



January 23, 2023

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
25th 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 and in terms of other applicable laws, if any, please find enclosed Investor Presentation for the quarter and nine months ended December 31, 2022.

The above is being made available on the Company's website i.e. www.satincare.com

This is for your information and record.

Thanking You.

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

(Vikas Gupta)
Company Secretary & Compliance Officer

Encl: a/a



SATIN CREDITCARE NETWORK LTD.
Reaching out!

Investor Presentation
January 2023

DETERMINED. DEFINITIVE. DECISIVE.

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Company Background

Cautionary Statement

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

Business Update &
New Initiatives

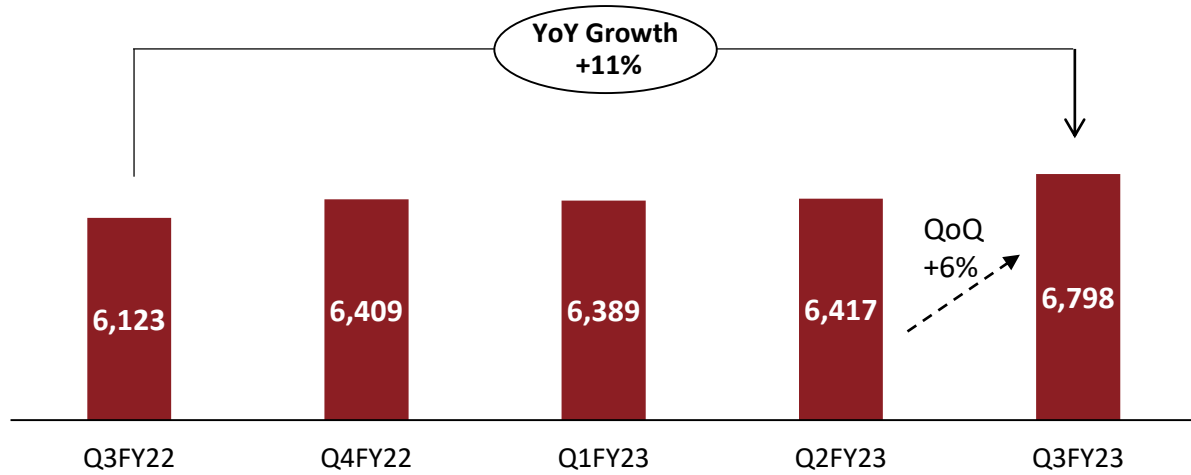


Advent of Growth

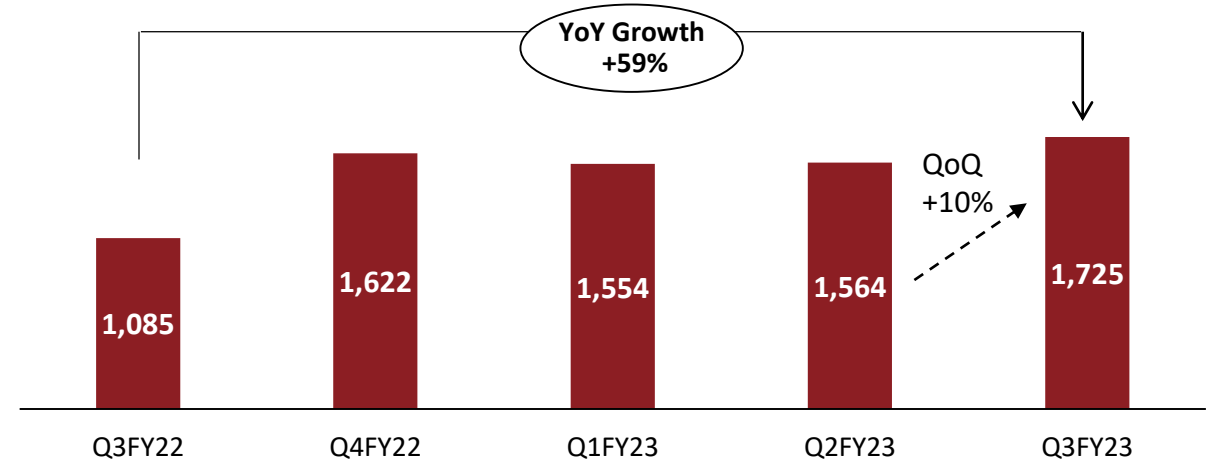


(Rs. crore)

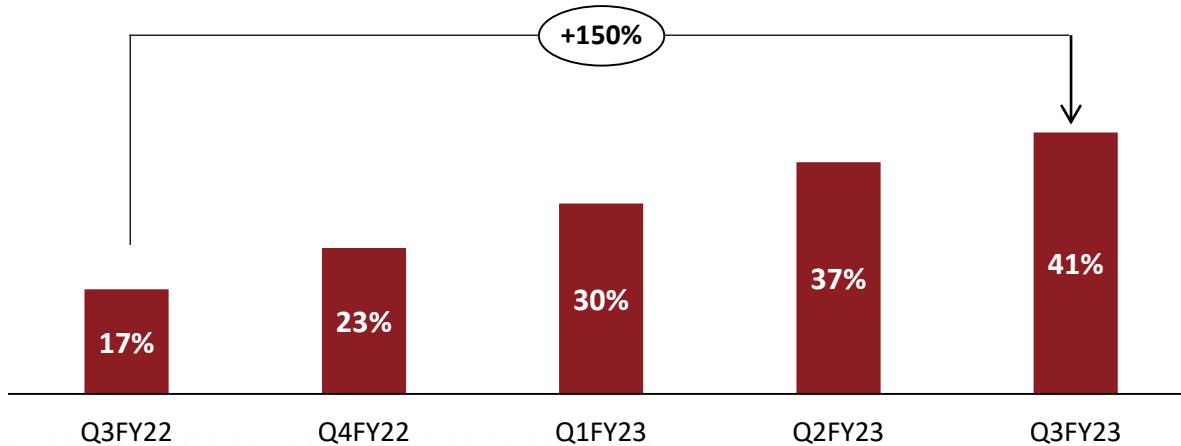
Growth in Asset under Management...



..owing to increasing disbursement...



..with focus on new client acquisition



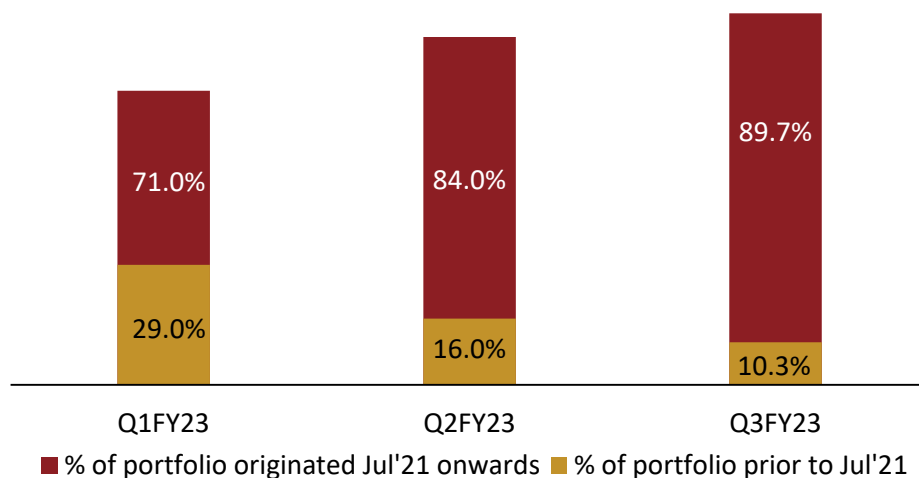
- Pre-write off growth of 20% on a YoY basis in standalone AUM
- Highest quarterly disbursement in last 7 quarters

New Portfolio Testimonial of our Robust Underwriting

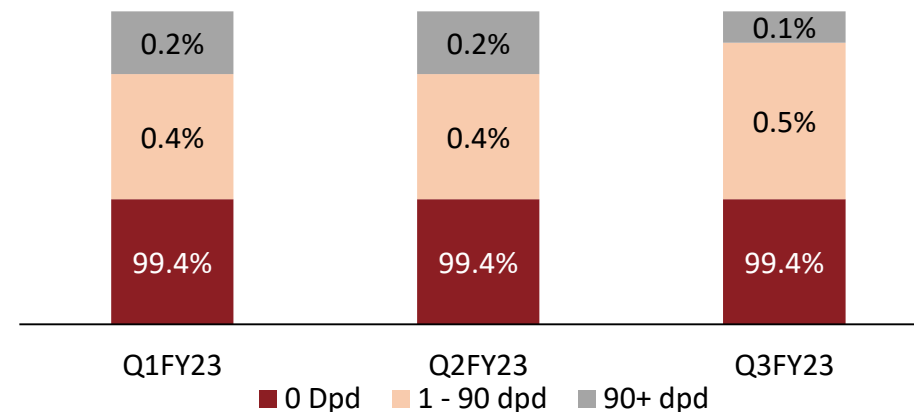


Portfolio originated Jul'21 onwards showing excellent performance

New portfolio as a % of on-book MFI portfolio

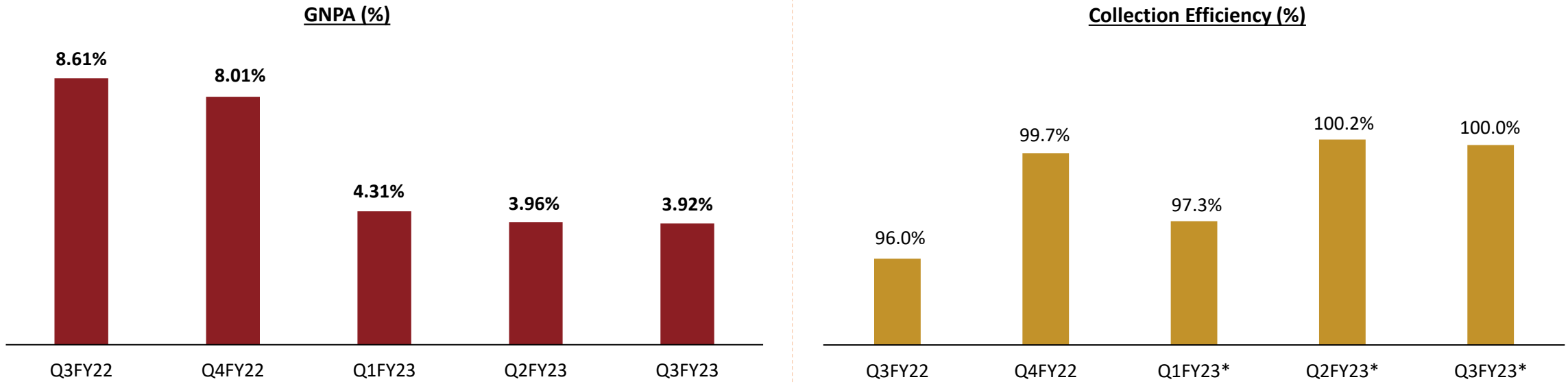


PAR of New portfolio



- **As on Q3FY23, 99.4% of new portfolio is 0 Dpd**
- As per CRIF Highmark data[^], the PAR data for portfolio originated Jul'21 onwards for industry is as follows:
 - NBFC MFI – PAR 1 is 3.7% and PAR90 is 1.88%
 - Overall Industry - PAR 1 is 5.6%% and PAR90 is 2.6%

