



February 02, 2024

**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**  
25<sup>th</sup> Floor, P. J. Towers,  
Dalal Street,  
Mumbai – 400001

**Symbol: SATIN**

**Scrip Code: 539404**

**Sub: Investor Presentation**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and in terms of other applicable laws, if any, please find enclosed Investor Presentation for the quarter and nine months ended December 31, 2023.

The above is being made available on the Company's website i.e. [www.satincreditcare.com](http://www.satincreditcare.com)

This is for your information and record.

Thanking You.

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

**(Vikas Gupta)**  
**Company Secretary & Chief Compliance Officer**  
**Encl.: a/a**



**SATIN CREDITCARE NETWORK LTD.**  
*Reaching out!*

Investor Presentation  
February 2024

**Relentless**  
Exploring Prospects.  
Growing footprint.





**03 - 19**

Business Update



**20 - 29**

Satin a Compelling Investment Story



**30 - 39**

Key Financial & Operational Metrics



**40 - 49**







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 may reflect some price-sensitive information in terms of SEBI regulations and Companies Act, 2013, as amended from time to time. The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any persons of such change or changes. 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 may have been regrouped.

# Key Developments & Updates



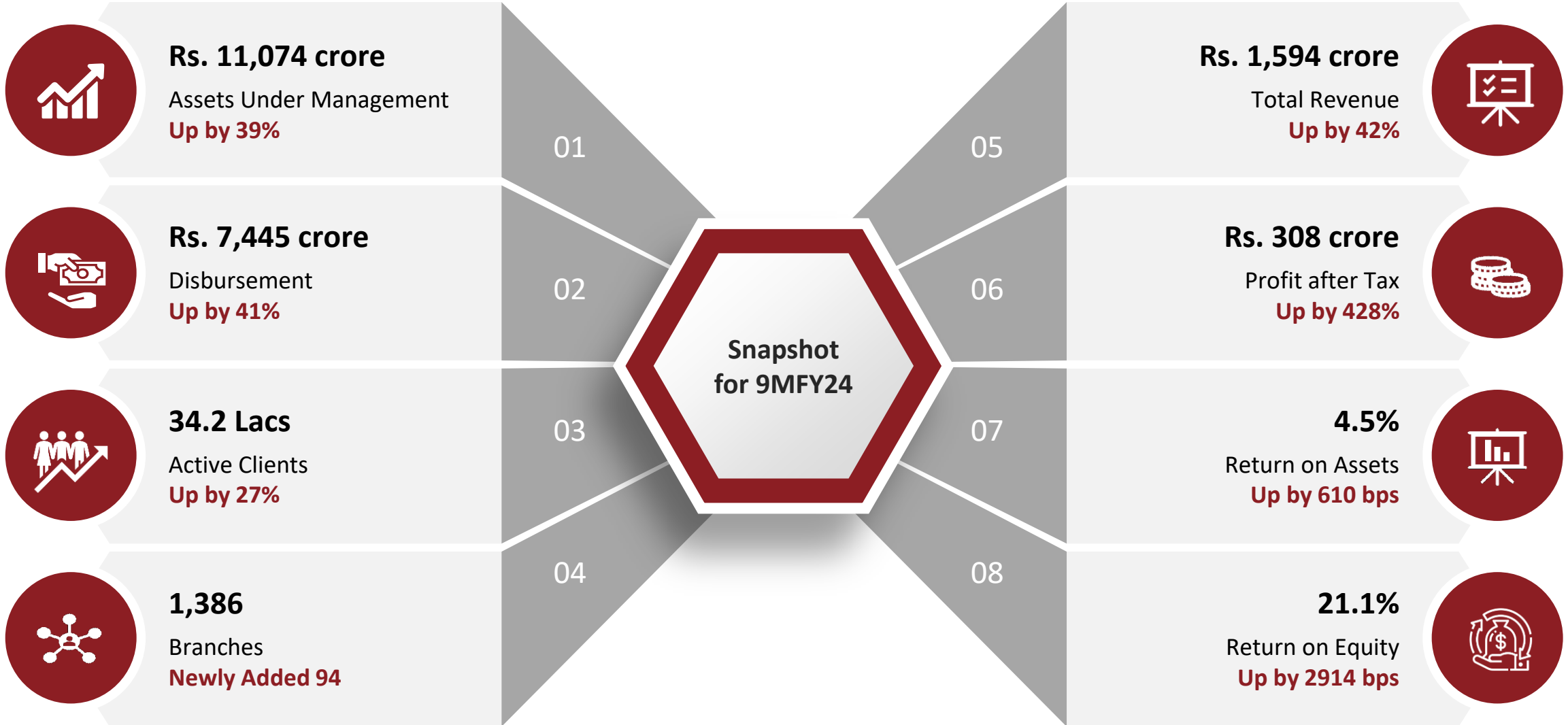
-  **Equity Infusion** Successfully completed equity infusion of **Rs. 250 crore via QIP**; oversubscribed 1.9x. Strong response from marquee domestic and global investors.
-  **Rating Upgrade** Long Term credit rating **upgraded to A (Stable) by ICRA** from A- (Stable) affirming the strong performance of our Company across successive quarters
-  **Increased Profitability** **Highest ever standalone quarterly PAT of Rs. 108 crore**; growth of 97% on a YoY basis
-  **Co-lending Arrangement** Entered into a **co-lending arrangement with Karnataka Bank** to provide financial support to Joint Liability Groups (JLGs) of economically active women in both rural and semi-urban areas
-  **Strengthened Board** Former MD of Tata Capital Housing Finance, **Mr. Anil Kaul appointed as an Independent Director** on Board
-  **Gold Level Certification** Certified with the **highest level of recognition i.e. Gold level by MicroFinanza Rating** in accordance with the new framework of SPTF and CERISE



# Consolidated Highlights



(YoY change)

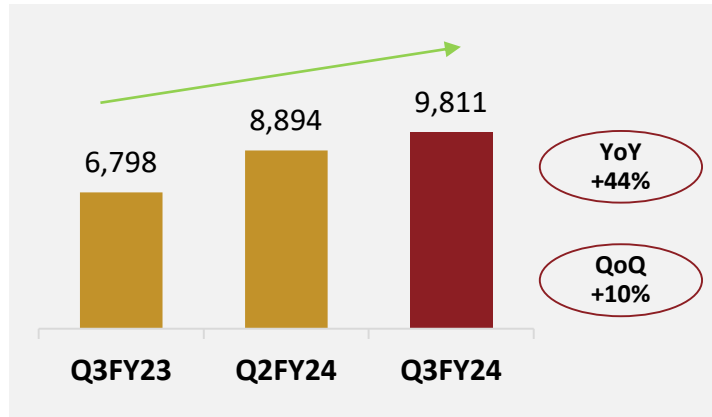


# SCNL and Subsidiaries' Performance



## Holding MFI Company

AUM (Rs. crore)



Disbursement  
Rs. 6,881 crore

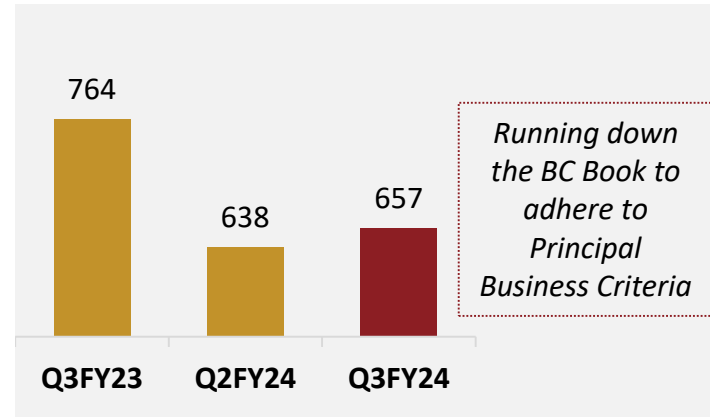
GNPA  
2.4%

PAT  
Rs. 298 crore

CRAR  
28.7%



## MSME Arm



Disbursement  
Rs. 321 crore

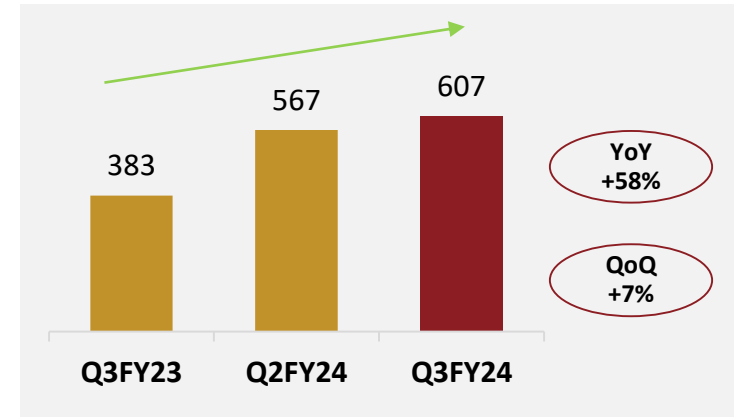
GNPA  
4.6%

PAT  
Rs. 3.6 crore

CRAR  
47.8%



## Affordable Housing



Disbursement  
Rs. 244 crore

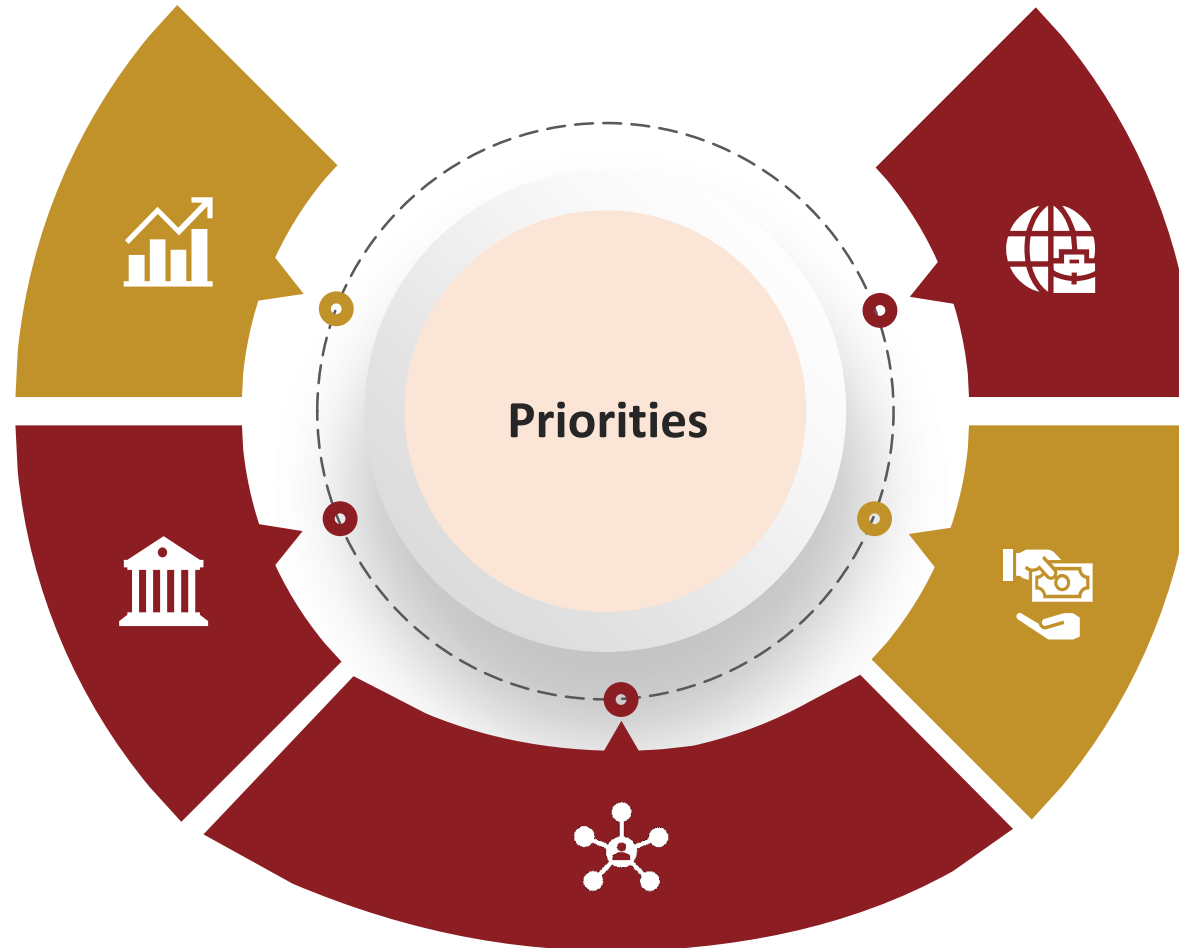
GNPA  
1.1%

PAT  
Rs. 5.2 crore

CRAR  
49.5%

Maintaining a diversified portfolio with a **healthy proportion of secured assets**

**Enhancing our risk framework** by incorporating more stringent policies and refining processes



**Continuous investment in technology** enabled procedures to enhance operational efficiencies viz e-sign through Iris etc.

