Profitability of NBFC SME Lending

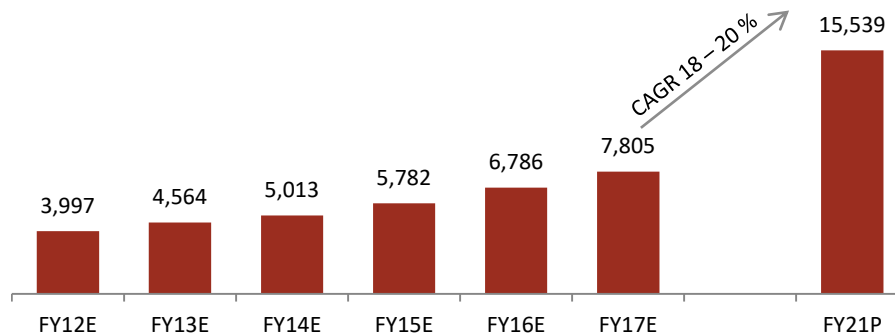


# Small Ticket Housing Finance

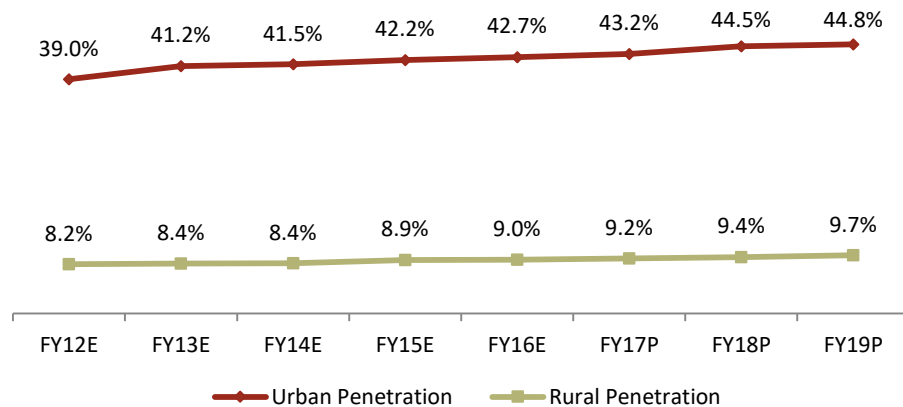


## Healthy growth expected in low ticket housing finance segment

Loan book – less than Rs. 2.5 Million



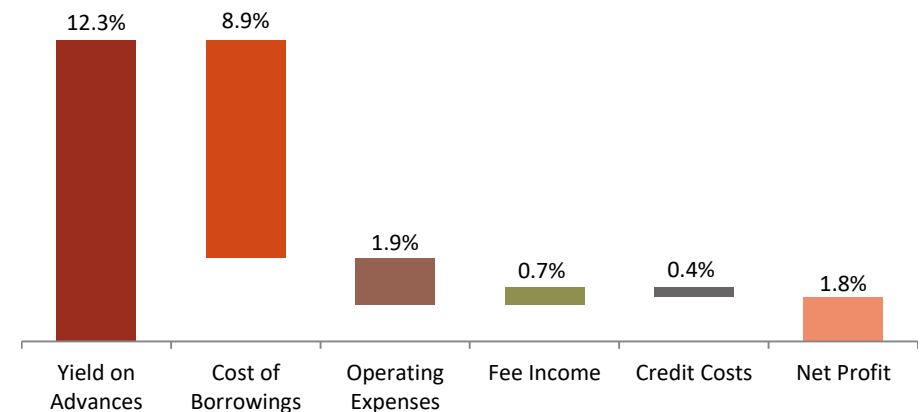
## Rise in finance penetration to drive industry growth