Improving Asset Quality with Healthy Collection Efficiency

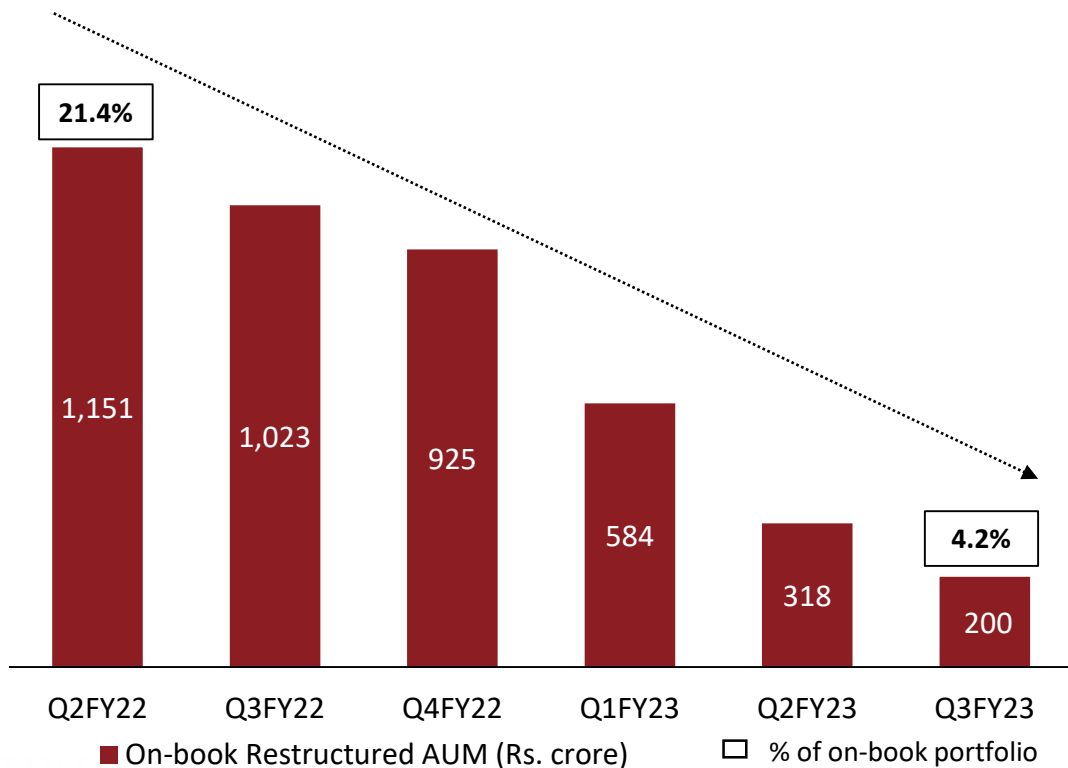


- On-book GNPA stood at Rs. 188 crore (3.92% of on-book portfolio). Assam constitutes ~65% of on-book GNPA i.e. Rs. 122 crore; excluding Assam GNPA stood at 1.45% amounting to Rs. 65 crore
- The Company has sufficient on-book provisions amounting to Rs. 140 crore as on Q3FY23, which is 2.9% of on-book AUM
- **During 9MFY23, collection against write-offs was ~Rs. 30 crore**
- Cumulative collection efficiency for Q3FY23 stood at 100.0% (excluding restructured portfolio), representing ~96% of on-book portfolio
 - Collection efficiency of restructured portfolio for Q3FY23 stood at 79.2%, representing ~4% of on-book portfolio

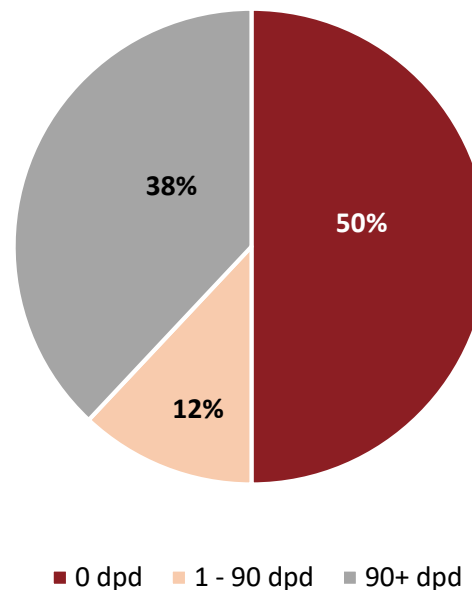
Update on Restructured Book



Particulars (Rs. crore)	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Total
Opening Balance	-	1,151	1,023	925	584	318	-
Addition	1,151	0	0	0	0	0	1,151
Collection	-	128	98	144	125	93	588
Written off	-	-	-	196	142	25	363
Closing Balance	1,151	1,023	925	584	318	200	200



As on Q3FY23



Provision on restructured book is Rs. 82 crore

Concerns around restructured book have been addressed



On-book AUM of Rs. 270 crore i.e. 5.6% of on-book AUM



On-book GNPA of Rs. 122 crore



The Company has started disbursing to good clients; disbursement in 9MFY23 stood at Rs. 159 crore



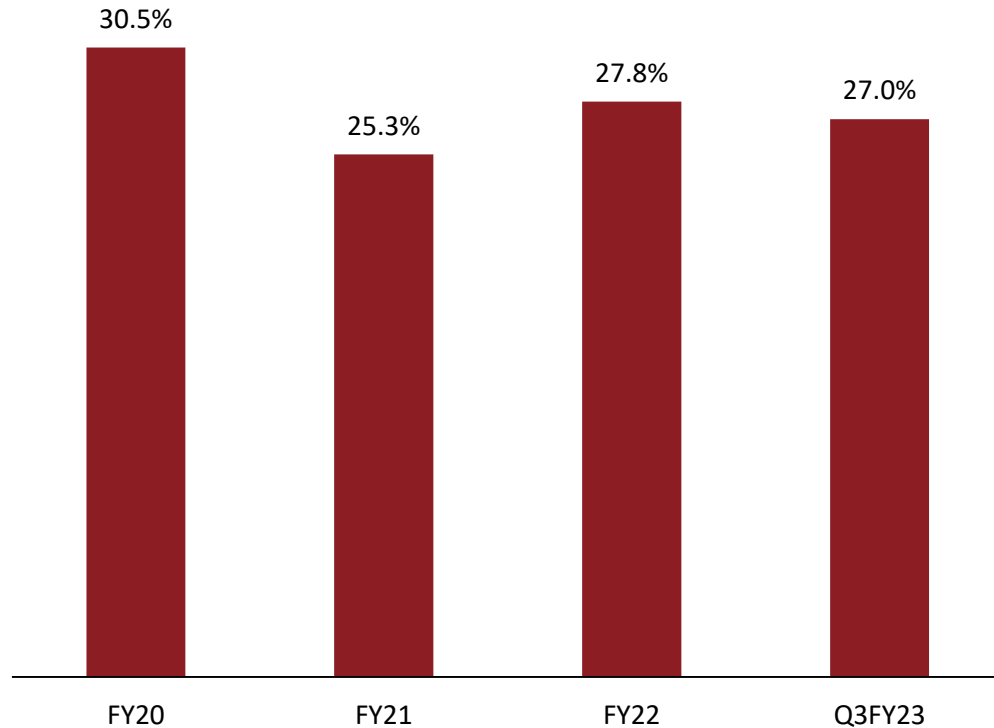
PAR 1 from disbursement made in 9MFY23 is 0.06%



Update on AMFIRS

- Relief to Category 1 and 2 borrowers has been a successful initiative by the Assam cabinet
- Ground work started for Category 3 viz sampling of data by Credit Bureaus

Healthy CRAR to Support Growth Opportunities...



- **CRAR of 27.0%, up from 22.6% in Q1FY23**
- During the quarter, the Company received the second tranche of ~Rs. 25 crore, against conversion of Fully Convertible Warrants from Florintree Ventures LLP (entity belonging to Non-Promoter Group)
 - Till date received Rs. 125 crore out of Rs. 225 crore of preferential allotment via issue of equity shares and fully convertible warrants
- Book Value Per Share at Rs. 217 on standalone basis
- Sufficient liquidity of ~Rs. 1,300 crore as on Q3FY23 (received ~Rs. 650 crore during last 2 days of the quarter)
- Undrawn sanction in hand of Rs. 674 crore
- During 9MFY23, the Company did a fundraise of Rs. 4,939 crore from various lenders



Achievements

- **All the group companies are profitable in 9MFY23**
- Recognized as “Company with Great Managers 2022” by People Business
- The Company has moved towards a more robust, scalable, secured and completely paperless technological journey with the advent of AWS into the system
- Ministry of finance in consultation with UIDAI & RBI has authorized SCNL to perform Aadhaar authentication of client (e-KYC)
- Ranked 38th among the ‘Top 100 India’s Best Companies to Work for 2022’ across all industries and also recognized as ‘Best in Microfinance Industry’ by Great Place to Work[®] Institute (India) in Jun’22



Commitment to Sustainability

- **Awarded by Indian Social Impact Awards 2023 for “Best Education Support Initiative of the Year 2022-23”**
- Touched over 1,50,000 lives in collaboration with DocOnline by providing them with the best healthcare in terms of accessibility, affordability and quality
- Certified by D-light for creating social impact in the community
- As a part of our commitment towards environment, through our Clean Energy Program, reduced emission of 27,781 tons CO₂e
- Disbursed ~1,08,000 bicycles and ~4,31,000 solar products loans to women in India with an aim to enhance the mobility and livelihood of these women as well as to promote gender equality

Satin Housing Finance Limited

AUM grew by 39% in Q3FY23 YoY to reach Rs. 383 crore
Q3FY23 disbursement stood at Rs. 50 crore

SHFL had 2 successive profitable years despite challenging business environment, PAT for Q3FY23 stood at Rs. 1.77 crore