**Co-lending agreements;** opens door to more opportunities of broadening our presence

**Leveraging outreach through subsidiaries;** that are shaping up well, operating independently and experiencing growth

# Standalone Update





# Strong & Consistent Performance



## Asset Growth Continues



Ahead of the outlined growth path, **reaching a growth rate higher than guidance of 25%**



Driven by a **healthy mix of new client addition and increase in ticket size**



## Superior Asset Quality & Adequate Provisioning



**Better than the industry average PAR** of portfolio originated Jul'21 onwards



Stage-3 Provision Coverage Ratio at ~61% as on Q3FY24



## Strong Profitability



Steady bottom line growth; **profit in the last 9 months surpassed 12 months profit of FY23**



Stable NIMs > 12.0% and limited credit cost of < 1.5%, leading to **RoA of > 4.0% for the last 4 quarters**



## Sufficient Liquidity & Robust Capitalization



Able to **secure funding from a variety of lenders** and through various channels

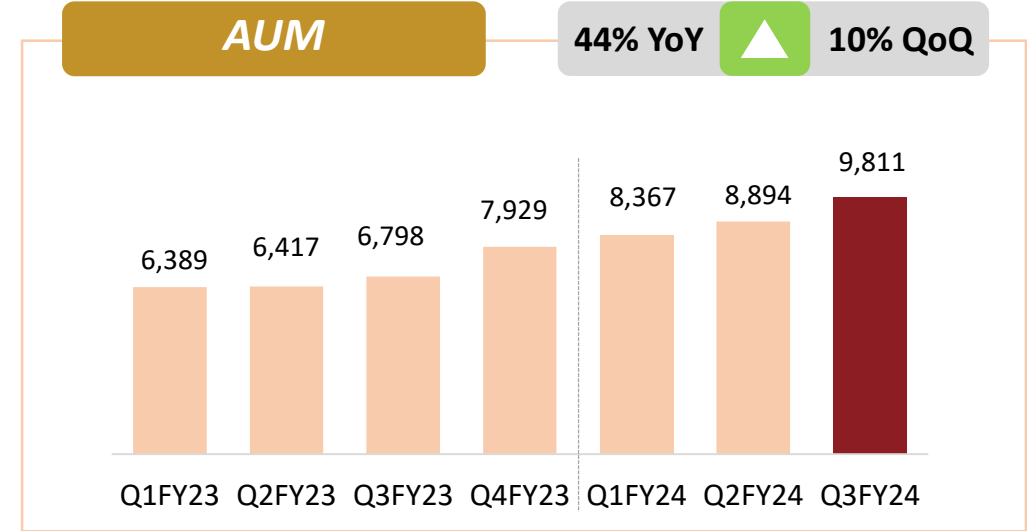
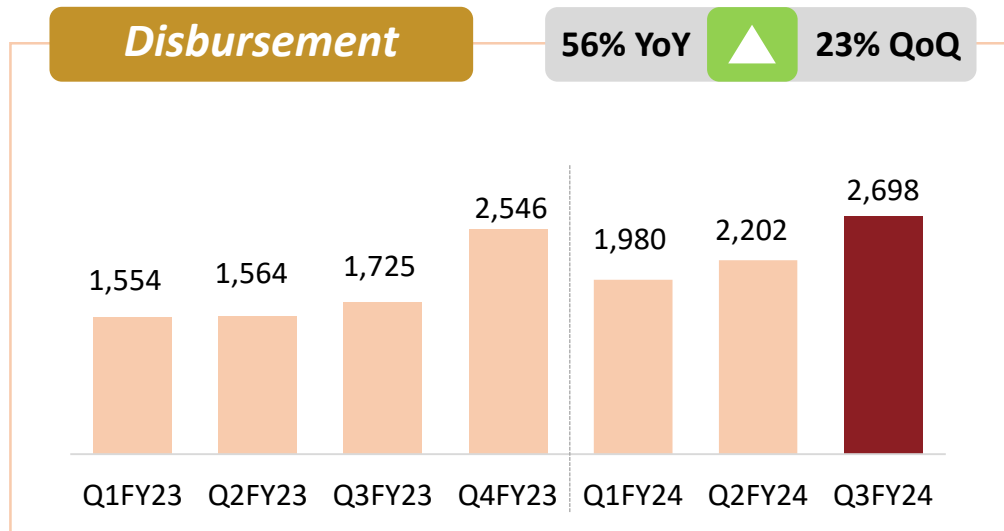


**Maintained CRAR above 25% during the last 5 years**; successfully raised capital whenever required

# Healthy Growth in Disbursement & AUM

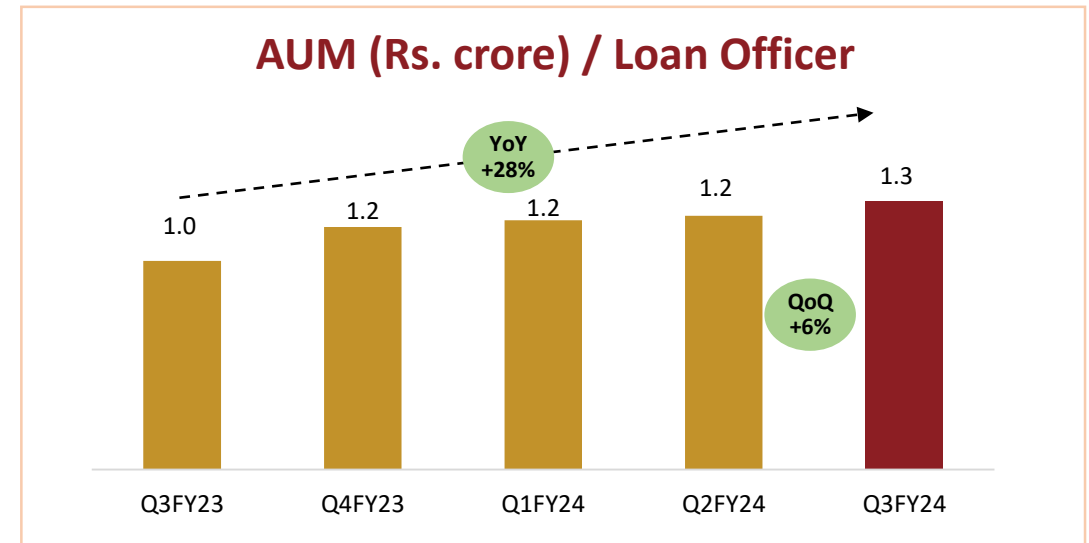
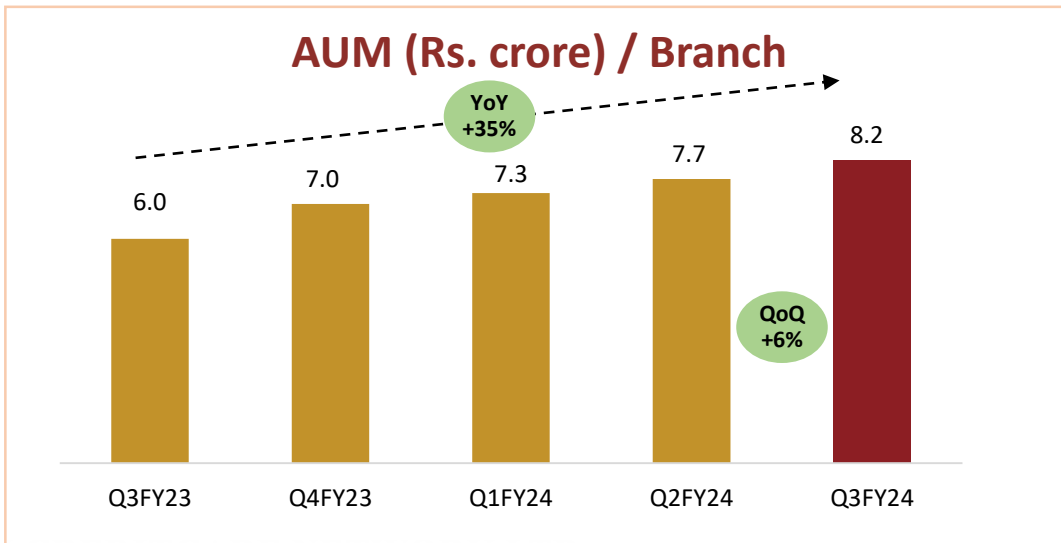
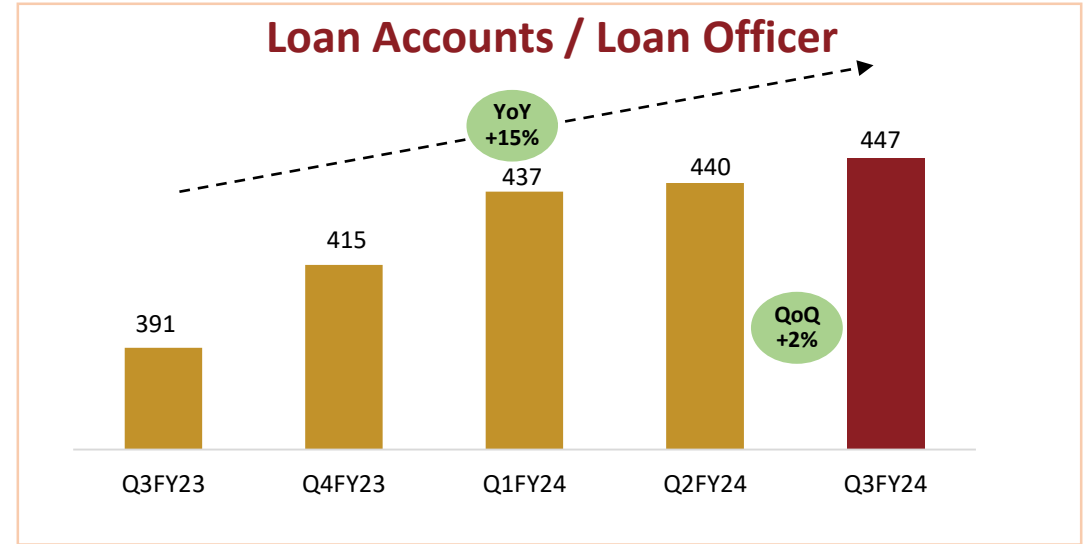
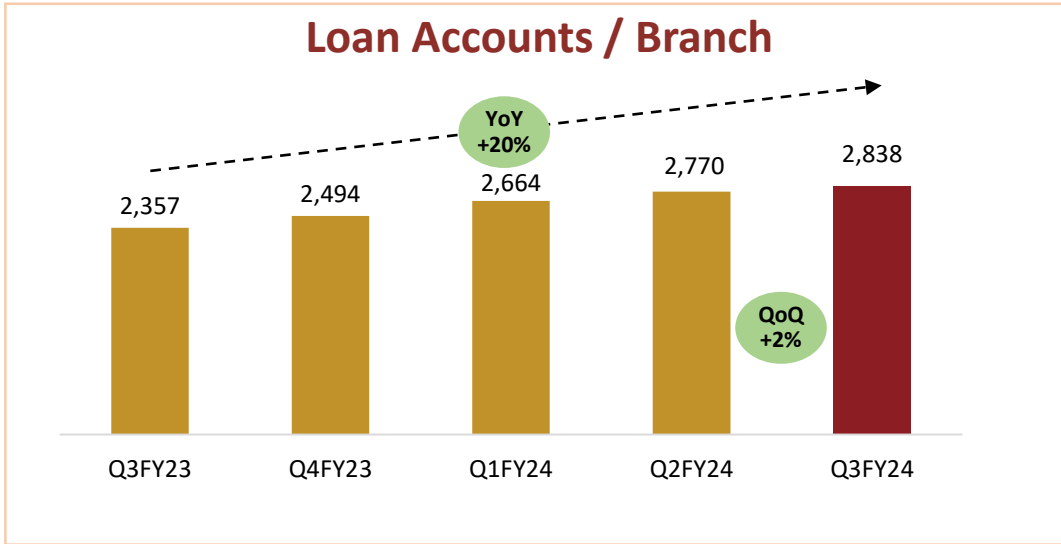


(Rs. crore)