## Key Growth Drivers

- Thrust on low ticket housing with Govt. initiatives like 'Housing for All' to boost growth and help increase share
- Pradhan Mantri Awas Yojana – Credit linked subsidy scheme: Subsidy to be provided on home loans taken by eligible urban population
- Revision of interest spread cap to 3.5% for Rural Housing Fund (RHF)
- Lower risk-weights and higher LTV for low ticket loans to boost disbursements
  - LTV on loans between Rs 30-75L increased to 80% from 75% and risk weights reduced to 35% from 50%
- Infra status to affordable housing companies to push more developers to enter this sector
- Urbanisation to increase at a CAGR of 2.0-2.5% between 2017-2022

## Profitability of HFCs



Annexure

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**Financial & Operational Details – Consolidated**

# Business Details – Consolidated



PARTICULARS	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>AUM (Rs. cr)</b>	<b>6,208</b>	<b>4,882</b>	<b>6,191</b>	<b>27.2%</b>	<b>0.3%</b>
On-Book AUM*	4,293	3,875	5,128	10.8%	-16.3%
Securitization	446	414	564	7.6%	-20.9%
Assignment	889	15	218	-	308.4%
Business Correspondence – IndusInd Bank	407	-	215	-	89.5%
TSL - Business Correspondence	573	577	604	-0.7%	-5.1%
SHFL – Housing Finance	46	-	27	-	72.0%
<b>AUM Mix (Rs. cr)</b>	<b>6,208</b>	<b>4,882</b>	<b>6,191</b>	<b>27.2%</b>	<b>0.3%</b>
MFI Lending	5,005	4,236	5,239	18.1%	-4.5%
Product Financing	6	0	2	-	209.7%
MSME	171	68	105	150.5%	62.6%
Business Correspondence – IndusInd Bank	407	-	215	-	89.5%
TSL - Business Correspondence	573	577	604	-0.7%	-5.1%
SHFL – Housing Finance	46	-	27	-	72.0%
<b>No. of branches</b>	<b>1,118</b>	<b>898</b>	<b>1,066</b>	<b>24.5%</b>	<b>4.9%</b>
SCNL	937	728	885	28.7%	5.9%
TSL	178	170	179	4.7%	-0.6%
SHFL	3	-	2	-	50.0%
<b>No. of Employees</b>	<b>11,940</b>	<b>8,384</b>	<b>10,972</b>	<b>42.4%</b>	<b>8.8%</b>
SCNL	10,538	7,121	9,579	48.0%	10.0%
TSL	1,335	1,259	1,352	6.0%	-1.3%
SHFL	67	4	41	-	63.4%
<b>No. of Loan Officers</b>	<b>6,874</b>	<b>5,978</b>	<b>6,554</b>	<b>15.0%</b>	<b>4.9%</b>
SCNL	5,937	5,125	5,619	15.8%	5.7%
TSL	906	853	921	6.2%	-1.6%
SHFL	31	-	14	-	121.4%

\*includes securitization; Figures may not match due to rounding off difference



# Business Details – Consolidated (Contd)



PARTICULARS	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>No. of Loan Accounts</b>	<b>3,530,755</b>	<b>2,713,750</b>	<b>3,231,801</b>	<b>30.1%</b>	<b>9.3%</b>
SCNL	3,124,344	2,326,567	2,815,468	34.3%	11.0%
TSL	406,042	387,183	416,125	4.9%	-2.4%
SHFL	369	-	208	-	77.4%
<b>Average Ticket Size*</b>					
MFI Lending (SCNL)	26,000	30,000	27,000	-13.3%	-3.7%
Product Financing (SCNL)	2,884	2,495	6,000	-	-51.9%
MSME (SCNL)	2,260,000	900,000	1,100,000	151.1%	105.5%
TSL	26,900	23,600	26,700	-	0.7%
SHFL	1,380,000	-	1,493,000	-	-7.6%

\*Represents average ticket size for the cumulative months in the financial year upto the corresponding period;