Clients belonging to Middle and Low-Income Groups from Tier II and below cities

100% retail book

GNPA of 0.48% as on Dec'22

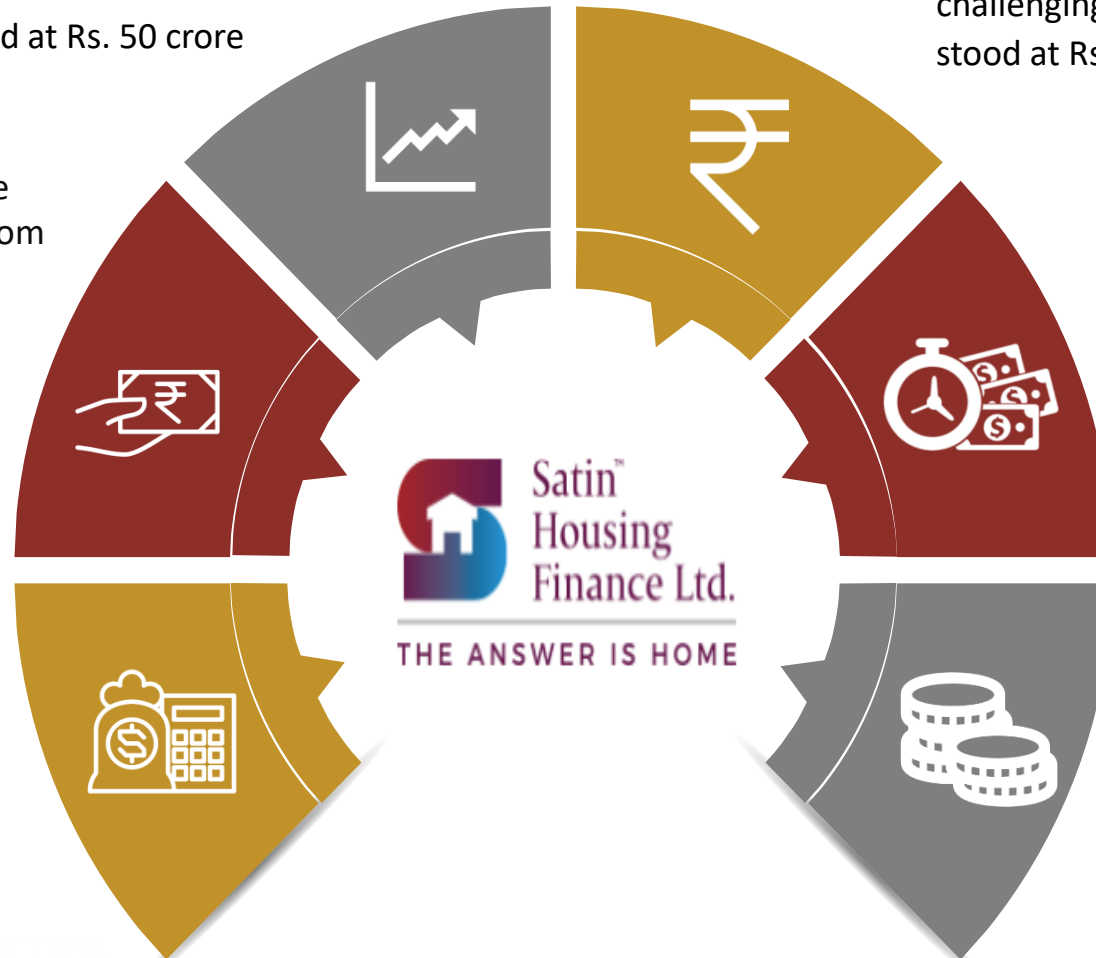
No willful default or fraud since inception

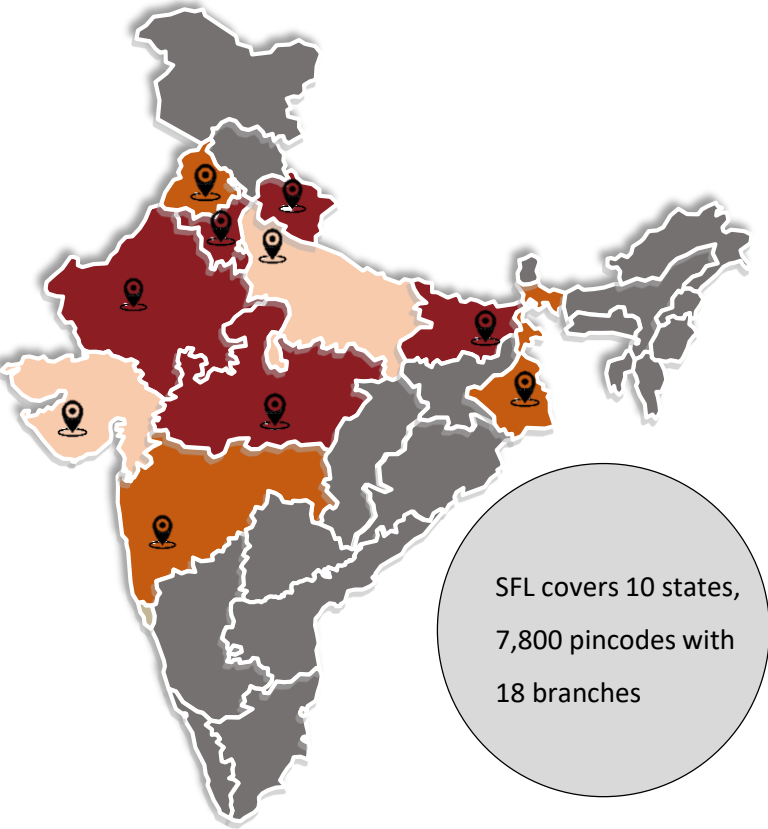
Healthy CRAR 58.36%

Eligible for SARFAESI enforcement

No ALM mismatch

18 lenders including NHB refinance

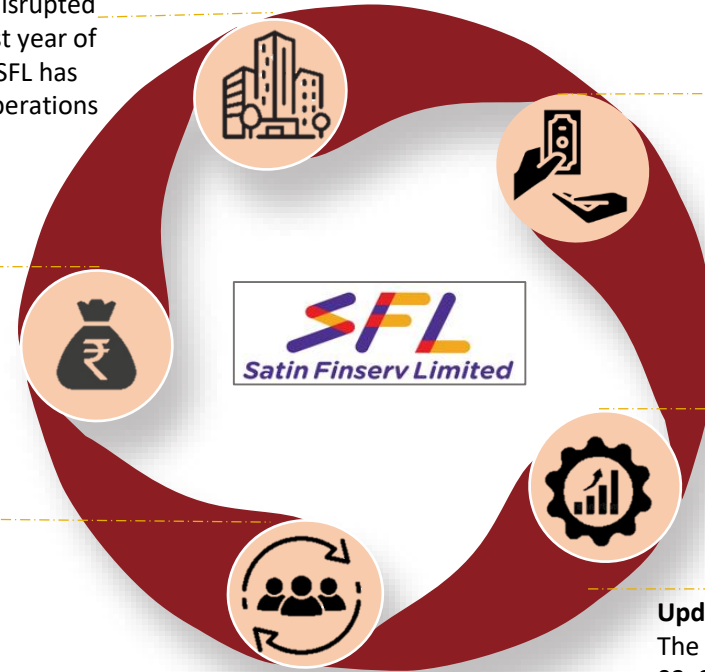




SFL's nascent journey was disrupted by Covid within the very first year of operations. In spite of this, SFL has been profitable since the operations started

Healthy CRAR of 54%
Leverage of 0.94x

Well Positioned for a high growth Trajectory with Parent support in the coming years



Small Ticket business Loans averaging \leq Rs. 2 lacs secured against collateral consists of approximately 65% of the portfolio

AUM has grown by 80% from Mar'20 to Dec'22

Update on merger:
The Hon'ble NCLT in its hearing dated January 02, 2023 has reserved the order for second motion application. The pronouncement of order is awaited

Market Positioning

Opportunity

- Unmet Demand of 20 Lacs crore
- 96% of MSMEs having annual revenue of less than 1 Cr
- 80% under 10L

Customer Type

- Informal customer segment
- No digital footprint
- Semi Urban
- Availability of collateral

Use of loan

- Loans essential for working capital, asset acquisition and purchase of stock

Loan Process

- Underwriting and Risk Management strategies for Small Ticket, Use of Non-financial data and score cards.

Technology

- Digital Journey for the customer

Business Trends...



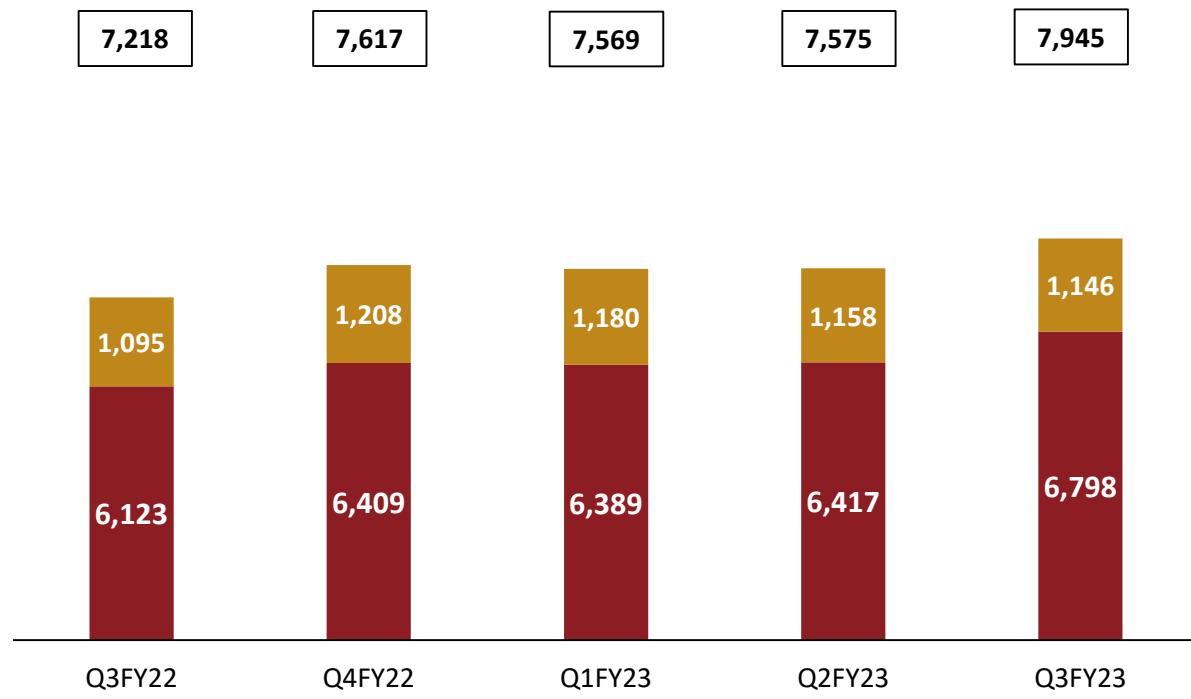
Rs. **7,945** crore
AUM*

Rs. **1,880** crore
DISBURSEMENT in Q3FY23

27.0 Lacs
ACTIVE CUSTOMERS

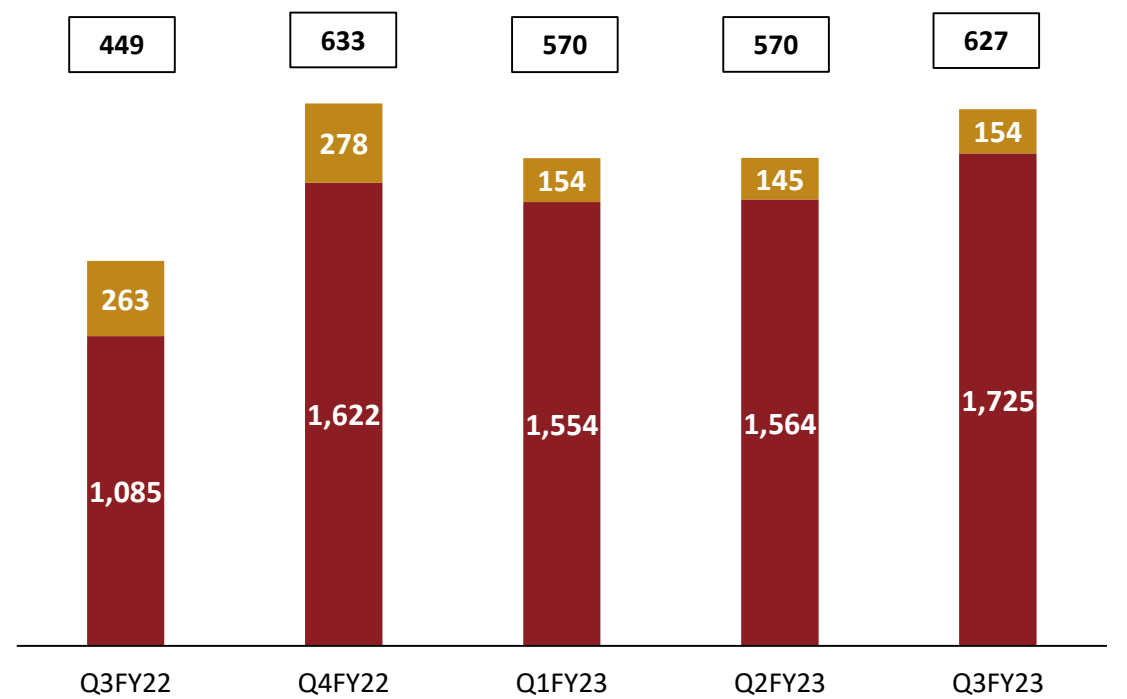
1,260
NO. OF BRANCHES

Asset under Management Trends (Q-o-Q)



■ Standalone AUM (Rs. Crs.) ■ AUM of Subsidiaries (Rs. Crs.)