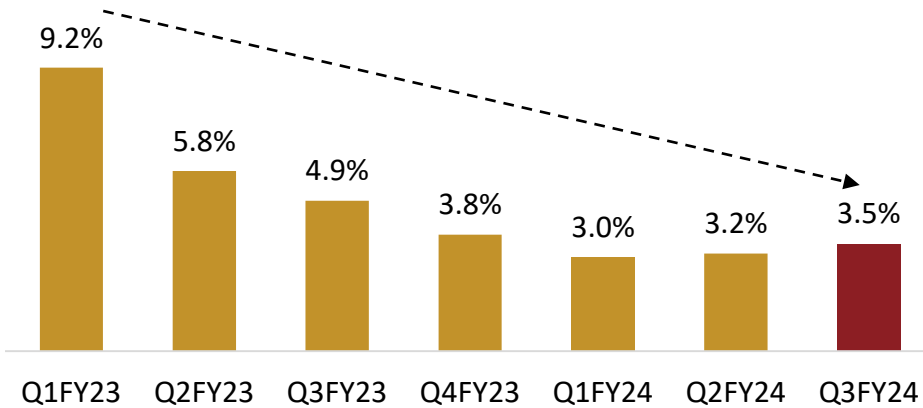


- **Disbursed Rs. 1,000+ crore in a single month**, marking the first time such amount has been disbursed
- Avg monthly disbursement run rate of Rs. 899 crore (Q3FY24)
- At the time of disbursement, ~31%\* of clients have Satin as the only lender
- Strong net customer addition of 6.3 Lacs in 9MFY24; **client base crossed the 3 million mark**
- 53% first cycle clients as on Dec'23
- **Deep diving into existing geographies**; added 32 new branches during the quarter

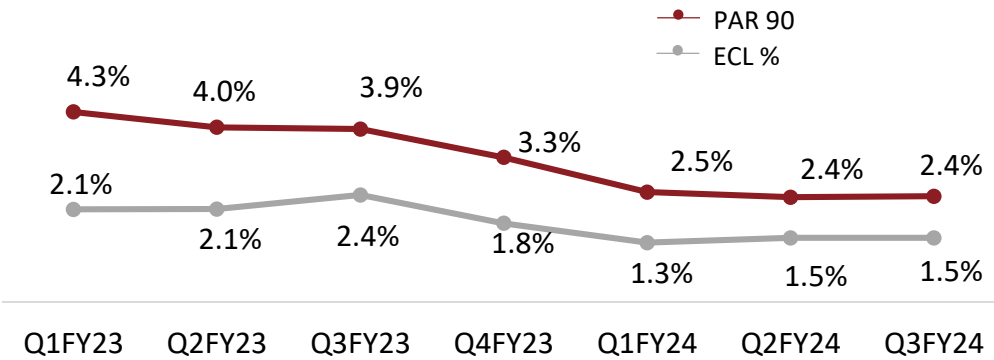
\*considering all retail loans



## PAR 1



## PAR 90 & ECL



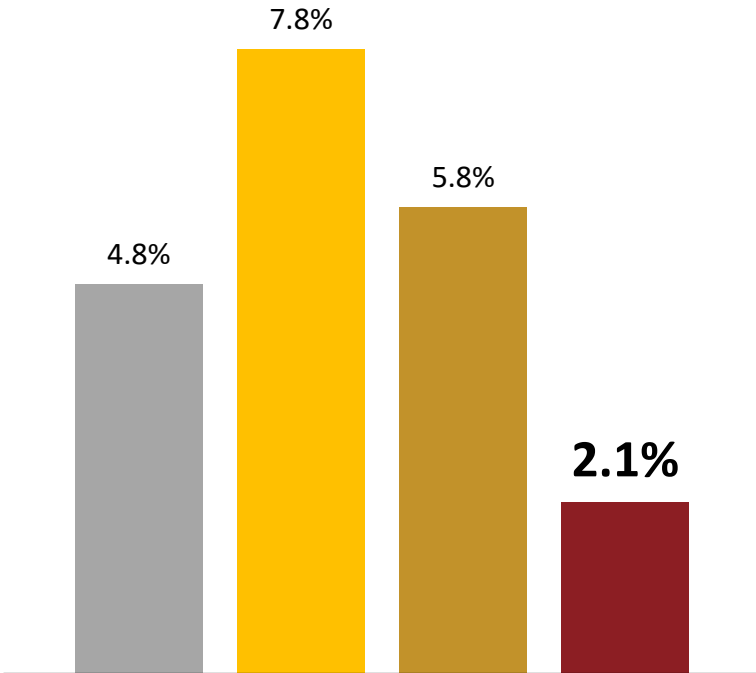
- On-book GNPA stood at Rs. 175 crore (2.4% of on-book portfolio)
- The Company has sufficient on-book provisions amounting to Rs. 146 crore as on Q3FY24, which is 2.0% of on-book portfolio. Provision required as per RBI is Rs. 117 crore
- During 9MFY24, **collection against write-offs was ~Rs. 36 crore**
- Gross cumulative collection efficiency for 9MFY24 stood at ~99.0%

# Better than Industry Portfolio Quality post Pandemic

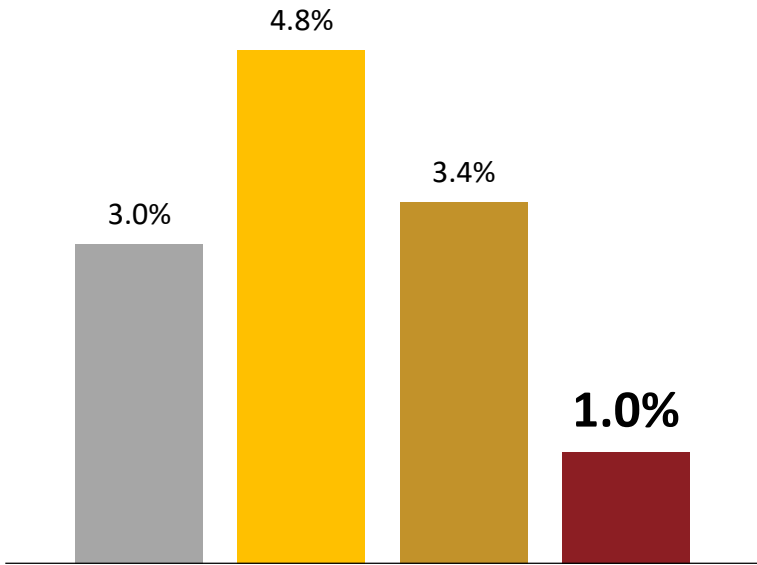


*Portfolio originated Jul'21 onwards showing excellent performance*

**PAR 1**



**PAR 90**



■ NBFC-MFI (excl. Satin) ■ SFBs ■ Banks + Others ■ SCNL^

*^Data of SCNL for JLG on-book portfolio*

*Data available for industry as of Nov'23*

*Source: As per CRIF Highmark*

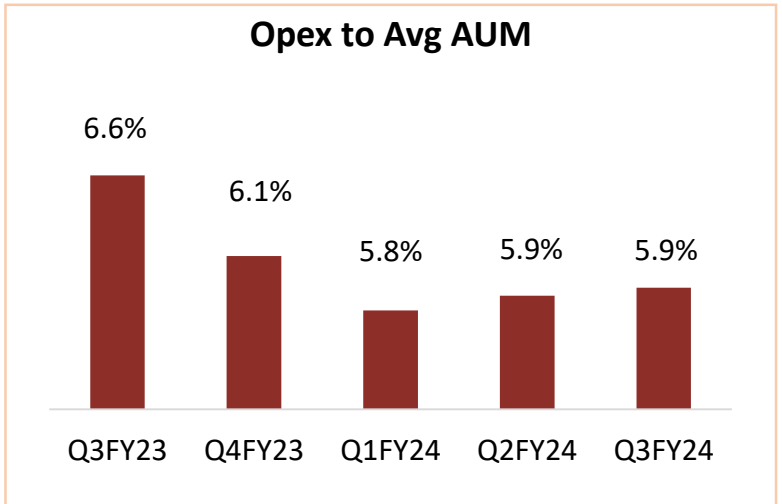
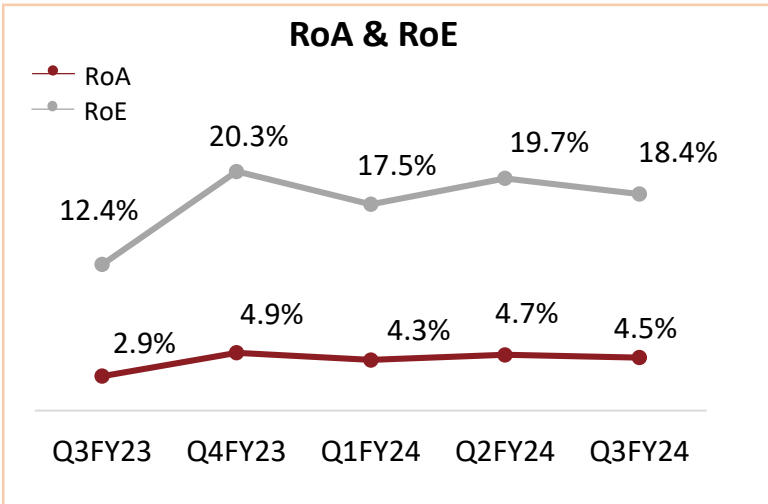
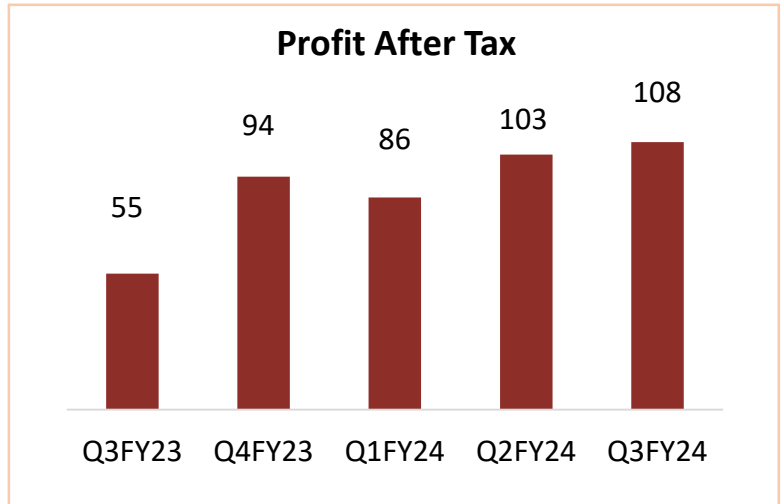


# Stable Financial Performance each Consecutive Quarter



(Rs. crore)

<p><b>Rs. 108 crore</b></p> <p>YoY Change <b>+ 97%</b> </p> <p><b>Profit After Tax</b></p>	<p><b>4.5%</b></p> <p>YoY Change <b>+ 157 bps</b> </p> <p><b>Return on Assets</b></p>	<p><b>18.4%</b></p> <p>YoY Change <b>+ 598 bps</b> </p> <p><b>Return on Equity</b></p>	<p><b>5.9%</b></p> <p>YoY Change <b>- 69 bps</b> </p> <p><b>Opex to Avg AUM</b></p>	<p><b>43.7%</b></p> <p>YoY Change <b>- 336 bps</b> </p> <p><b>Cost to Income</b></p>
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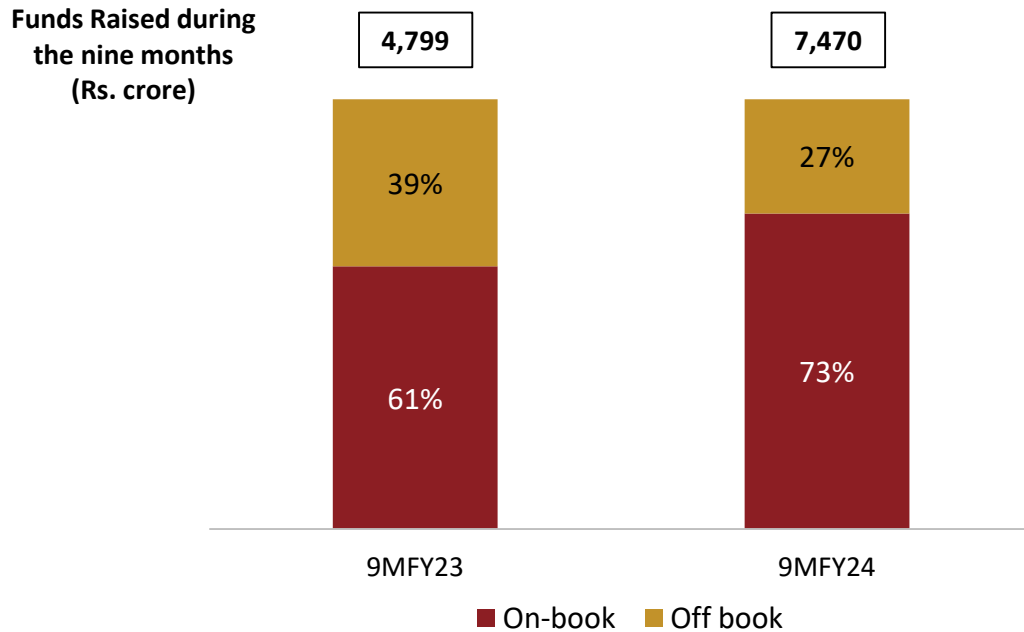