# P&L Statement – Consolidated (Quarterly)



Particulars (Rs cr)	Q3 FY19	Q3 FY18	YoY%	Q2FY19	QoQ%
<b>Revenue</b>					
Interest and Fee Income	283	230	22.9%	303	-6.8%
Net Gain On Derecognition of Financial Instruments	68	-	-	18	-
Treasury Income	25	17	50.2%	23	10.3%
Service Charges	23	13	76.7%	18	27.0%
Other Operating Income	3	-	-	3	14.3%
<b>Total Revenue</b>	<b>402</b>	<b>260</b>	<b>55.0%</b>	<b>365</b>	<b>10.1%</b>
<b>Expenses</b>					
Finance Cost	166	133	25.4%	169	-1.3%
Employee Benefit Expenses	81	60	34.9%	71	13.5%
Credit Cost	10	-37	-126.8%	18	-45.8%
Other Expenses	25	27	-6.8%	32	-22.2%
Depreciation and amortisation expense	3	4	-9.3%	3	13.4%
<b>Total Expenses</b>	<b>285</b>	<b>186</b>	<b>53.8%</b>	<b>293</b>	<b>-2.7%</b>
<b>Profit before tax</b>	<b>117</b>	<b>74</b>	<b>57.9%</b>	<b>72</b>	<b>62.2%</b>
Tax expense	45	27	71.1%	26	75.3%
<b>Profit after tax</b>	<b>71</b>	<b>47</b>	<b>50.6%</b>	<b>46</b>	<b>54.9%</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit and loss</b>					
Remeasurements of post employment benefit obligations	-	1	-	-	-
Income tax relating to these items	-	-	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>71</b>	<b>48</b>	<b>48.5%</b>	<b>46</b>	<b>55.9%</b>

# P&L Statement – Consolidated (9 months)



Particulars (Rs cr)	9M FY19	9M FY18	YoY%
<b>Revenue</b>			
Interest and Fee Income	878	648	35.4%
Net Gain On Derecognition of Financial Instruments	86	-	
Treasury Income	65	51	25.7%
Service Charges	59	35	71.1%
Other Operating Income	8	2	332.6%
<b>Total Revenue</b>	<b>1,095</b>	<b>736</b>	<b>48.8%</b>
<b>Expenses</b>			
Finance Cost	489	389	25.8%
Employee Benefit Expenses	222	166	33.7%
Credit Cost	64	45	44.1%
Other Expenses	81	68	20.2%
Depreciation and amortisation expense	9	11	-17.1%
<b>Total Expenses</b>	<b>865</b>	<b>678</b>	<b>27.7%</b>
<b>Profit before tax</b>	<b>230</b>	<b>59</b>	<b>292.7%</b>
Tax expense	85	22	294.6%
<b>Profit after tax</b>	<b>145</b>	<b>37</b>	<b>291.7%</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Remeasurements of post employment benefit obligations	-	-	-
Income tax relating to these items	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>145</b>	<b>37</b>	<b>289.8%</b>

Annexure

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**Financial & Operational Details – Standalone**