Disbursement Trends (Q-o-Q)



■ Standalone Disbursement (Rs. Crs.) ■ Disbursement by Subsidiaries (Rs. Crs.)

□ Avg Monthly Disbursement

On Consolidated basis except otherwise mentioned
*Asset under Management

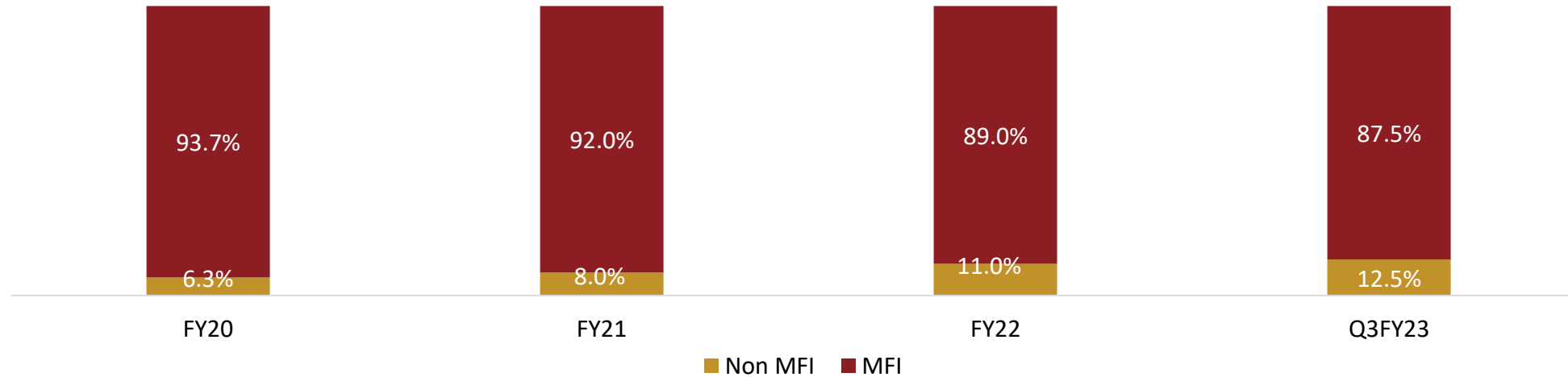
Diversifying to Secured Assets – Future Upside Potential



Non-MFI Portfolio

- Non-MFI book of the Company includes the MSME and Housing Finance business
 - MSME Book grew from Rs. 378 crore in FY20 to Rs. 608 crore in Q3FY23 (i.e. 61% growth)
 - Housing Finance Book grew from Rs. 139 crore in FY20 to Rs. 383 crore in Q3FY23 (i.e. 176% growth)
 - The strategy to diversify portfolio is yielding results.

Non-MFI Portfolio



Key
Performance Highlights



Corporate Overview Standalone – Q3FY23



Rs. **1,725** crore

DISBURSEMENT

Rs. **43,000**

AVERAGE TICKET SIZE*



23

STATES & UT's

1,057

BRANCHES

4.1 Lacs

NO. OF LOANS DISBURSED



Rs. **6,798** crore

AUM



24.9 Lacs

LOAN ACCOUNTS
OUTSTANDING

27.0%

CAPITAL ADEQUACY

Rs. **55** crore

PROFIT AFTER TAX



2.9%

RETURN ON ASSETS^

12.4%

RETURN ON EQUITY^

Corporate Overview Consolidated – Q3FY23



28.3 Lacs

LOAN ACCOUNTS
OUTSTANDING



1,260

BRANCHES



Rs. **1,880** crore

DISBURSEMENT



Rs. **7,945** crore

AUM



Rs. **59** crore

PROFIT AFTER TAX



3.1%

RETURN ON ASSETS^



15.8%

RETURN ON EQUITY^



What makes Satin a
Compelling Investment Story



What makes Satin a Compelling Investment Story



1. Differentiated Product Offerings



	SCNL	Business Correspondent Services	Housing Finance	SME
Product features as on Dec'22	MFI ⁽¹⁾	Taraashna Financial Services Limited ⁽²⁾	Satin Housing Finance Limited ⁽³⁾	Satin Finserv Limited (SFL) ⁽⁴⁾
Start Date	May'08 (JLG)	May'12	Feb'18	Mar'19
Ticket Size Range	Upto Rs. 75,000	Upto Rs. 50,000 (JLG - Microfinance)	Rs. 100,000 – 4,000,000	Rs. 100,000 – 100,000,000
Tenure	6 - 24 months	12 - 24 months	24 - 240 months	12 - 120 months
Frequency of Collection	Bi-Weekly	Bi-Weekly	Monthly	Monthly/Quarterly
No. of States/UTs	23	6	4	10
No. of Branches	1,057*	157	28	18
AUM (Rs. crore)	6,390 ⁽⁵⁾	563	383	200
No. of loan accounts	24,91,540	3,21,579	4,586	7,858
Avg. Ticket Size for Q3FY23	Rs. 43,000 (JLG)	Rs. 39,100	Rs. 8,58,000	Rs. 1,68,000 (Retail)

Notes

(1) Includes MFI Lending (loans under JLG model, IndusInd BC and water & sanitation) and Product Financing (Loans for solar lamps, cycles)

(2) TFSL acquisition is effective Sep 1, 2016

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

(4) SFL was incorporated on August 10, 2018

(5) SCNL also has MSME portfolio of Rs. 408 crore other than MFI portfolio

*There were 1,054 branches with Microfinance operations & 19 branches with MSME operations. Out of the 19 MSME branches, 16 of them also had microfinance operations & 3 was unique

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

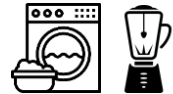
Financed ~Rs. 112 crore during 9MFY23

Enriching Lives



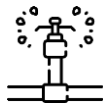
Green Loans

2,832 loans disbursed



Consumer Durables

24,054 loans disbursed



Water & Sanitation

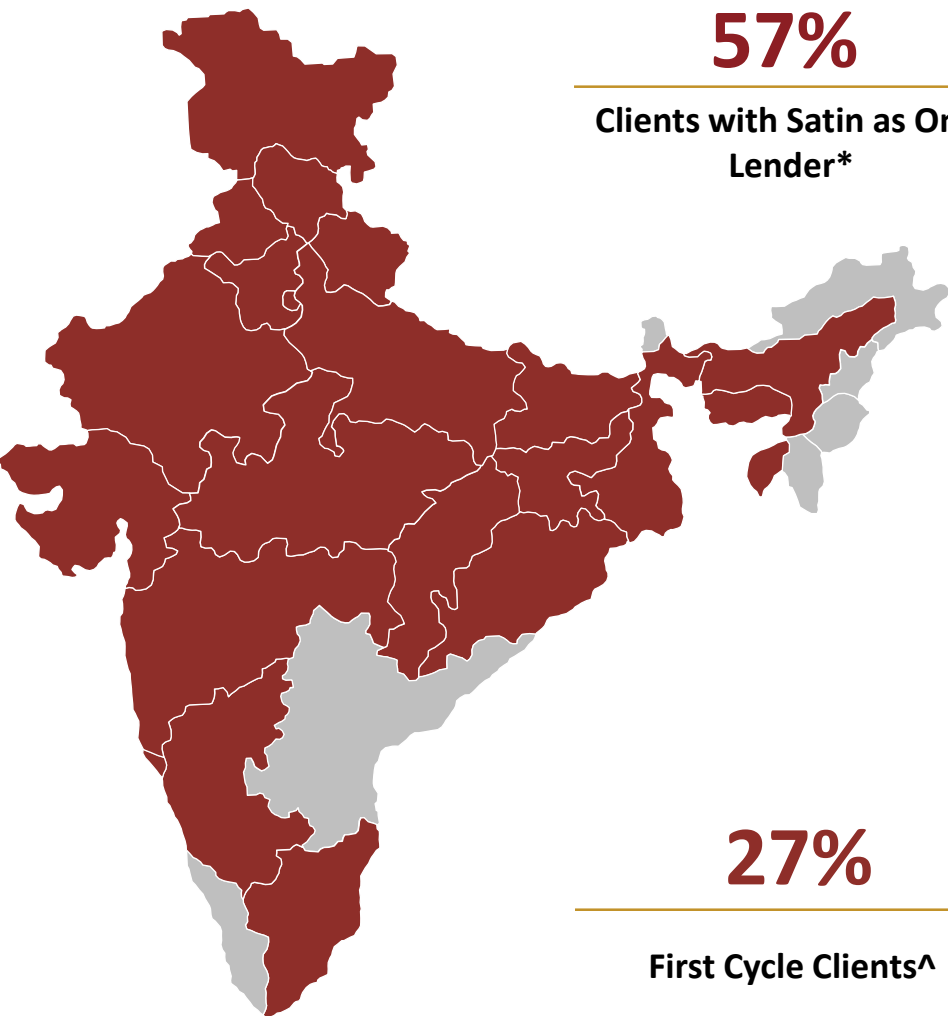
41,386 loans disbursed

Benefits

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

2. Diversified Geographical Presence

...serving 27 lacs clients across India



57%

Clients with Satin as Only Lender*

27.0 Lacs

No. of Active Clients

28.3 Lacs

No. of Loan Accounts

401

No. of Districts

90,000

No. of Villages

78

No. of Regional Offices

3.1 Lacs

No. of Centres

27%

First Cycle Clients^

7,040

No. of Loan Officers

10,604

No. of Employees

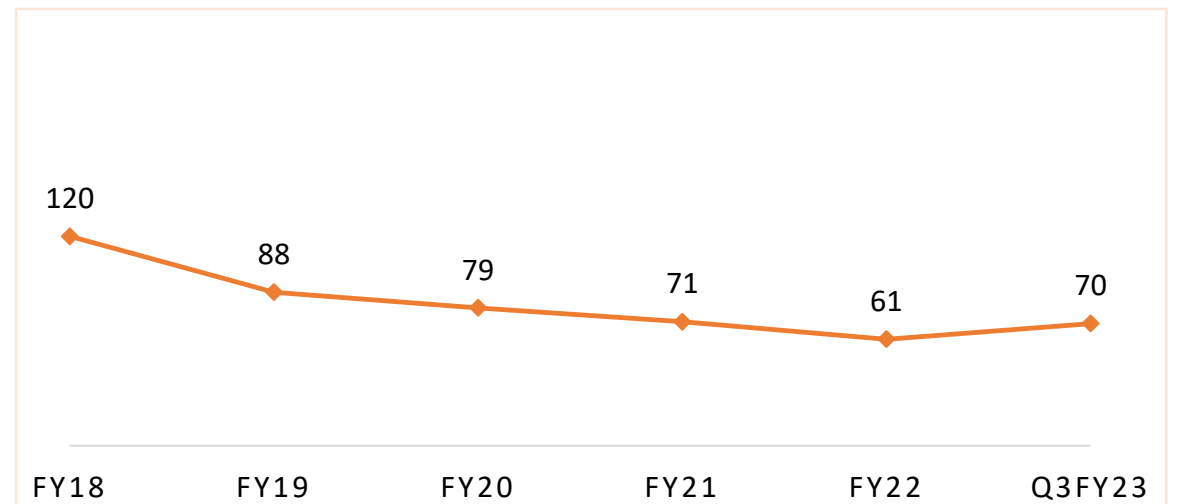
Presence across 23 States and UT's

State & UT's	AUM (Rs. Crore)	% Share
Uttar Pradesh	2,105	26.5%
Bihar	1,155	14.5%
Madhya Pradesh	577	7.3%
Punjab	526	6.6%
Delhi & NCR	499	6.3%
Rajasthan	441	5.6%
West Bengal	426	5.4%
Orissa	325	4.1%
Assam	325	4.1%
Haryana	275	3.5%
Others	1,291	16.2%
Total	7,945	100.0%