Numbers for Q3FY24 unless specifically mentioned  
Ratios are annualized

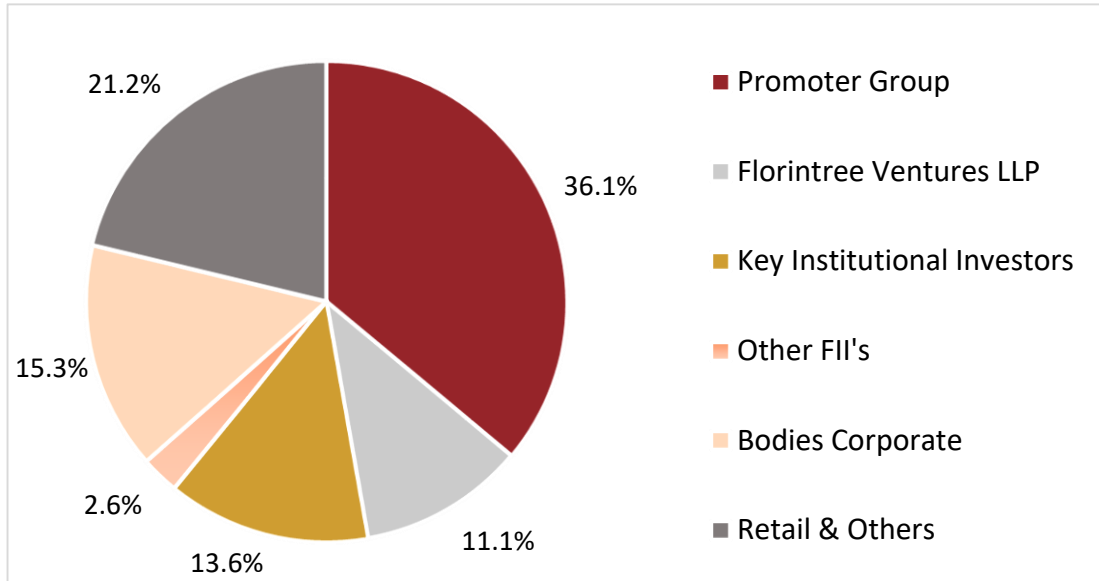
# Optimal Liquidity and Robust Capitalization



**56% YoY growth in funds raised during the period;  
~73% on-book borrowing**



- **CRAR of 28.7% as of Dec'23; well above regulatory requirement**
- Book Value per Share at Rs. 205 on a consolidated basis
- Sufficient liquidity of ~Rs. 1,800 crore as on Q3FY24
- Undrawn sanction in hand of more than Rs. 1,000 crore
- 14 new lenders added in 9MFY24 viz Agents for Impact, Poonawalla Fincorp, Nomura Capital etc.



**Market Cap of**  
~ **Rs. 2,800 crore\***

**Book Value^**  
**Rs. 205/ share**

**No. of Equity Shares**  
**11.05 crore**

**No. of Shareholders**  
**~29,000**

## Market Confidence

- 15 rounds of capital raise done since 2008; ability to raise funds even during crisis
- Raised Rs. 1,537 crore since 2008; out of which Rs. 595 crore was raised post Covid-19

## Skin in the Game

- Capital Infused by promoters at regular intervals at par with incoming investors

# Awards & Accolades



Won Best Innovative Financial  
Accessibility model for WASH at ISC-  
FICCI sanitation award ceremony



Recognized as the Top 50 companies  
with Great Managers by People  
Business Consulting

# Actual Performance vs Guidance



Particulars	FY24 E	9MFY24 (Actual)
GLP Growth (%)	25%+	44.3%
NIM (%)	12.1% - 12.5%	12.9%
Operating cost/AUM (%)	5.60% - 5.75%	5.78%
Credit Cost (%)	1.25% - 1.50%	1.11%
RoA (%)	3.50% - 4.00%	4.45%
RoE (%)	17.5% - 19.0%	17.8%*
Cost-to-Income Ratio (%)	45% - 50%	45%
Capital Adequacy	22.0% - 25.0%	28.7%
Debt/Equity	3.5x - 4.0x	3.0x

\*Excluding the impact of equity received via QIP of Rs. 250 crore, RoE stood at 18.9% for 9MFY24  
Ratios are annualized



## Business Snapshot

- **100% retail book**; middle and low-income group clients from tier II and below cities
- 24 active lenders, including NHB Refinance
- Healthy ALM balance
- Credit Rating: A- (Stable) from ICRA

## Business Leveraging Potential

- **Opportunity to leverage on SCNL's vast geographical presence**
  - Tapping the High Income Customers of SCNL, with opportunity of Rs. 7,000 crore AUM, assuming 10% conversion of existing customer base



## Robust Asset Quality

- Zero Restructured Accounts since inception with no write-Off
- **Nil NPA till 4 years of operations and minimal delinquency till date even after facing 2 Covid Cycles**
- Eligible for SARFAESI enforcement

## Strong Governance

- Impeccable track record of 5+ years
- **Zero Non-Compliance Observation as on date from any of the regulator**
- No willful default or fraud since inception

# SFL - Leveraging the Outreach through Retail MSME



On book AUM increased 48% YoY to reach Rs. 296 crore

**Huge untapped potential of the missing middle of small ticket business loans averaging  $\leq$  Rs. 2 Lacs secured against collateral**

Focus on secured retail MSME lending

**Leveraging SCNL Outreach – 2nd cycle + customer base - untapped potential of addl. AUM of Rs. 600 crore/month**

**PAR 90 < 2.8% for small ticket size loans, comprising ~93% of total retail portfolio**

15 active lenders, including Banks, Impact Funds etc.

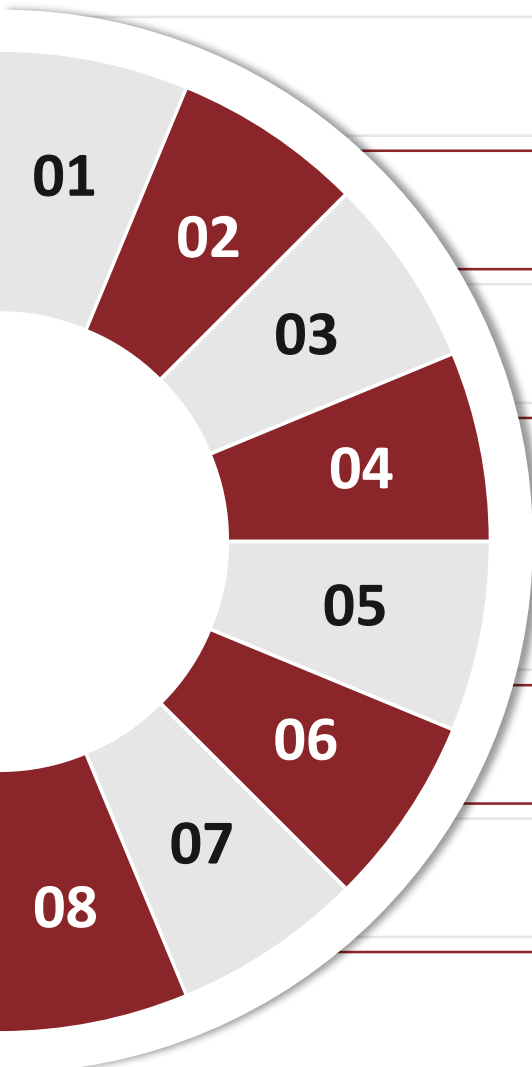
Robust in-house software

Credit Rating  
A- (Stable) from ICRA

What makes Satin a  
Compelling Investment Story



# What makes Satin a Compelling Investment Story



**Leading MFI Player With Diversified Financial Products catering to rural India**

**Diversified Geographical Reach**

**State of the Art Technology backed by robust IT infrastructure**

**Strong Underwriting Capability**

**Well-diversified Liability Profile**

**Positive ALM with Ample Liquidity**

**Strong & Experienced Management Team**

**Successfully Navigated Crisis During Legacy of Over Three Decades**

# 1. Diversified Product Offerings



	SCNL	Satin Housing Finance Limited <sup>(2)</sup>	Satin Finserv Limited <sup>(3)</sup>
Product features as of Dec'23	MFI <sup>(1)</sup>	Housing Finance	MSME
Start Date	May'08 (JLG)	Feb'18	Mar'19
Ticket Size Range	Upto Rs. 80,000	Rs. 100,000 – 4,000,000	Rs. 100,000 – 100,000,000
Tenure	6 - 30 months	24 - 240 months	12 - 120 months
Frequency of Collection	Bi-Weekly	Monthly	Monthly/Quarterly
No. of States/UTs	24	4	11
No. of Branches	1,165	38	33 <sup>(5)</sup>
AUM (Rs. crore)	9,505 <sup>(4)</sup>	607	296 <sup>(5)</sup>
No. of loan accounts	33,05,820	6,512	17,830 <sup>(5)</sup>
Avg. Ticket Size for 9MFY24	Rs. 46,000 (JLG)	Rs. 12,05,000	Rs. 1,54,000 (Retail)

**Notes:**

(1) Includes MFI Lending (loans under JLG model, IndusInd BC and water & sanitation) and Product Financing (Loans for solar lamps, cycles etc.). During 9MFY24, disbursed ~56,000 loans under product financing category amounting to Rs. 106 crore

(2) Satin Housing Finance Ltd was incorporated on Apr 17, 2017

(3) SFL was incorporated on Aug 10, 2018, and TFSL acquisition was effective Sep 1, 2016. W.e.f. Mar 1, 2023, TFSL has merged into SFL.

(4) SCNL also has MSME portfolio of Rs. 306 crore other than MFI portfolio

(5) Post merger of TFSL, SFL also has JLG portfolio, which is being run down. The AUM for SFL JLG portfolio stood at Rs. 360 crore, no. of branches stood at 150 and no. of loan accounts stood at 2,04,781.