# Operational Details – Standalone (Quarterly)



PARTICULARS	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>Gross AUM (Rs. cr)</b>	<b>5,590</b>	<b>4,304</b>	<b>5,561</b>	<b>29.9%</b>	<b>0.5%</b>
No. of districts	340	280	318	21.1%	6.9%
No. of branches	937	728	885	28.7%	5.9%
No. of States of operation	23	18	20	22.2%	15.0%
No. of Employees	10,538	7,121	9,579	48.0%	10.0%
No. of Loan Officers	5,937	5,125	5,619	15.8%	5.7%
No. of Loan Accounts	3,124,344	2,448,386	2,822,429	27.6%	10.7%
Disbursement during the period (Rs. cr)	1,338	1,257	1,267	9.4%	5.6%
No. of loans disbursed during the period	545,415	425,037	473,211	25.3%	15.3%
<b>MFI Lending (excl. Prod. Financing &amp; MSME)</b>					
<b>Gross AUM (Rs. cr)</b>	<b>5,412</b>	<b>4,236</b>	<b>5,454</b>	<b>27.8%</b>	<b>-0.8%</b>
No. of branches	931	723	879	28.8%	5.9%
No. of Employees	10,420	7,063	9501	47.5%	9.7%
No. of Loan Accounts	3,091,205	2,447,410	2815468	26.3%	9.8%
Disbursement during the period (Rs. cr)	1254	1,245	1241	7.2%	1.1%
No. of loans disbursed during the period	512,745	424,721	469,916	22.1%	9.1%
<b>Productivity Metrics for MFI Lending</b>					
<b>Gross AUM/ Branch (Rs. cr)</b>	<b>5.8</b>	<b>5.9</b>	<b>6.2</b>	<b>-0.8%</b>	<b>-6.2%</b>
Gross AUM/ Loan Officer (Rs. cr)	0.9	0.8	1.0	10.3%	-6.1%
Disbursement/ Branch (Rs. cr)	1.3	1.7	1.4	-16.7%	-4.5%
Disbursement/ Loan Officer (Rs. cr)	0.2	0.2	0.2	-7.4%	-4.3%
No. of Clients/ Branch	3,055	3,217	3,102	-4.0%	-1.5%
No. of Clients/ Loan Officer	479	454	485	6.7%	-1.2%
Average Ticket Size* (Rs.)	26,000	30,000	27,000	-13.3%	-3.7%

\*Represents average ticket size for the cumulative months in the financial year up-to the corresponding period.;

# Operational Details - Standalone (Quarterly contd)



PARTICULARS	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>Product Financing</b>					
Gross AUM (Rs. cr)	6.5	0.0	2.1	-	209.7%
No. of Loan Accounts	31,677	174	5,747	-	451.2%
Disbursement during the period (Rs. cr)	9.3	0.04	1.8	-	406.9%
No. of loans disbursed during the period	32,341	151	3,071	-	953.1%
Average Ticket Size* (Rs.)	2,884	2,495	5,992	30.8%	-51.9%
<b>MSME</b>					
Gross AUM (Rs. cr)	171	68	105	150.5%	62.6%
No. of branches	33	29	30	13.8%	10.0%
No. of employees	118	58	78	100.0%	48.7%
No. of Loan Accounts	1,462	802	1,214	80.4%	19.2%
Disbursement during the period (Rs. cr)	74	12	25	152.8%	200.4%
No. of loans disbursed during the period	329	165	224	37.3%	46.9%
Average Ticket Size* (Rs.)	2,260,000	900,000	1,100,000	84.4%	105.5%

\*Represents average ticket size for the cumulative months of the corresponding period;

# Operational Details – Standalone (9 Months)



PARTICULARS	9M FY19	9M FY18	YoY %
<b>Gross AUM (Rs. cr)</b>	<b>5,590</b>	<b>4,304</b>	<b>29.9%</b>
No. of districts	340	280	21.1%
No. of branches	937	728	28.7%
No. of States of operation	23	18	22.2%
No. of Employees	10,538	7,121	48.0%
No. of Loan Officers	5,937	5,125	15.8%
No. of Loan Accounts	3,124,344	2,448,386	27.6%
Disbursement during the period (Rs. cr)	3,938	3,599	9.4%
No. of loans disbursed during the period	1,482,270	1,182,956	25.3%
<b>MFI Lending (excl. Prod. Financing &amp; MSME)</b>			
<b>Gross AUM (Rs. cr)</b>	<b>5,412</b>	<b>4,236</b>	<b>27.8%</b>
No. of branches	931	723	28.8%
No. of Employees	10,420	7,063	47.5%
No. of Loan Accounts	3,091,205	2,447,410	26.3%
Disbursement during the period (Rs. cr)	3,809	3,552	7.2%
No. of loans disbursed during the period	1,443,323	1,182,293	22.1%
<b>Productivity Metrics for MFI Lending</b>			
Gross AUM/ Branch (Rs. Cr)	5.8	5.9	-0.8%
Gross AUM/ Loan Officer (Rs. cr)	0.9	0.8	10.3%
Disbursement/ Branch (Rs. cr)	4.1	4.9	-16.7%
Disbursement/ Loan Officer (Rs. cr)	0.6	0.7	-7.4%
No. of Clients/ Branch	3,089	3,217	-4.0%
No. of Clients/ Loan Officer	484	454	6.7%
Average Ticket Size* (Rs.)	27,000	30,000	-10%