Limiting Exposure per district

Particulars	FY18	FY19	FY20	FY21	FY22	Q3FY23
No. of Districts - JLG	306	359	397	388	404	401
% of Districts with <1% exposure	92.5%	96.4%	96.5%	95.8%	97.3%	96.0%
% of Districts with >2%	1.0%	0.6%	0.5%	0.5%	0.3%	0.2%

% of Top 10 Districts to Networth



3. Technology Prowess



AePS Mode

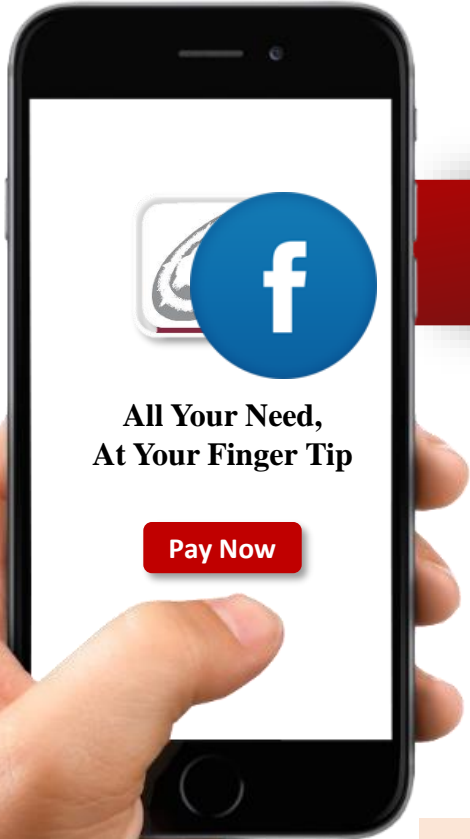
Aadhaar enabled Payment System, a strong lever to facilitate digital repayment of loan installments during the center meetings through Aadhaar authentication using biometric devices

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

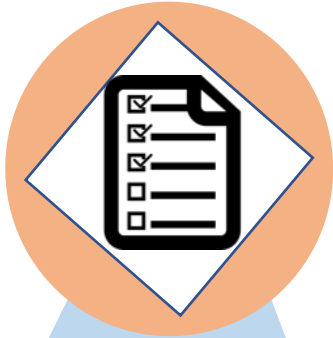
ISO 27001:2013 certified Information Security Management System (ISMS)

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



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

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



Tightened field level monitoring mechanisms

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

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)

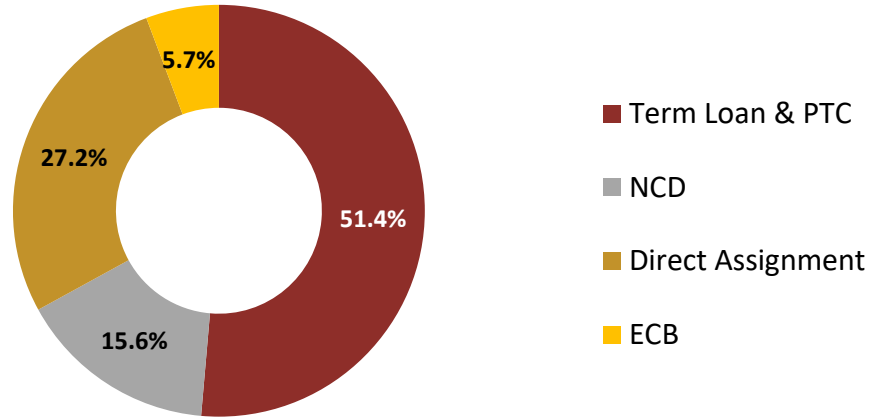
- Seamless customer onboarding & disbursement journey starting from Village surveys -Open General meetings - Group formation – KYC punching – Instant CB checks – Instant bank a/c validations – System Validations – Cashless Disbursement- Loan utilization check – Regular collection meetings all bundled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



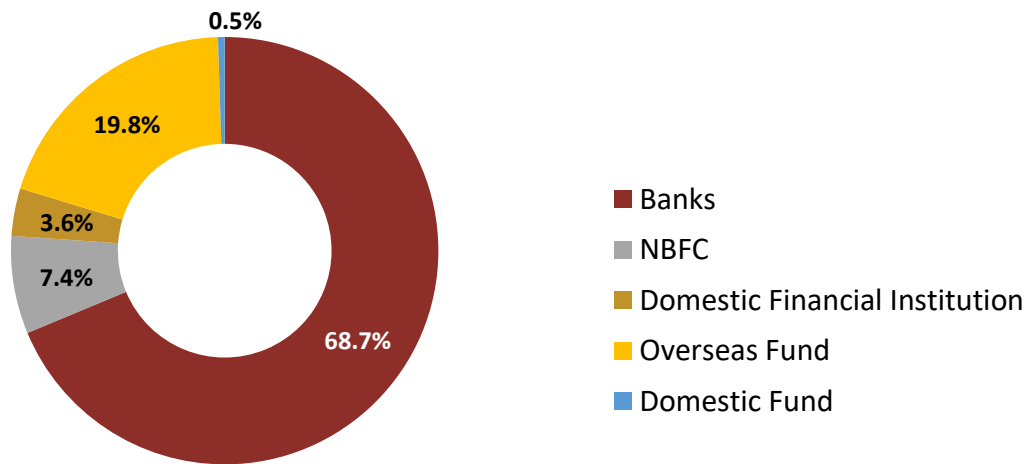
5. We have a well-diversified Liability Profile... ...insulated from Capital Market Turbulence



Product-wise Dec'22



Lender-wise Dec'22



Large Lender Base 58 Active Lenders

Top 10 Lending Partners	% Share
State Bank of India	12%
Bank of Baroda	9%
Bank of Maharashtra	8%
IDFC Bank Limited	6%
Blue Orchard Microfinance Fund	6%
Bandhan Bank Limited	5%
AAV S.A.R.L	5%
HSBC	4%
Standard Chartered Bank	4%
ResponsAbility	3%
Total of Top 10 lenders	63%

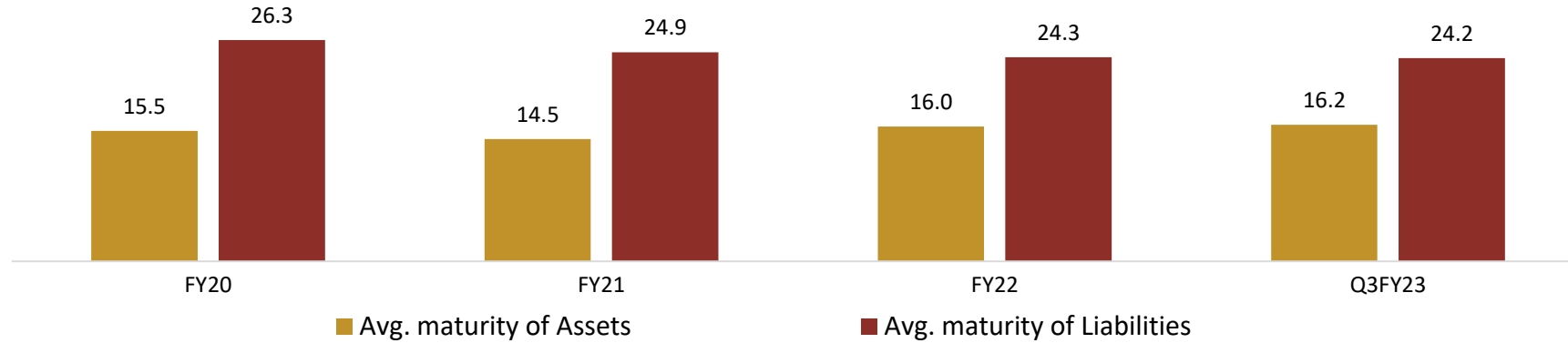
Credit Rating

- Bank Loans (Long term): "A-" by ICRA
- Short-Term ratings: "A1" by ICRA

6. Positive ALM with Ample Liquidity



Benefit of Positive ALM Continues



Static ALM as on 31 st Dec'22 (Rs. crore)	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Total
Inflows							
Liquidity at the beginning of month*	1,274	1,222	1,390	1,476	1,569	1,796	1,274
Principal - Loan portfolio	241	234	237	221	262	260	1,454
Interest - Loan portfolio	83	79	80	67	71	64	445
Total (A)	1,598	1,535	1,707	1,764	1,902	2,121	3,173
Outflows							
Principal repayments	340	118	190	172	83	416	1,320
Interest repayments	35	27	41	23	23	61	210
Total (B)	376	145	231	195	106	478	1,530
Cumulative Mismatch (A-B)	1,222	1,390	1,476	1,569	1,796	1,643	1,643

*Excluding margin money deposits Rs 433 crore lien with lenders
Undrawn sanction in hand Rs. 674 crore as on Dec'22

Successfully Navigated Crisis During Legacy of 30 Years



Learnings from Demonetization

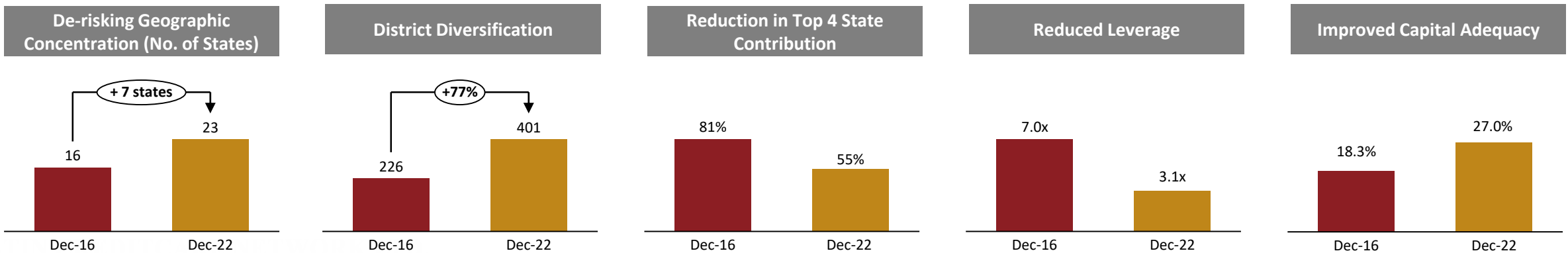
- ❑ **Implementation of best-in-class technology**
 - Reduced TAT
 - Real-time data
 - Enhanced Productivity
 - Improved monitoring and control
- ❑ **Diversifying Geographical Presence**
 - Increasing exposure to newer states
 - 96.0% of districts with <1% exposure
 - UP share brought down from 40.9% in Dec'16 to 26.5% in Dec'22