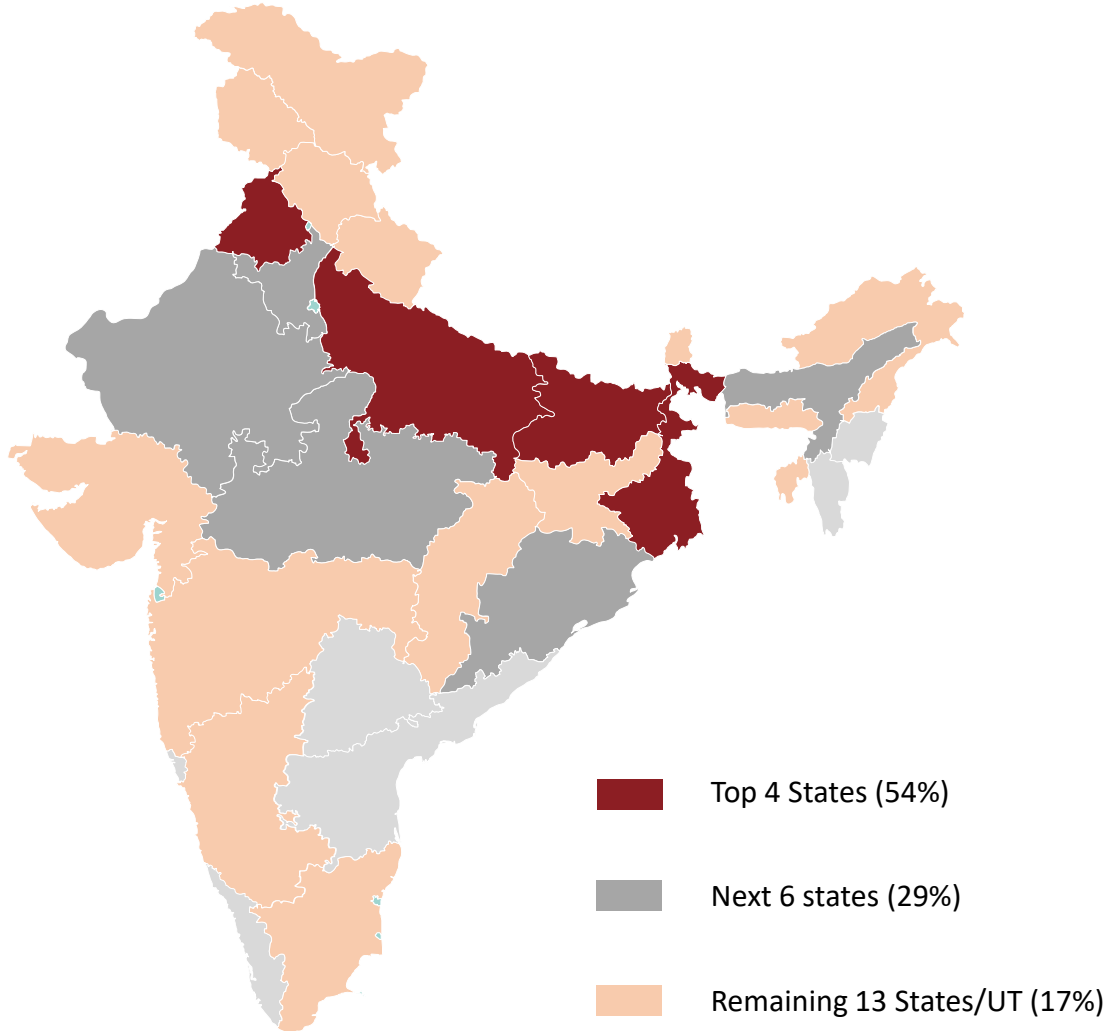


# 2. Diversified Geographical Presence

...serving 34.2 Lacs clients across India



Presence across 24 States and UTs



97,000

No. of Villages

1,386

No. of Branches

419

No. of Districts

97%

Districts with <1% exposure

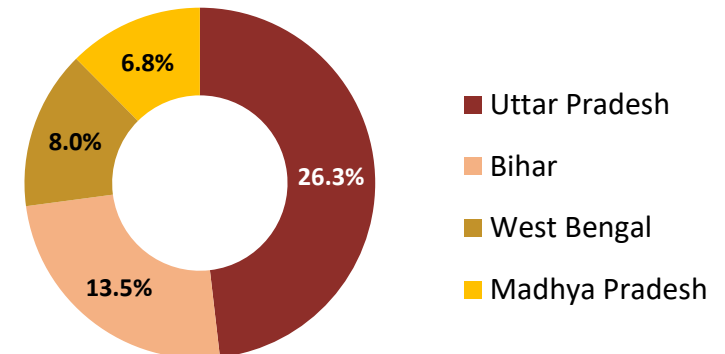
92

No. of Regional Offices

3 Lacs

No. of Centres

Top 4 States



# 3. Technology Prowess



## AePS Mode

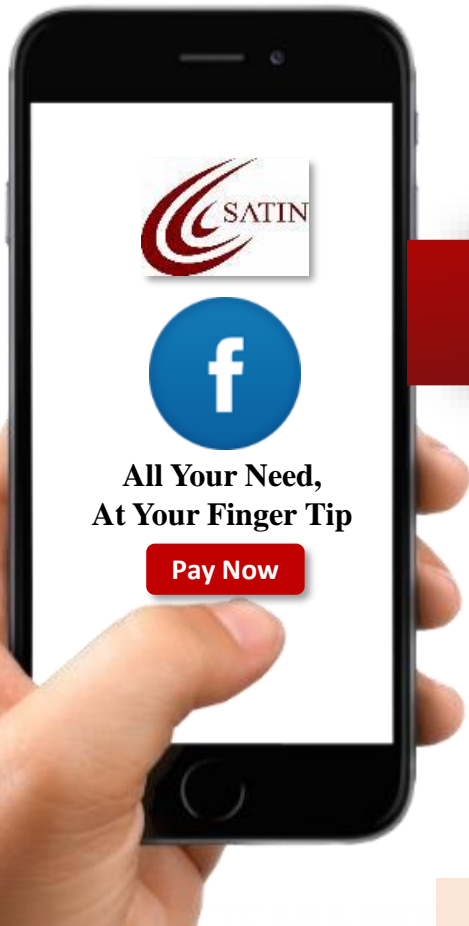
Aadhaar enabled Payment System, a strong lever to facilitate digital repayment of loan installments during the center meetings through Aadhaar authentication using biometric devices

## Website

- Payment gateway on the SCNL website
- Clients temporarily migrating for business are able to make timely payments

## UPI 2.0

- First in the industry to launch UPI 2.0 autopay
- One time registration & hassle-free auto debits make it a great substitute to E-NACH
- No burden of paying any bouncing charges on the client



1

2

3

4

5



## CSA

In-house developed Customer Service Application for easy repayment through various payment apps on a secured platform



## QR Code

- QR Code on Loan Card has ensured seamless collection of EMIs
- Client can now pay her EMIs by just scanning the QR Code



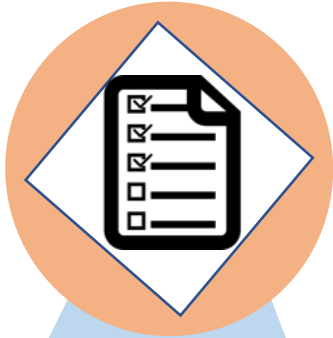
The entire cashless ecosystem revolves around UPI

# 4. Continuous Process Re-engineering



## Aadhaar E-Sign

- Another big step towards making the entire business process paperless to digitize the onboarding process
- Introducing customer authentication & document signing with Aadhaar as a base using a service provider



## Strengthening the loan origination journey

- 2 step OTP authentication process at the time of KYC punching and at the time of disbursement in the branch
- Capturing the exact location of the client and center with the help of geo-tagging
- Customer liveness check while clicking picture during KYC



## Robust new customer onboarding process

- MFI scores being used as decision making tool while onboarding new customers in system
- Using the data from CICs to source new customers in pockets with good credit history

## In-house developed Loan Management System (LMS)

- Seamless customer onboarding & disbursement journey starting from Village surveys -Open General meetings - Group formation – KYC punching – Instant CB checks – Instant bank a/c validations – System Validations – Cashless Disbursement- Loan utilization check – Regular collection meetings all bundled in one app



## Alignment with new RBI harmonized guidelines

- All required board approved policies have been formulated
- 100% field force has been trained to perform household income & expense assessment
- Changes in Underwriting guidelines, relevant processes & LMS have been completely executed



## Tightened field level monitoring mechanisms

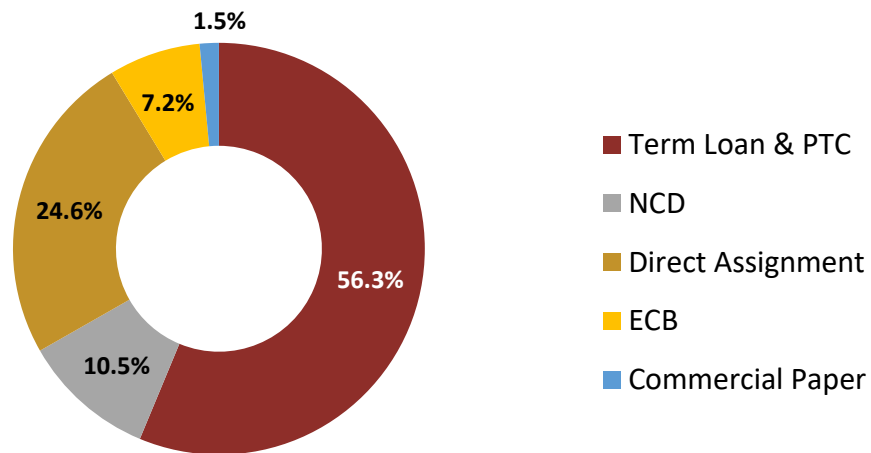
- Surprise Center Visits (SCVs) by the supervisors
- Visits being monitored through geo-tagging & center picture captured in the system
- SCVs to be a part of KRAs/Scorecards across supervisory layers



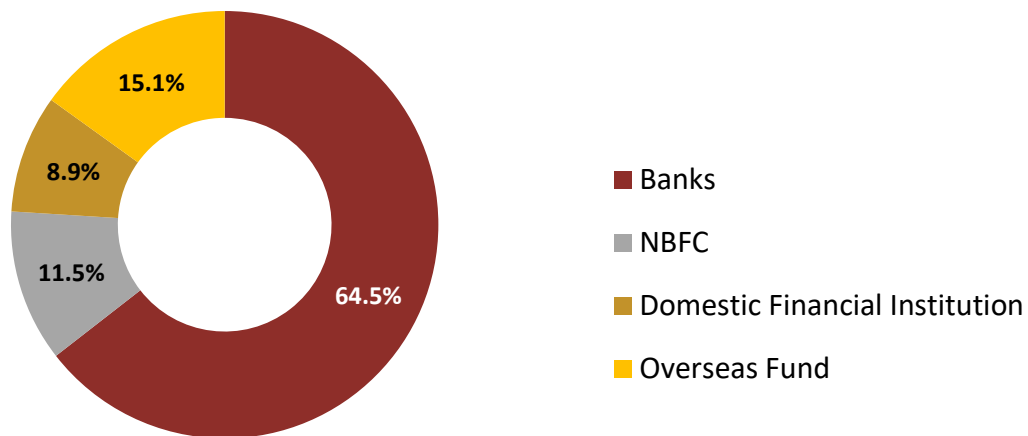
# 5. We have a well-diversified Liability Profile



Product-wise Dec'23



Lender-wise Dec'23



## Large Lender Base 77 Active Lenders

Top 10 Lending Partners	% Share
State Bank of India	13%
Bank of Baroda	7%
Bank of Maharashtra	7%
Bandhan Bank Limited	6%
SIDBI	5%
IDFC First Bank Ltd	5%
Blue Orchard Microfinance Fund	4%
Kotak Mahindra Bank Limited	3%
IndusInd Bank	3%
ResponsAbility	3%
<b>Total of Top 10 lenders</b>	<b>57%</b>

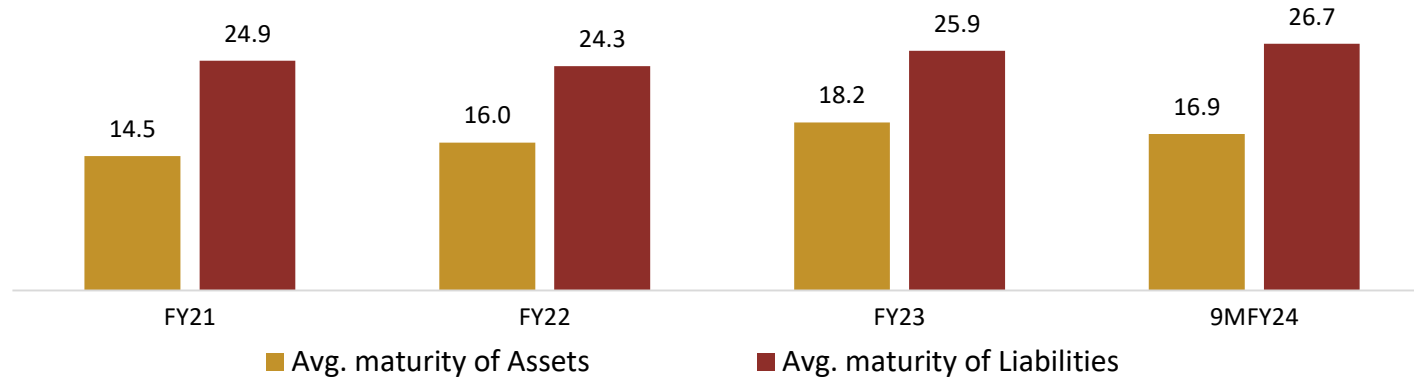
### Credit Rating

- Long term rating: "A (Stable)" by ICRA; upgraded from A- (Stable)
- Short-Term rating: "A1" by ICRA