\*Represents average ticket size for the cumulative months in the financial year up-to the corresponding period.;

# Operational Details - Standalone (9 Months contd)



PARTICULARS	9M FY19	9M FY18	YoY %
<b>Product Financing</b>			
Gross AUM (Rs. cr)	6.5	0.0	-
No. of Loan Accounts	31,677	174	-
Disbursement during the period (Rs. cr)	12.5	0.0	-
No. of loans disbursed during the period	38,244	151	-
Average Ticket Size* (Rs.)	3,264	2,495	30.8%
<b>MSME</b>			
Gross AUM (Rs. cr)	171	68	150.5%
No. of branches	33	29	13.8%
No. of employees	118	58	100.0%
No. of Loan Accounts	1,462	802	80.4%
Disbursement during the period (Rs. cr)	117	46	152.8%
No. of loans disbursed during the period	703	512	37.3%
Average Ticket Size* (Rs.)	1,660,000	900,000	84.4%

\*Represents average ticket size for the cumulative months of the corresponding period;



# Financial Performance – Standalone



RoE Tree	9M FY19	9M FY18	Q3 FY19	Q3 FY18	Q2FY19
Gross Yield <sup>(1)</sup>	25.98%	23.53%	27.52%	23.70%	25.32%
Financial Cost Ratio <sup>(2)</sup>	12.17%	13.05%	11.89%	12.77%	12.27%
Net Interest Margin <sup>(3)</sup>	13.81%	10.48%	15.63%	10.92%	13.05%
Operating Expense ratio <sup>(4)</sup>	6.67%	6.82%	6.68%	7.21%	6.67%
Loan Loss Ratio <sup>(5)</sup>	1.60%	1.50%	0.71%	-3.61%	1.34%
<b>RoA<sup>(6)</sup></b>	<b>2.87%</b>	<b>1.06%</b>	<b>4.17%</b>	<b>3.81%</b>	<b>2.60%</b>
Leverage (Total Debt <sup>(7)</sup> / Total Net Worth)	5.05	5.26	5.05	5.26	5.40
<b>RoE<sup>(8)</sup></b>	<b>18.90%</b>	<b>8.39%</b>	<b>26.92%</b>	<b>28.06%</b>	<b>17.99%</b>
Cost to Income Ratio	48.28%	65.06%	42.71%	65.99%	51.12%

Asset Quality	9M FY19	9M FY18	Q3 FY19	Q3 FY18	Q2FY19
<b>GNPA*</b>					
GNPA %	3.21	9.17	3.21	9.17	4.09
ECL as % of AUM	2.03	-	2.03	-	3.25

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 Gross AUM
5. Loan Loss Ratio represents the ratio of Credit Cost to the Average AUM.
6. RoA is annualized and represents ratio of PAT to the Average Total Assets
7. Total Debt Include 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)
9. RoA & RoE for Q3 FY18 is high on account of reversal of ECL of Rs. 40 cr due to recoveries made in impacted portfolio

\*Note: Gross NPA represents PAR 90;