- ❑ **Strong Capitalization with Ample Liquidity**
 - Capital Adequacy has improved from 18.3% in 2016 to 27.0% currently
 - Raised Rs 910 crore equity capital
 - Liquidity of around Rs 1,300 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
 - Steps to obtain Sub-KUA License

- ❑ **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
 - Raised ~Rs. 225 crore through preferential issue from Promoter Group & Non Promoter Group; received Rs. 125 crore till date
- ❑ **Amalgamation of Subsidiaries**
 - The Board of Directors of two wholly owned subsidiaries of the Company namely, TFSL and SFL have considered the Amalgamation of Subsidiaries
 - Combined entity would be able to efficiently use the capital invested in the two entities and leverage the same
 - The merged entity will focus on both on book lending and BC business

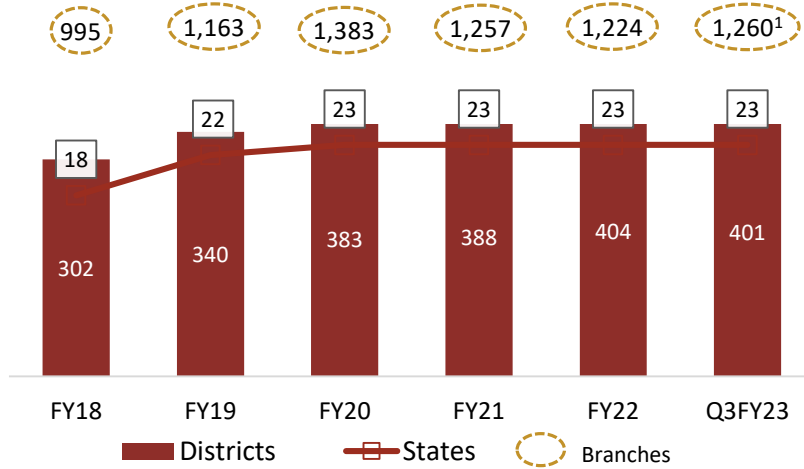


Key Financial & Operational Metrics

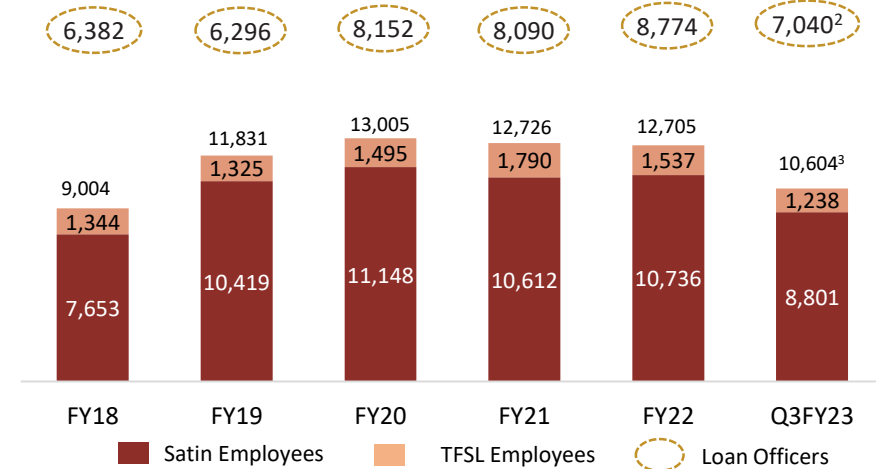




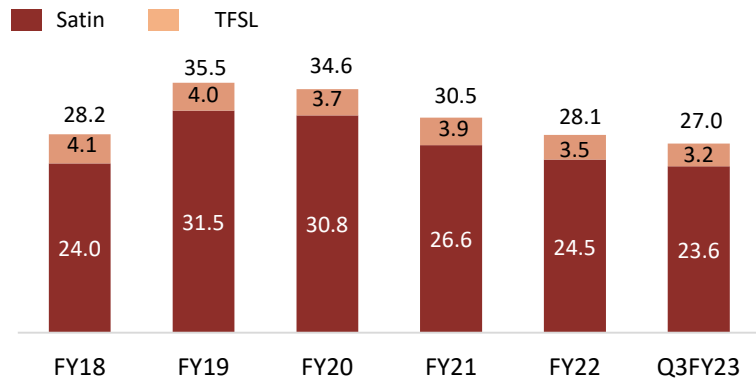
Districts, States and Branches



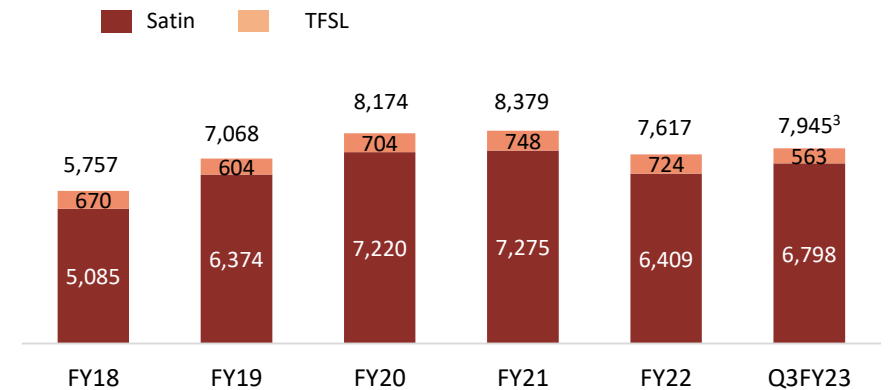
Employees & Loan Officers



Clients (lacs)



AUM (Rs. crore)



Note: (1) Data on Consolidated basis. On a standalone basis, the number of branches were 1,057; (2) Data on a consolidated basis. On a standalone basis the number of loan officers were 5,721; (3) Consolidated figures includes Satin Housing Finance Limited and Satin Finserv Ltd. as well.

Business Details – Consolidated



Particulars	Q3FY23	Q3FY22	YoY%	Q2FY23	QoQ%
AUM (Rs. crore)	7,945	7,218	10.1%	7,575	4.9%
SCNL	6,798	6,123	11.0%	6,417	5.9%
On-book AUM*	4,791	5,249		4,996	
Assignment	1,985	771		1,390	
Business Correspondence	22	103		32	
TFSL	563	676		612	
SHFL	383 ⁽¹⁾	275		362	
SFL	200	144		184	
AUM Mix (Rs. crore)	7,945	7,218	10.1%	7,575	4.9%
MFI Lending	6,953	6,455		6,610	
Business Correspondence	586	779		644	
Product Financing	26	17		25	
MSME	608	488		603	
Housing Finance	383	275		362	
No. of Branches	1,260	1,214	3.8%	1,237	1.9%
SCNL	1,057	1,028		1,039	
TFSL	157	152		157	
SHFL	28	18		24	
SFL	18	16		17	

Note:

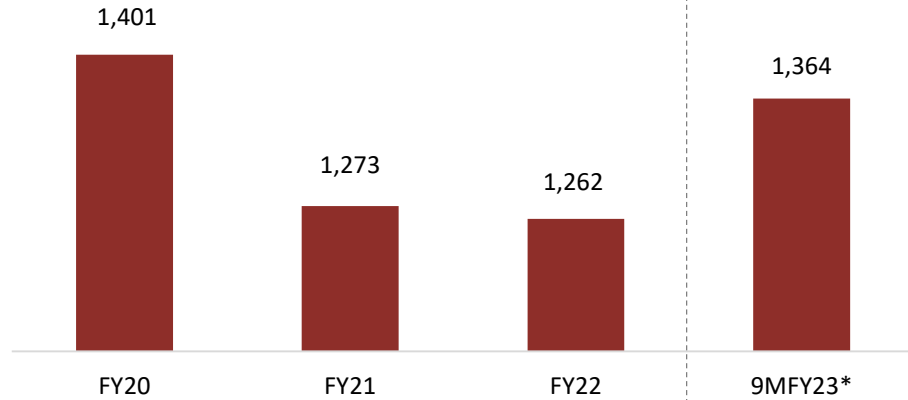
* Includes securitization, differences due to rounding off

1) The portfolio also includes Assigned portfolio of Rs. 36 crore

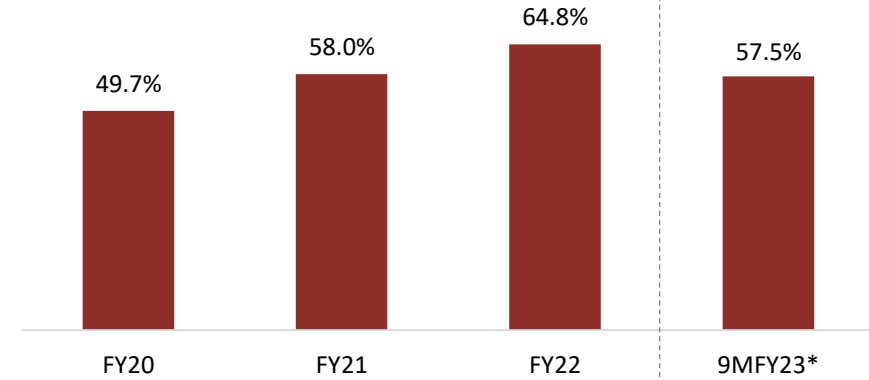
Key Standalone Financials



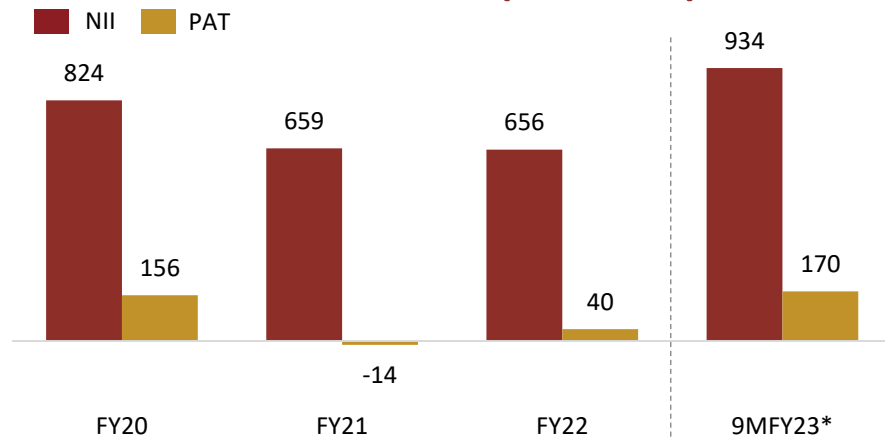
Gross Income (Rs. crore)