# 6. Positive ALM with Ample Liquidity



## Benefit of Positive ALM Continues



Static ALM as on 31 <sup>st</sup> Dec'23 (Rs. crore)	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total
<b>Inflows</b>							
Liquidity at the beginning of month	1,822	2,026	2,255	2,374	2,554	2,868	1,822
Principal - Loan portfolio	379	395	361	383	422	359	2,300
Interest - Loan portfolio	147	136	117	126	117	96	739
<b>Total (A)</b>	<b>2,348</b>	<b>2,556</b>	<b>2,734</b>	<b>2,883</b>	<b>3,093</b>	<b>3,323</b>	<b>4,861</b>
<b>Outflows</b>							
Principal repayments	270	257	290	288	176	311	1,591
Interest repayments	52	44	71	41	49	78	335
<b>Total (B)</b>	<b>322</b>	<b>301</b>	<b>360</b>	<b>329</b>	<b>225</b>	<b>389</b>	<b>1,927</b>
<b>Cumulative Mismatch (A-B)</b>	<b>2,026</b>	<b>2,255</b>	<b>2,374</b>	<b>2,554</b>	<b>2,868</b>	<b>2,934</b>	<b>2,934</b>

Undrawn sanctions in hand of Rs. 1,088 crore as on Dec'23

# 7. Strong Management Team with over 250+ years of Experience



**HP Singh**  
*Chairman cum Managing Director*



**Jugal Kataria**  
*Group Controller*



**Rakesh Sachdeva**  
*CFO*



**Manoj Agrawal**  
*Deputy CFO*



**Aditi Singh**  
*Head - Strategy*



**Anil Kwatra**  
*Head - Operations*



**Sunil Yadav**  
*Head - IT*



**Dhiraj Jha**  
*CRO*



**Bhuvnesh Khanna**  
*CEO - SFL*



**Amit Sharma**  
*MD & CEO - SHFL*

# 8. Successfully Navigated Crisis During Legacy of Over Three Decades



## Learnings from Demonetization

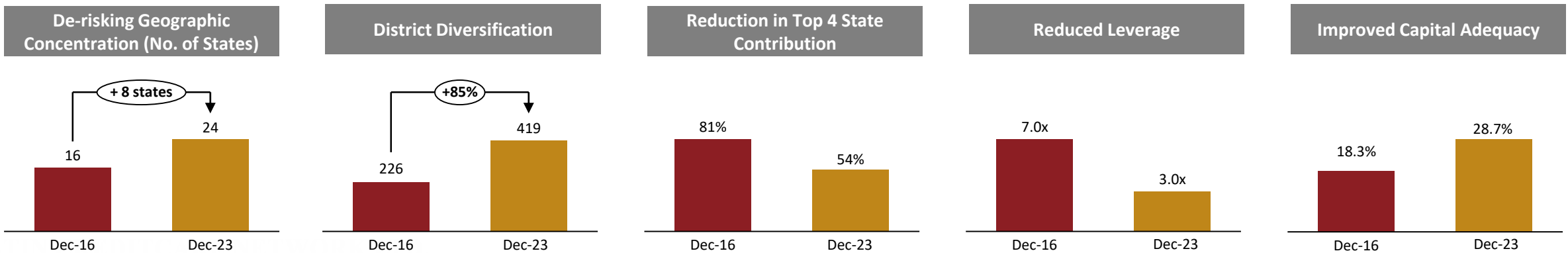
- ❑ **Implementation of best-in-class technology**
  - Reduced TAT
  - Real-time data
  - Enhanced Productivity
  - Improved monitoring and control
- ❑ **Diversifying Geographical Presence**
  - Increasing exposure to newer states
  - 96.7% of districts with <1% exposure
  - UP share brought down from 40.9% in Dec'16 to 26.3% in Dec'23

- ❑ **Strong Capitalization with Ample Liquidity**
  - Capital Adequacy has improved from 18.3% in 2016 to 28.7% currently
  - Raised Rs. 1,259 crore equity capital
  - Liquidity of around Rs. 1,800 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

## Learnings from COVID-19

- ❑ **Technology and Underwriting**
  - "Customer Service App" launched
  - Contactless repayments via popular apps like Google pay, Paytm, Phonepe etc.
  - Addition of Satin on BBPS (Bharat Bill Payment System)
  - Payment link on the Satin website
  - QR code on customer loan card
  - First in the industry to launch UPI 2.0 (auto debit)
  - Dedicated manpower for collections
  - Switched to AWS
  - Authorized by UIDAI to perform E-KYC, IT integration in process

- ❑ **Fund Raising**
  - First MFI to successfully close an equity round during the peak of pandemic; raised ~Rs. 120 crore vis Rights Issue in Aug'20, fully paid up as of Sep'21
  - Successfully completed preferential allotment of Rs. 225 crore via issue of equity shares and fully convertible warrants by Jul'23
- ❑ **Amalgamation of Subsidiaries**
  - The management decided to merge TFSL with SFL to leverage on the capital and outreach of the individual companies, combined entity is SFL



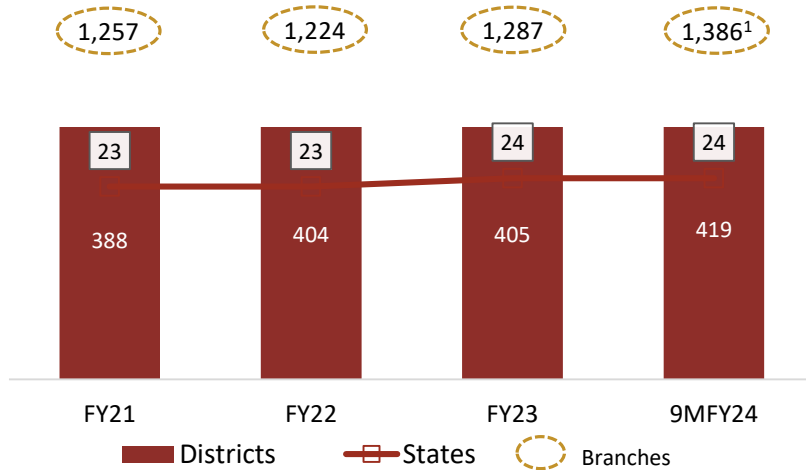


# Key Financial & Operational Metrics

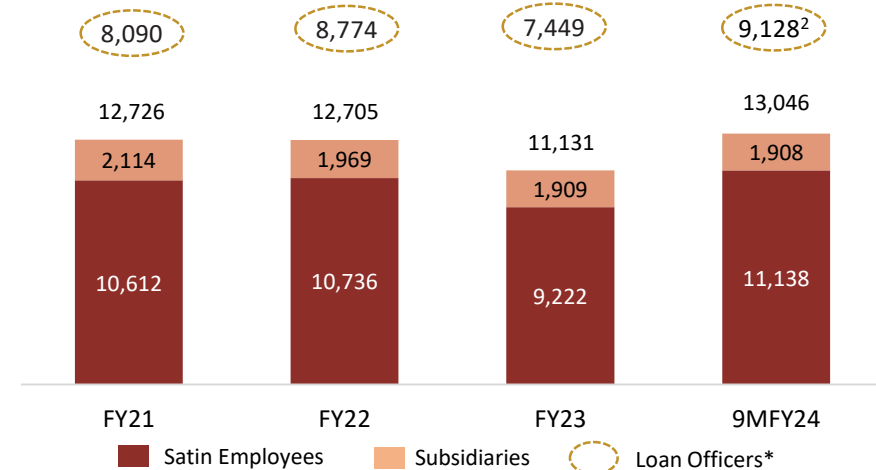




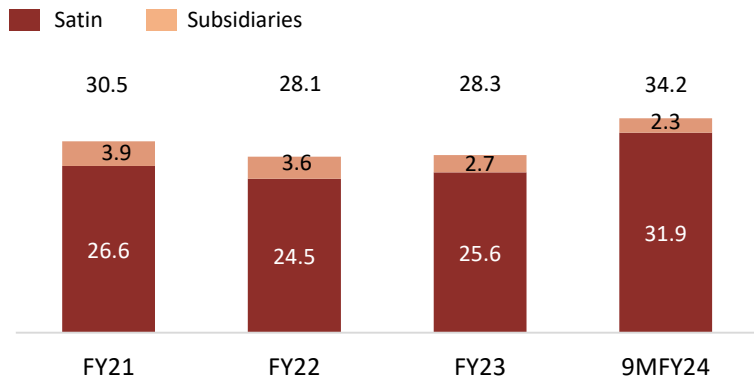
## Districts, States and Branches



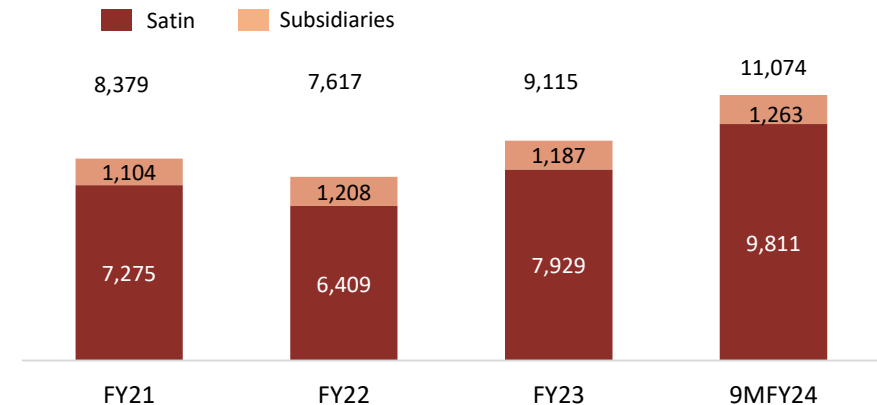
## Employees & Loan Officers



## Clients (Lacs)



## AUM (Rs. crore)



Note: (1) Data on Consolidated basis. On a standalone basis, the number of branches were 1,165; (2) Data on a consolidated basis. On a standalone basis the number of loan officers were 7,823

\*Loan officers include Trainee CSO & Quality officers

# Business Details



Particulars	Q3FY24	Q3FY23	YoY%	Q2FY24	QoQ%
<b>AUM (Rs. crore)</b>	<b>11,074</b>	<b>7,945</b>	<b>39.4%</b>	<b>10,100</b>	<b>9.6%</b>
<b>SCNL</b>	<b>9,811</b>	<b>6,798</b>	<b>44.3%</b>	<b>8,894</b>	<b>10.3%</b>
On-book AUM	7,306	4,791		6,588	
Assignment	2,497	1,985		2,295	
Business Correspondence	8	22		11	
<b>SHFL</b>	<b>607<sup>(1)</sup></b>	<b>383</b>	<b>58.5%</b>	<b>567</b>	<b>6.9%</b>
SFL	657	763		638	
<b>Retail MSME</b>	<b>296</b>	<b>200</b>	<b>47.9%</b>	<b>267</b>	<b>10.7%</b>
<b>AUM Mix (Rs. crore)</b>	<b>11,074</b>	<b>7,945</b>	<b>39.4%</b>	<b>10,100</b>	<b>9.6%</b>
MFI Lending	9,865	6,953	41.9%	8,916	10.6%
Business Correspondence	368	586		382	
MSME	602	608		616	
Housing Finance	607	383	58.5%	567	
<b>No. of Branches</b>	<b>1,386</b>	<b>1,267</b>	<b>9.4%</b>	<b>1,335</b>	<b>3.8%</b>
SCNL	1,165	1,057		1,115	
SHFL	38	28		37	
SFL	183	182		183	