# P&L Statement – Standalone (Quarterly)



Particulars (Rs cr)	Q3 FY19	Q3 FY18	YoY%	Q2FY19	QoQ%
<b>Revenue</b>					
Interest and Fee Income	282	229	22.9%	303	-7.0%
Net Gain On Derecognition of Financial Instruments	68	-	-	18	
Treasury Income	24	16	51.4%	22	10.0%
Service Charges	8	-	-	3	173.1%
Other Operating Income	2	-	297.3%	1	39.8%
<b>Total Revenue</b>	<b>384</b>	<b>246</b>	<b>56.2%</b>	<b>347</b>	<b>10.6%</b>
<b>Expenses</b>					
Finance Cost	166	132	25.1%	168	-1.4%
Employee Benefit Expenses	70	51	37.1%	62	14.0%
Credit Cost	10	-37	-126.6%	18	-46.0%
Other Expenses	20	20	-0.8%	27	-27.2%
Depreciation and amortisation expense	3	3	-15.4%	3	14.2%
<b>Total Expenses</b>	<b>269</b>	<b>170</b>	<b>58.3%</b>	<b>278</b>	<b>-3.3%</b>
<b>Profit before tax</b>	<b>115</b>	<b>76</b>	<b>51.3%</b>	<b>69</b>	<b>66.5%</b>
Tax expense	45	27	65.6%	25	82.4%
<b>Profit after tax</b>	<b>70</b>	<b>49</b>	<b>43.4%</b>	<b>44</b>	<b>57.7%</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit and loss</b>					
Remeasurements of post employment benefit obligations	-	-	-	-	-
Income tax relating to these items	-	-	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>70</b>	<b>49</b>	<b>43.4%</b>	<b>44</b>	<b>60.5%</b>

# P&L Statement – Standalone(9 Months)



Particulars (Rs cr)	9M FY19	9M FY18	YoY%
<b>Revenue</b>			
Interest and Fee Income	876	648	35.2%
Net Gain On Derecognition of Financial Instruments	86	-	
Treasury Income	62	50	25.4%
Service Charges	11	-	
Other Operating Income	5	2	158.7%
<b>Total Revenue</b>	<b>1,040</b>	<b>699</b>	<b>48.8%</b>
<b>Expenses</b>			
Finance Cost	487	388	25.6%
Employee Benefit Expenses	192	142	35.2%
Credit Cost	64	45	43.7%
Other Expenses	67	51	33.3%
Depreciation and amortization expense	8	10	-23.2%
<b>Total Expenses</b>	<b>818</b>	<b>635</b>	<b>28.9%</b>
<b>Profit before tax</b>	<b>222</b>	<b>64</b>	<b>245.9%</b>
Tax expense	82	23	256.2%
<b>Profit after tax</b>	<b>139</b>	<b>41</b>	<b>242.0%</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Remeasurements of post employment benefit obligations	-	-	-
Income tax relating to these items	-	-	-
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>139</b>	<b>41</b>	<b>242.0%</b>

Annexure

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**Financial & Operational Details - TSL**

# Operational Details – TSL



PARTICULARS	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>Gross AUM (Rs. cr)</b>	<b>573</b>	<b>577</b>	<b>604</b>	<b>-0.7%</b>	<b>-5.1%</b>
Disbursement during the period (Rs. Cr)	152	208	170	-26.9%	-10.5%
No. of loans disbursed during the period	54,023	80,287	62,878	-32.7%	-14.1%
No. of Active Customers	406,042	387,183	416,125	4.9%	-2.4%
No. of Employees	1,335	1,259	1,352	6.0%	-1.3%
No. of Loan Officers	906	853	921	6.2%	-1.6%
No. of States of operation	8	8	8	0.0%	0.0%
No. of districts	103	84	91	22.6%	13.2%
No. of branches	178	170	179	4.7%	-0.6%
No. of Regional Offices (RO)	8	7	8	14.3%	0.0%
<b>Productivity Metrics</b>					
Gross AUM/ Branch (Rs. cr)	3.2	3.4	3.4	-5.2%	-4.6%
Gross AUM/ Loan Officer (Rs. cr)	0.6	0.7	0.7	-6.5%	-3.5%
Disbursement/ Branch (Rs. cr)	0.9	1.2	0.9	-30.2%	-10.0%
Disbursement/ Employee (Rs. cr)	0.1	0.2	0.1	-31.1%	-9.4%
No. of Clients/ Branch	2,281	2,278	2,325	0.2%	-1.9%
No. of Clients/ Loan Officer	448	454	452	-1.3%	-0.8%
Average Ticket size* (Rs.)	27,800	25,800	26,700	7.8%	4.1%