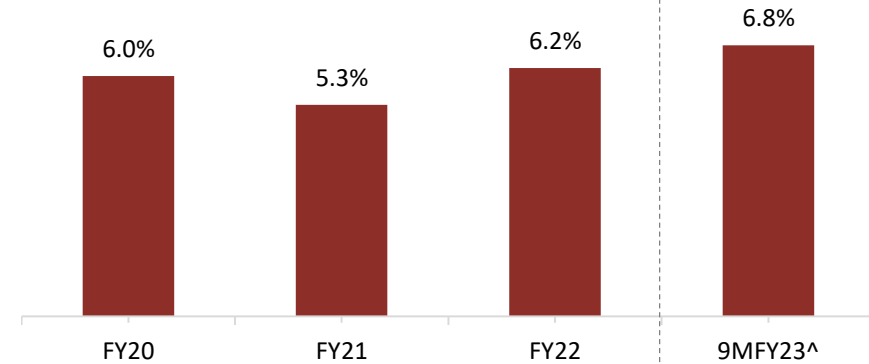
Cost to Income Ratio (%)



NII and PAT (Rs. crore)



Opex to Avg AUM (%)



*There is an extraordinary income on account of fair value change for investment in subsidiaries amounting to Rs. 351 crore during Q1FY23

^Opex / AUM is temporarily high due to lower base on account of write-off done during period under review

Financial Details (Standalone)



Annexure - Financial Performance – Standalone



Particulars (Rs. crore)	9MFY23	Q3FY23	Q3FY22	Q2FY23	FY22	FY21
Gross yield ⁽¹⁾	27.55%	22.85%	20.36%	20.31%	18.44%	17.57%
Financial Cost Ratio ⁽²⁾	8.68%	8.76%	9.53%	8.44%	8.86%	8.47%
Net Interest Margin ⁽³⁾	18.87%	14.09%	10.82%	11.87%	9.58%	9.10%
Operating Expense ratio ^{(4)*}	6.77%	6.63%	7.31%	6.96%	6.20%	5.28%
Loan Loss Ratio ⁽⁵⁾	5.82%	2.98%	-0.04%	0.44%	2.51%	3.96%
RoA ⁽⁶⁾	2.99%	2.92%	2.24%	2.96%	0.53%	-0.18%
RoE ⁽⁸⁾	13.28%	12.41%	11.33%	12.80%	2.60%	-0.92%
Leverage (Total Debt ⁽⁷⁾ / Total Net Worth)	3.1x	3.1x	3.7x	3.0x	3.4x	4.1x
Cost to Income Ratio [^]	35.87%	47.06%	67.53%	58.67%	64.76%	57.99%

Asset Quality (on-book)	9MFY23	Q3FY23	Q3FY22	Q2FY23	FY22	FY21
GNPA %	3.92	3.92	8.61	3.96	8.01	8.40
ECL %	2.93	2.93	8.12	2.96	6.70	5.11

1. Gross Yield represents the ratio of total Income in the relevant period to the Average AUM; **adjusted gross yield (excluding extraordinary income of Rs. 351 crore) for 9MFY23 is 20.46%**
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; **adjusted NIM (excluding extraordinary income of Rs. 351 crore) for 9MFY23 is 11.78%**
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; not annualised for 9MFY23 due to substantial write-off
6. RoA is annualized and represents ratio of PAT to the Average Total Assets
7. Total Debt includes Securitization and preference shares considered as debt in accordance of IndAS
8. RoE is annualized and represents PAT(Post Preference Dividend) to the average equity (i.e., net worth excluding preference share capital)

*Opex is temporarily high due to lower base on account of write-off done during quarter under review

[^]Cost to Income is low on account of extraordinary gain on fair value change for investment in subsidiaries amounting to Rs. 351 crore during Q1FY23

Annexure - P&L Statement – Standalone



Particulars (Rs. crore)	Q3FY23	Q3FY22	YoY%	Q2FY23	QoQ%	9MFY23	9MFY22	YoY%	FY22
Revenue									
Interest and Fee Income	268	282		262		796	846		1,109
Gain due to DA	88	14		39		140	11		50
Treasury Income	11	14		12		398*	44		65
BC Income	0	4		1		4	17		19
Other Operating Income	10	3		10		26	13		19
Total Revenue	377	317	19%	325	16%	1,364	931	47%	1,262
Expenses									
Finance Cost	145	148		135		430	457		606
Employee Benefit Expenses	77	86		76		234	241		324
Credit Cost & FLDG for BC	49	-1		7		384	185		172
Other Expenses	29	24		32		92	63		87
Depreciation and amortization expense	3	3		3		9	10		13
Total Expenses	303	261		254		1,149	956		1,203
Profit Before Tax	74	55	34%	71	4%	215	-25		59
Tax expense	19	14		17		45	-5		19
Profit After Tax	55	41	35%	55	1%	170	-19		40
Other comprehensive income net of taxes	-20	20		0		-19	-31		-29
Total Comprehensive Income	35	61		55		151	-51		11

*includes an extraordinary income on account of fair value change for investment in subsidiaries amounting to Rs. 351 crore during Q1FY23

Financial Details (Subsidiaries)



Annexure - P&L Statement – SFL



Particulars (Rs. crore)	Q3FY23	Q3FY22	Q2FY23	FY22	FY21
Revenue					
Interest and Fee Income	10.2	6.9	9.2	26.6	23.8
Treasury Income	0.2	0.2	0.1	0.6	0.4
Other income	0.6	0.2	0.6	0.4	0.6
Total Revenue	11.0	7.3	9.9	27.6	24.8
Expenses					
Finance cost	3.3	2.2	2.7	6.9	4.4
Employee benefit expenses	3.1	2.5	3.0	9.1	7.1
Credit Cost	1.2	0.8	0.9	4.1	3.3
Other expenses	1.4	1.4	1.4	4.3	3.3
Depreciation and amortization expenses	0.1	0.1	0.1	0.5	0.3
Total Expenses	9.2	7.0	8.1	24.9	18.4
Profit Before Tax	1.8	0.3	1.7	2.7	6.4
Tax expense	0.5	0.1	0.5	0.9	1.7
Profit After Tax	1.3	0.2	1.2	1.8	4.8
Other comprehensive income	-	0.0	-	0.0	0.0
Total Comprehensive Income	1.3	0.2	1.2	1.8	4.8

Annexure - P&L Statement – SHFL



Particulars (Rs. crore)	Q3FY23	Q3FY22	Q2FY23	FY22	FY21
Revenue					
Interest and Fee Income	12.8	8.7	13.0	34.3	25.8
Treasury Income	0.5	0.2	0.4	0.8	0.3
Other income	3.3	0.8	0.8	3.0	3.5
Total Revenue	16.5	9.7	14.1	38.0	29.6
Expenses					
Finance cost	7.2	4.0	7.0	17.1	13.6
Employee benefit expenses	4.6	3.2	4.7	11.9	10.5
Credit Cost	0.4	0.5	0.4	1.0	0.1
Other expenses	1.6	1.0	1.3	3.5	2.9
Depreciation and amortization expenses	0.1	0.1	0.1	0.3	0.4
Total Expenses	14.0	8.7	13.6	33.8	27.5
Profit Before Tax	2.5	1.0	0.5	4.3	2.1
Tax expense	0.7	0.2	0.0	1.2	0.7
Profit After Tax	1.8	0.8	0.5	3.0	1.4
Other comprehensive income	-1.5	-1.2	0.0	0.0	0.0
Total Comprehensive Income	0.2	-0.4	0.5	3.0	1.4

Annexure - P&L Statement – TFSL



Particulars (Rs. crore)	Q3FY23	Q3FY22	Q2FY23	FY22	FY21
Revenue					
Total Revenue	15.1	20.6	16.4	69.7	59.3
Expenses					
Finance Cost	1.4	1.5	1.6	5.6	4.5
Employee Benefit Expenses	9.5	13.4	10.1	47.8	39.1
Credit Cost	1.8	12.5	2.1	33.4	11.3
Other Expenses	1.8	2.2	2.1	11.1	10.0
Depreciation and amortization expense	0.4	0.4	0.3	1.6	1.5
Total Expenses	14.8	30.1	16.1	99.5	66.3
Profit Before Tax	0.2	-9.5	0.3	-29.7	-7.0
Tax expense	0.2	-2.7	0.2	-7.8	-2.0
Profit After Tax	0.0	-6.8	0.1	-22.0	-5.0
Other comprehensive income net of taxes	0.0	0.0	-0.2	0.0	-0.2
Total Comprehensive Income	0.0	-6.9	-0.1	-21.9	-5.2