**Note:**

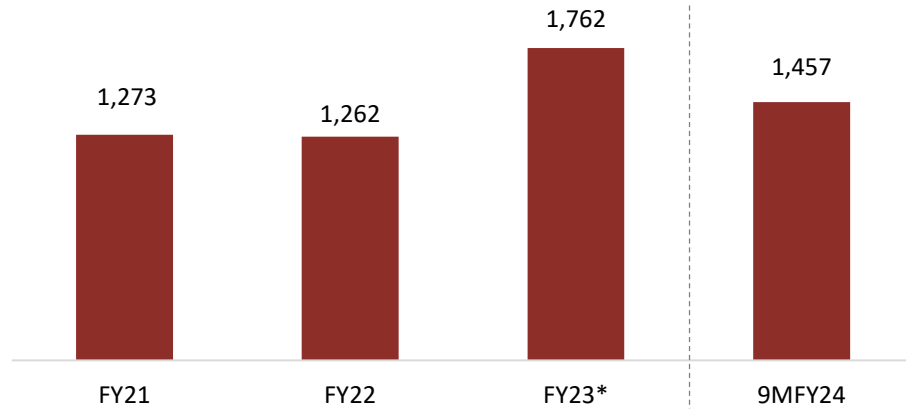
Differences due to rounding off

1) Includes assigned portfolio of Rs. 92 crore

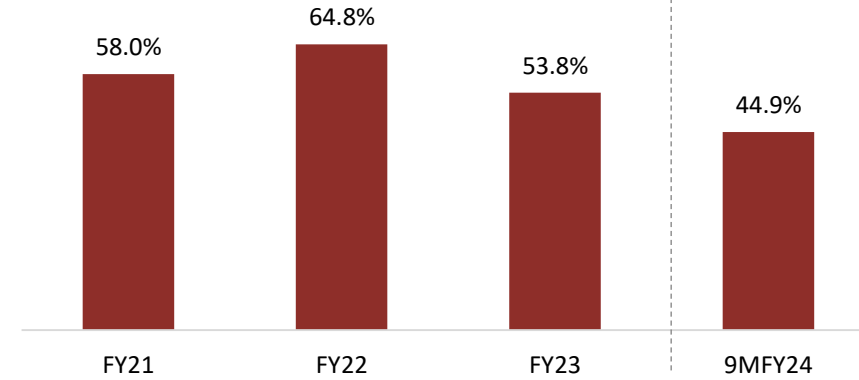
# Key Standalone Financials



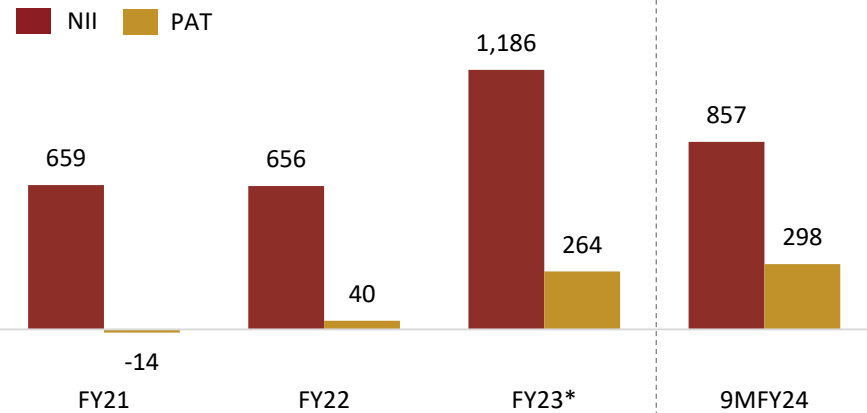
### Gross Income (Rs. crore)



### Cost to Income Ratio



### NII and PAT (Rs. crore)



### Opex to Avg AUM



\*There was an extraordinary income on account of fair value change for investment in subsidiaries amounting to ~Rs. 350 crore during Q1FY23

# Financial Details (Standalone)



# Financial Performance - Standalone



Particulars	9MFY24	Q3FY24	Q3FY23	Q2FY24	FY23
Gross yield <sup>(1)</sup>	21.90%	23.42%	22.85%	22.80%	19.66%
Financial Cost Ratio <sup>(2)</sup>	9.02%	9.82%	8.76%	9.28%	8.04%
Net Interest Margin <sup>(3)</sup>	12.88%	13.60%	14.09%	13.52%	11.62%
Operating Expense ratio <sup>(4)</sup>	5.78%	5.94%	6.63%	5.89%	6.25%
Loan Loss Ratio <sup>(5)</sup>	1.11%	1.45%	2.98%	1.21%	5.53%
RoA <sup>(6)</sup>	4.45%	4.50%	2.92%	4.72%	3.52%
RoE <sup>(7)</sup>	17.83%	18.39%	12.41%	19.72%	15.02%
Leverage (Total Debt / Total Net Worth)	3.0x	3.0x	3.1x	3.1x	2.9x
Cost to Income Ratio	44.87%	43.70%	47.06%	43.61%	53.78%^

Asset Quality (on-book)	9MFY24	Q3FY24	Q3FY23	Q2FY24	FY23
GNPA %	2.40	2.40	3.92	2.38	3.28
ECL %	1.99	1.99	2.93	1.89	2.10

1. Gross Yield represents the ratio of total Income in the relevant period to the Average AUM; **gross yield (including extraordinary income of ~Rs. 350 crore) for FY23 is 24.57%**
  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; **NIM (including extraordinary income of ~Rs. 350 crore) for FY23 is 16.54%**
  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. RoE is annualized and represents PAT to the average equity
- ^Adjusted Cost to Income ratio (excluding extraordinary income of ~Rs. 350 crore)

# P&L Statement - Standalone



Particulars (Rs. crore)	9MFY24	9MFY23	Q3FY24	Q3FY23	Q2FY24	FY23
<b>Revenue</b>						
Interest and Fee Income	1,175.2	796.3	432.5	268.3	386.2	1,094.0
Gain due to DA	173.0	140.2	74.4	88.1	62.7	209.6
Treasury Income	57.3	398.3*	23.3	11.1	24.4	412.6*
BC Income	0.1	3.8	0.0	0.4	0.0	4.0
Other Operating Income	51.1	25.9	17.4	9.6	18.6	41.2
<b>Total Revenue</b>	<b>1,456.7</b>	<b>1,364.4</b>	<b>547.6</b>	<b>377.4</b>	<b>491.9</b>	<b>1,761.5</b>
<b>Expenses</b>						
Finance Cost	600.0	430.0	229.6	144.7	200.3	576.0
Employee Benefit Expenses	267.5	234.0	94.0	76.9	88.4	316.3
Credit Cost & FLDG for BC	73.8	384.2	33.8	49.2	26.1	396.4
Other Expenses	102.5	92.2	39.9	29.3	33.5	115.6
Depreciation and amortization expense	14.4	8.9	5.1	3.3	5.3	16.2
<b>Total Expenses</b>	<b>1,058.2</b>	<b>1,149.3</b>	<b>402.3</b>	<b>303.4</b>	<b>353.6</b>	<b>1,420.5</b>
<b>Profit Before Tax</b>	<b>398.5</b>	<b>215.1</b>	<b>145.3</b>	<b>74.0</b>	<b>138.3</b>	<b>341.0</b>
Tax expense	100.9	45.2	36.9	18.9	35.1	76.7
<b>Profit After Tax</b>	<b>297.6</b>	<b>169.9</b>	<b>108.4</b>	<b>55.1</b>	<b>103.3</b>	<b>264.3</b>
Other comprehensive income net of taxes	-5.7	-18.9	6.6	-19.9	-2.9	-19.0
<b>Total Comprehensive Income</b>	<b>291.9</b>	<b>151.0</b>	<b>114.9</b>	<b>35.2</b>	<b>100.4</b>	<b>245.3</b>

\*includes an extraordinary income on account of fair value change for investment in subsidiaries amounting to ~Rs. 350 crore during Q1FY23



# Financial Details (Subsidiaries)



# P&L Statement - SHFL



Particulars (Rs. crore)	Q3FY24	Q3FY23	Q2FY24	FY23
Revenue				
Interest and Fee Income	16.2	12.8	14.7	52.9
Treasury Income	0.7	0.5	2.1	2.0
Other income	7.2	3.3	6.0	7.0
<b>Total Revenue</b>	<b>24.1</b>	<b>16.5</b>	<b>22.8</b>	<b>61.9</b>
Expenses				
Finance cost	11.6	7.2	10.8	28.2
Employee benefit expenses	6.5	4.6	6.7	18.0
Credit Cost	0.2	0.4	0.5	2.0
Other expenses	2.4	1.6	1.8	5.4
Depreciation and amortization expenses	0.3	0.1	0.4	0.4
Total Expenses	<b>20.9</b>	<b>14.0</b>	<b>20.3</b>	<b>54.0</b>
<b>Profit Before Tax</b>	<b>3.2</b>	<b>2.5</b>	<b>2.6</b>	<b>7.8</b>
Tax expense	0.8	0.7	0.7	1.9
<b>Profit After Tax</b>	<b>2.4</b>	<b>1.8</b>	<b>1.9</b>	<b>5.9</b>
Other comprehensive income	2.7	-1.5	3.9	-1.5
<b>Total Comprehensive Income</b>	<b>5.1</b>	<b>0.2</b>	<b>5.7</b>	<b>4.4</b>

# P&L Statement - SFL

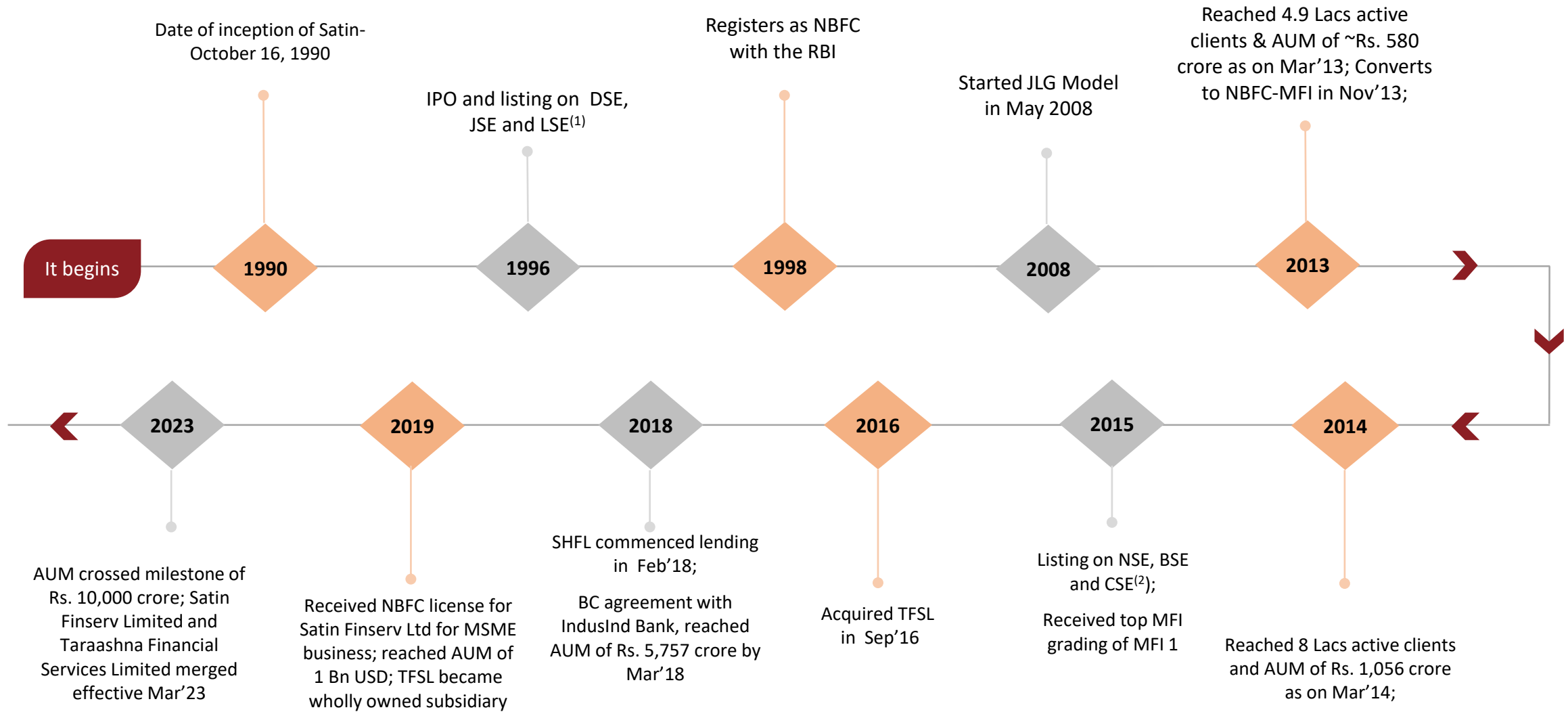


Particulars (Rs. crore)	Q3FY24	Q3FY23	Q2FY24	FY23
Revenue				
Interest and Fee Income	30.9	25.2	29.6	102.6
Treasury Income	0.9	0.8	0.8	2.9
Other income	0.2	0.2	0.5	1.0
<b>Total Revenue</b>	<b>32.1</b>	<b>26.2</b>	<b>30.8</b>	<b>106.5</b>
Expenses				
Finance cost	6.3	4.6	6.8	18.5
Employee benefit expenses	15.9	12.5	15.4	53.2
Credit Cost (incl. FLDG for BC)	3.7	3.0	2.7	10.8
Other expenses	3.9	3.4	4.1	14.1
Depreciation and amortization expenses	0.4	0.5	0.4	1.7
Total Expenses	<b>30.2</b>	<b>24.0</b>	<b>29.2</b>	<b>98.3</b>
<b>Profit Before Tax</b>	<b>1.8</b>	<b>2.1</b>	<b>1.6</b>	<b>8.2</b>
Tax expense	0.5	0.4	0.4	2.2
<b>Profit After Tax</b>	<b>1.3</b>	<b>1.7</b>	<b>1.2</b>	<b>6.1</b>
Other comprehensive income	0.0	0.0	0.2	-0.1
<b>Total Comprehensive Income</b>	<b>1.3</b>	<b>1.7</b>	<b>1.4</b>	<b>6.0</b>