Return on Equity (RoE)<sup>(1)</sup> for FY19: 26.02%

# P&L Statement – TSL



Particulars (Rs cr)	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>Revenue</b>					
Service Charges	15.2	13.1	15.3	15.6%	-1.0%
Treasury Income	0.7	0.6	0.6	19.2%	29.9%
Other Income	1.0	0.0	1.3	-8521.2%	-21.4%
<b>Total Revenue</b>	<b>16.9</b>	<b>13.7</b>	<b>17.2</b>	<b>23.1%</b>	<b>-1.5%</b>
<b>Expenses</b>					
Finance Cost	0.4	0.2	0.4	45.3%	-20.7%
Employee Benefit Expenses	9.0	8.3	8.3	8.2%	8.1%
Impairment of Financial Instruments	1.9	4.0	1.5	-52.4%	27.8%
Other expenses	3.0	2.8	3.1	7.7%	-1.6%
Depreciation and amortization expense	0.3	0.2	0.3	102.7%	5.8%
<b>Total Expenses</b>	<b>14.6</b>	<b>15.5</b>	<b>13.6</b>	<b>-5.9%</b>	<b>7.1%</b>
<b>Profit before tax</b>	<b>2.3</b>	<b>-1.8</b>	<b>3.6</b>	<b>-232.9%</b>	<b>-34.4%</b>
Tax expense:	0.7	-0.5	1.4	-236.7%	-51.4%
<b>Profit after tax</b>	<b>1.7</b>	<b>-1.3</b>	<b>2.2</b>	<b>-231.5%</b>	<b>-23.5%</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit and loss</b>					
Re-measurements of post employment benefit obligations	0.3	0.2	0.1	61.8%	-
Income tax relating to these items	-0.1	-0.1	0.0	43.6%	-
<b>Other comprehensive income</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>70.7%</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>1.8</b>	<b>-1.2</b>	<b>2.2</b>	<b>-258.8%</b>	<b>-17.8%</b>

Annexure

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**Financial & Operational Details – Satin Housing Finance Limited (SHFL)**

# Financial & Operational Details – SHFL\*

*Excellent Portfolio Quality with Nil Delinquency Since Inception*



Particulars (Rs cr)	Q3 FY19	Q3 FY18	Q2FY19	YoY %	QoQ %
<b>Revenue</b>					
Interest and Fee Income	1.3	-	0.7	-	78.4%
Treasury Income	0.2	0.2	0.3	22.0%	-23.4%
Other income	0.3	-	0.3	-	-0.5%
<b>Total Revenue</b>	<b>1.8</b>	<b>0.2</b>	<b>1.3</b>	<b>995.7%</b>	<b>39.1%</b>
<b>Expenses</b>					
Finance cost	0.3	-	-	-	2,941.9%
Employee benefit expenses	1.3	0.3	1.1	383.8%	15.3%
Credit Cost	0.1	-	0.1	-	26.5%
Other expenses	0.4	0.1	0.3	493.2%	23.6%
Depreciation and amortization expenses	0.0	-	-	-	55.9%
<b>Total Expenses</b>	<b>2.1</b>	<b>0.3</b>	<b>1.5</b>	<b>529.5%</b>	<b>37.1%</b>
<b>Profit before tax</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.3</b>	<b>90.4%</b>	<b>27.1%</b>
Tax expense	-0.1	-	-0.1	114.0%	18.0%
<b>Profit after tax</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.2</b>	<b>83.4%</b>	<b>30.6%</b>

Particulars	Q3FY19	Q2 FY19	FY18
<b>Gross AUM (Rs. cr)</b>	46	27	2
<b>CRAR (%)</b>	<b>94.65%</b>	<b>185.84%</b>	
Average Ticket Size (Rs)	1,380,000	1,493,000	1,300,000
Disbursement (Rs. cr)	21	15	2
No. of Branches	3	2	2
No. of States	4	3	3
No. of Total Staff	67	41	7
No. of Loan Officers	31	14	1



# Contact Information

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**Thank You**