# Company Background

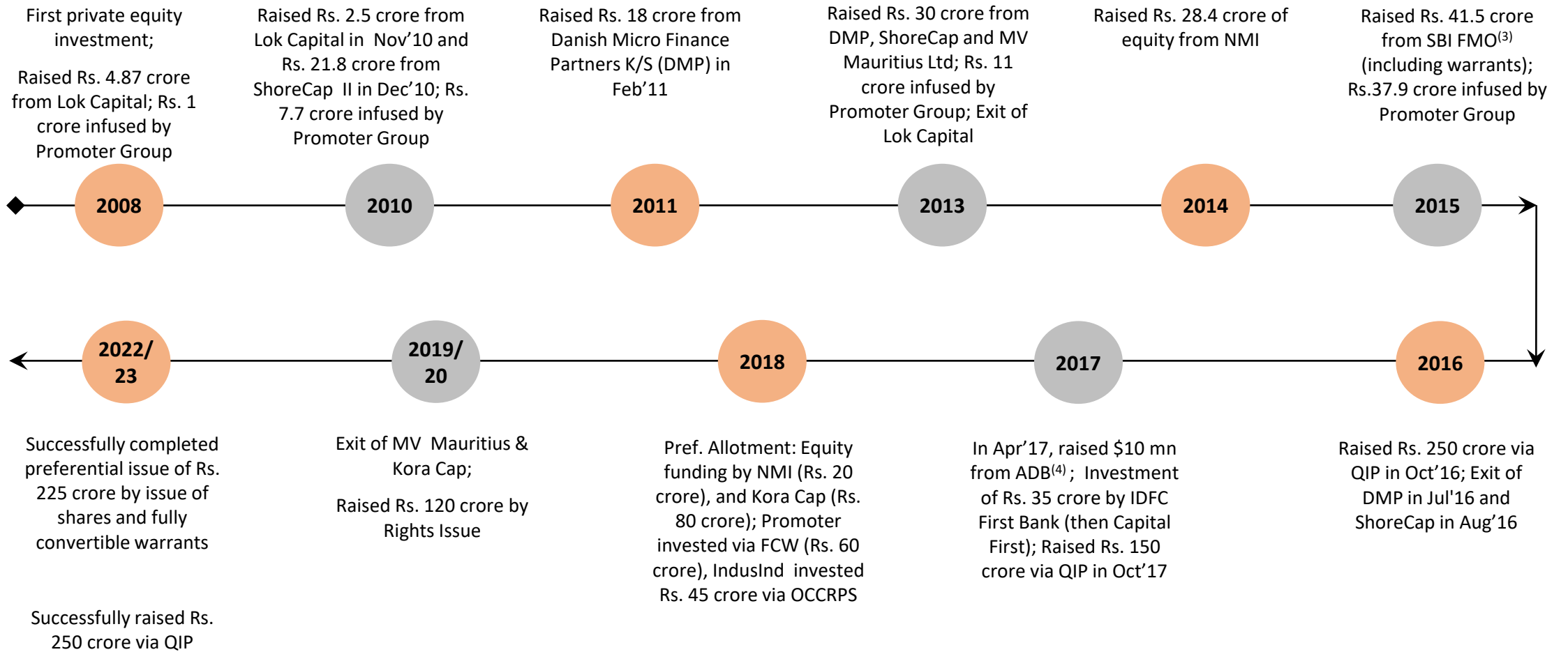


# Key Milestones - Business



**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

# Key Milestones – Fund Raising



Note: (3) SBI FMO Emerging Asia Financial Sector Fund Pte. Limited; (4) ADB – Asian Development Bank



The history of SCNL goes back to **1990 when it started providing finance to the shopkeepers who were deprived of formal financing**



Today, after more than three decades of rich experience, **SCNL has emerged as one of the leading and trusted Indian microfinance companies**



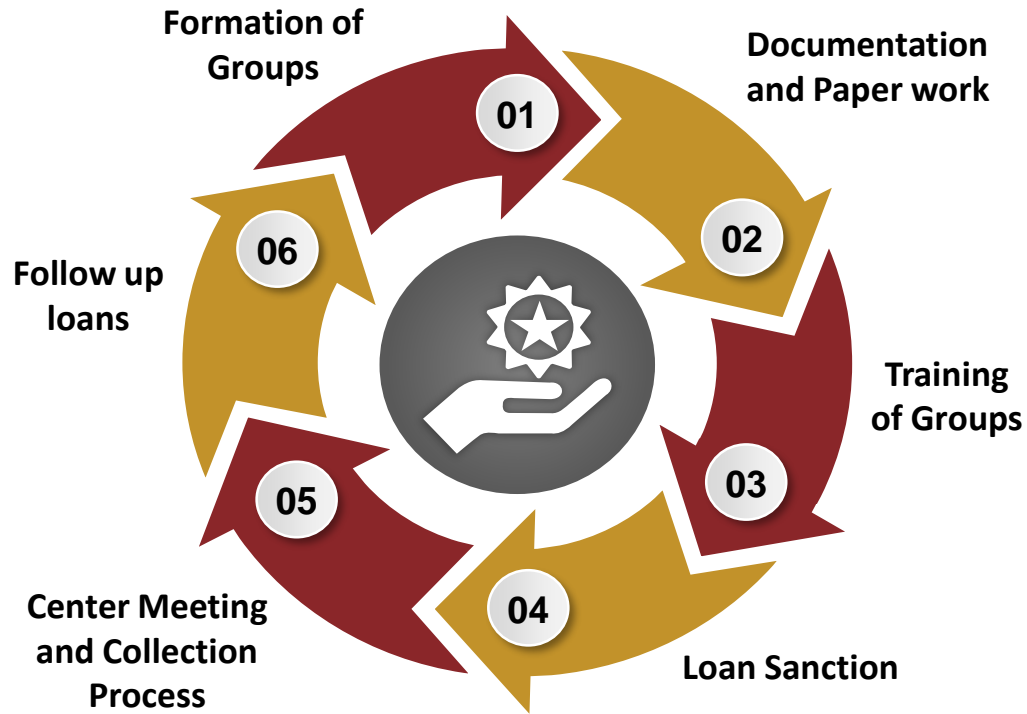
Headquartered in Gurugram, Haryana, **the Company drives inclusive growth by offering financial tools that help create opportunities**



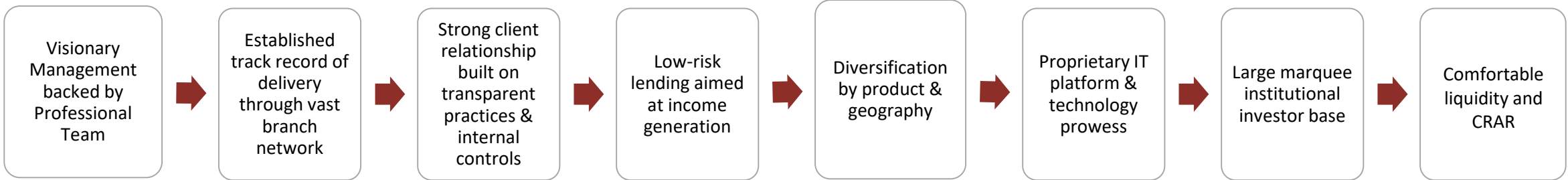
Through its financial solutions outside the periphery of traditional channels of finance, **the Company empowers the unserved and the underserved sections of the society**



# Our Business Model



## MICROFINANCE & BEYOND



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

## Income Generation Loan (Prarambh)

Ticket Size :  
Rs. 10,000 – Rs. 45,000

Tenure: 12 - 24 months

## Long Term Loan (Vridhhi)

Ticket Size :  
Rs. 31,000 – Rs. 80,000

Tenure: 24 - 30 months

## Madhya Vridhhi Loan

Ticket Size :  
Rs. 10,000 – Rs. 15,000

Tenure: 24-30 months

## Product Financing

Ticket Size :  
Rs. 2,000 – Rs. 32,000

Tenure: 06 - 24 months

## WASH Loan

Ticket Size :  
Rs. 10,000 – Rs. 35,000

Tenure: 12 - 24 months

## Eligibility Criteria

- Annual Household Income: up to Rs. 3 Lacs
- The outflows limit of 50% of the monthly household income shall include repayment towards all existing loans as well as any loan under consideration

- Maximum monthly loan repayment obligation (incl. applied loan): <=Rs. 12,500
- OTP & Bank validation

\* Household shall mean an individual family unit, i.e. husband, wife and their unmarried children

# Community Connect Activities Centered Around SDGs



## Infrastructure Development

In order to enrich the growth and advancement of the students, faculty, and the larger community of the GNA University, Punjab, we supported the development and enhancement of its infrastructure.



Lives Impacted – 2,500

## Financial Literacy Workshops

In collaboration with RBI and Sa-Dhan, as of date, we have conducted 42 workshops in the states – Uttar Pradesh, Rajasthan, Jharkhand and Chhattisgarh, aiming to educate our clients about the significance of responsible financial planning, saving, and investing.



Lives Impacted – 2,244

## Health Camps

In collaboration with our partner DocOnline, we have conducted 24 health camps wherein our clients were given basic health checkups and consultations with senior doctors through video conferencing.



Lives Impacted – 1,400



## Marking Goals For the Better World

# Awards and Accolades



- Mr. HP Singh bestowed with the **'India's Most Trusted Leader'** Award by GPTW, India
- Mr. HP Singh conferred as the **'Pillar of the BFSI Industry'** at the Financial Express Modern BFSI Summit 2022
- Mr. HP Singh received the **'CEO of the Year - Micro Finance Company'** Award
- Ms. Aditi Singh awarded **'40 under 40'** at the Making India Employable Conference and Awards
- Mr. Dhiraj Jha accorded the **'Excellence in Risk Management'** Award at the 4<sup>th</sup> Elets BFSI Game Changer Summit
- Mr. Deepak Kujur secured a spot among the **'Top 100 Great Managers 2023'** at the Great Managers Award
- Mr. Sunil Yadav recognized among the **'Top 100 BFSI Leaders'** in India by Trescon, India



**December 2023**  
Bestowed with the **'Most Influential MFI of the Year Award'** at the NBFC & Fintech Conclave and Awards 2023

**December 2023**  
Recognized as **'Top 50 Companies with Great Managers'** at the Great Managers Awards

**November 2023**  
Awarded **'Best Innovative Financial Accessibility Model for WASH'** at the ISC-FICCI Sanitation Awards Ceremony

**September 2023**  
Won **'Corporate Excellence Award'** at the Making India Employable Conference and Awards

**July 2023**  
Awarded the **'Best Learning Team'** at the Learning and Development Summit & Awards 2023

**June 2023**  
Ranked **30th amongst the 'Top 100 India's Best Companies to Work for' 2023** across all industries

**June 2023**  
Adjudged **'Best Employer in the Microfinance Industry'** by GPTW, India

**June 2023**  
Awarded for **'Impactful Contribution in the Economy'** at the Elets BFSI Game Changer Summit



## ENVIRONMENTAL

### Water and Sanitation (WASH) Loans

- Constructively working towards safe water and sanitation in around 280 districts and more than 26,000 villages in 19 states viz Bihar, Orissa, Uttar Pradesh, West Bengal etc.

- In FY23, disbursed a total of 91,830 WASH loans

### Clean Energy Loans

- SCNL's clean energy programme is an illustration of its dedication to serve the society by providing customized financial solution
- Certificate of Excellence by UNFCCC's Clean Development Program



## SOCIAL

- Our strength lies in our ground level knowledge and the strong bond that we have created with our stakeholders
- Reaching borrowers through a suite of financial and non-financial services, tailored to meet their needs, including lending under JLG model, product financing, community level initiatives, financing household level toilet and water facility
- Almost all of SCNL clients are women, 77% of whom are based in rural hinterlands of India
- Around 72% of the clients are from BPL category
- Positive findings from various Impact Assessment studies



## GOVERNANCE

- Board comprises of 8 members; 6 Independent directors of which 1 is a woman director
- Number of Board Meetings Conducted during the FY23: 7
- Average attendance rate at the Board and Board committee meetings (%): 91% and 95% respectively
- All major committees are headed by Independent directors
- Strong grievance redressal mechanism; over 99% of customer complaints resolved within TAT
- Strong compliance with transparent disclosures

Assigned "AA" ESG rating by ESG Risk Assessments & Insights Ltd.



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