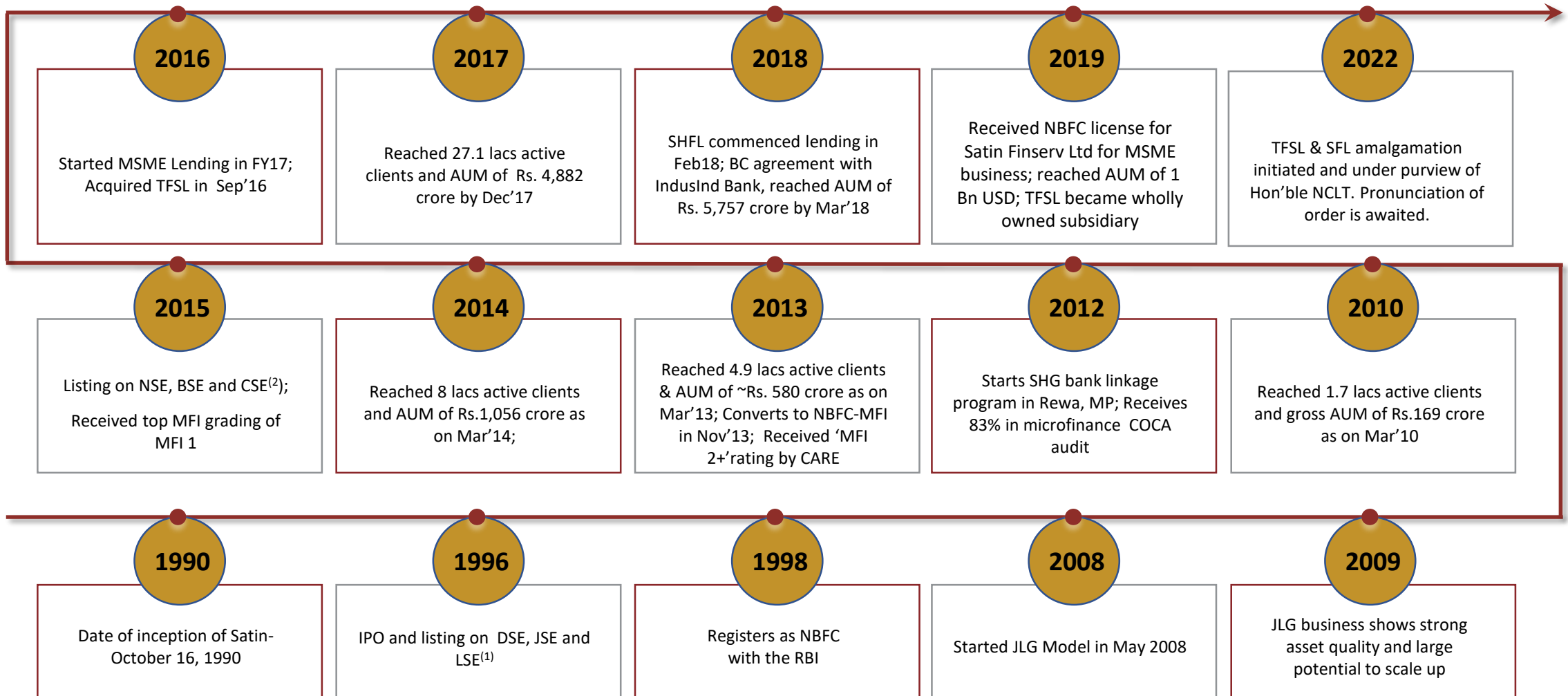
Company Background



Key Milestones



Business Timeline

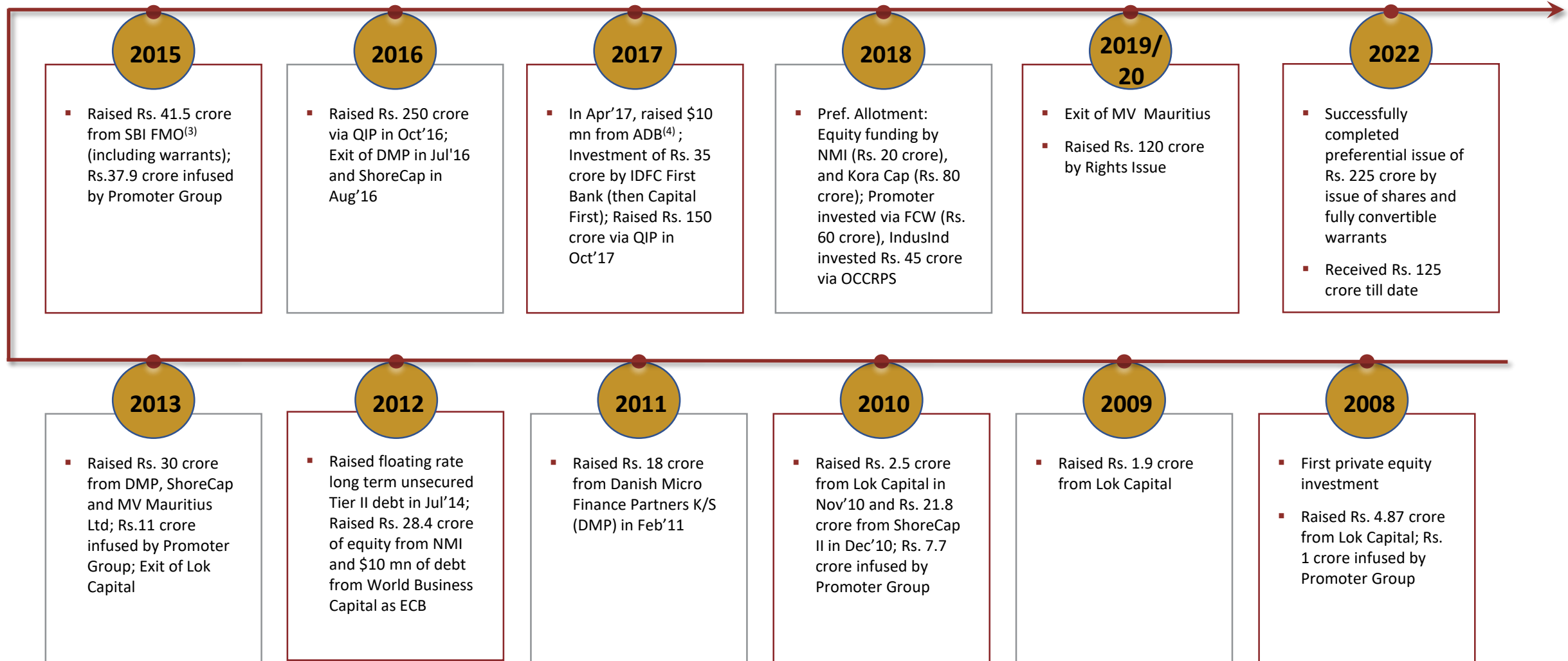


Note: 1. Regional Stock Exchanges (DSE – Delhi Stock Exchange, JSE – Jaipur Stock Exchange, LSE- Ludhiana Stock Exchange); (2) BSE - BSE Limited, NSE - National Stock Exchange of India Limited, CSE - The Calcutta Stock Exchange Limited

Key Milestones



Fund Raising Timeline





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



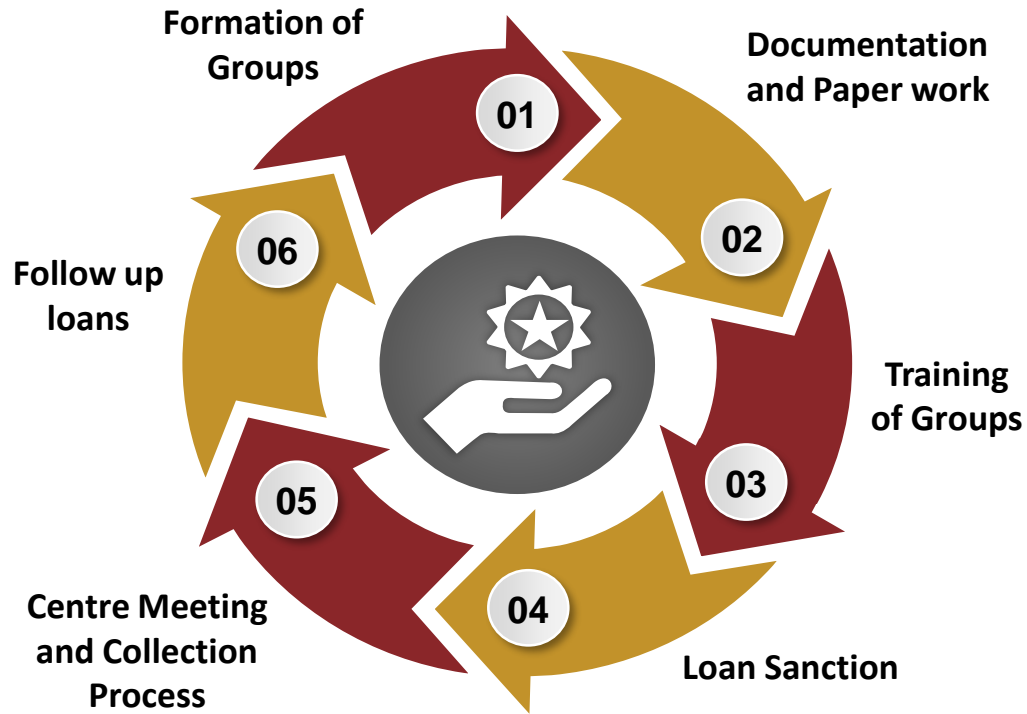
Today, after three decades of rich experience, **SCNL has emerged as one of the leading and trusted Indian microfinance companies**



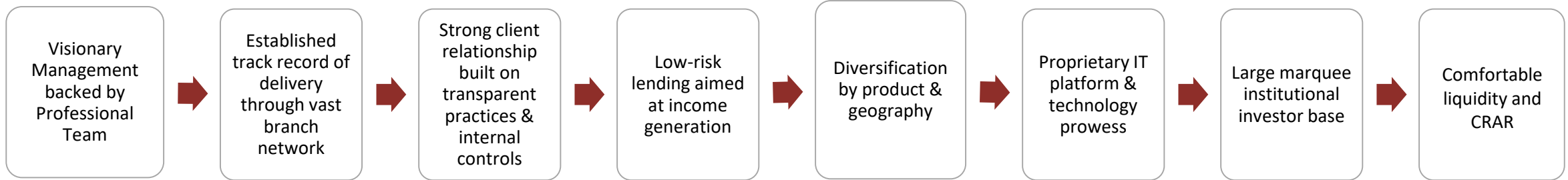
Headquartered in Gurugram, Haryana, **the Company drives inclusive growth by offering financial tools that help create opportunities**



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



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. 40,000

Tenure : 12 - 24 months

Long Term Loan (Vridhhi)

Ticket Size :
Rs. 31,000 – Rs. 75,000

Tenure : 24 months

Product Financing

Ticket Size :
Rs. 2,000 – Rs. 32,000

Tenure : 6-18 months

WASH Loan

Ticket Size :
Rs. 10,000 – Rs. 35,000

Tenure : 12 - 24 months

Eligibility Criteria

- Annual Household Income: up to Rs. 3 Lakh
- The outflows limit of 50 per cent 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

As a purpose driven organization, it has always been our constant endeavor to align our objectives with the **Sustainable Development Goals** in order to contribute to the range of aspects that are the blueprints to achieving a better and more **sustainable future for all**.

To Empower



Funded towards the construction of the Girls Hostel in order to provide better education opportunities in a safe environment.

To Ensure Inclusive Health

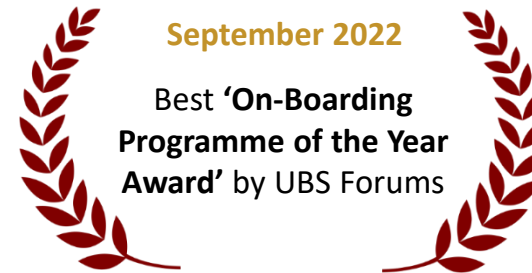
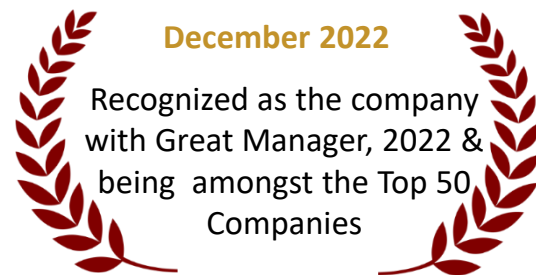


Funded towards an initiative by MFIN where they launched a series of Medical Health Camps in 18 districts of Assam to provide medical relief to flood affected communities.

Awards and Accolades



- Mr. HP Singh was conferred as the **'Pillar of the BFSI Industry'** bestowed at the Financial Express Modern BFSI Summit 2022
- Mr. HP Singh received the **'CEO of the Year - Micro Finance Company'** Award
- Mr. HP Singh was conferred the **'Best CEO of the Year'** at Golden Globe Tigers virtual awards ceremony in Malaysia
- Ms. Manvinder Kaur & Mr. Bharat Singh was recognized as the **'Great Managers 2022'** at the Great Managers Award
- Mr. Subir Roy Chowdhury was awarded for his **'Outstanding Contribution during Covid-19 in Motivating Staff'** by UPMA
- Ms. Aditi Singh was awarded as **'Social Impact Leaders and Change Makers 2021'** by BW Disrupt
- Mr. Sunil Yadav recognized among the **'Top 100 BFSI Leaders'** in India by Trescon, India



Environment

Water and Sanitation (WASH) Loans

- SCNL has been constructively working towards safe water and sanitation in around 121 districts and more than 35,000 villages in 8 states viz Bihar, Chhattisgarh, Uttar Pradesh, West Bengal etc..
- In FY22, SCNL disbursed a total of 37,031 WASH loans

Clean Energy Loans

- More than 1 lacs clean energy loans were disbursed
- SCNL's clean energy programme is an illustration of its dedication to serve the society by providing customized financial solution
- Certificate of Excellence by UNFCC's Clean Development Program

- Board comprises of 8 members; 5 Independent Directors of which 1 is woman director
- Number of Board Meetings Conducted during the FY22: 10
- Average attendance rate at the Board and Board committee meetings (%): 100% approx.
- Number of Board Committee Meetings Conducted during the FY 2021-22: Audit Committee- 8, Risk Management Committee- 4, Nomination and Remuneration Committee- 2, Stakeholders Relationship Committee- 1, Corporate Social Responsibility Committee- 2, IT Strategy Committee- 3, Rights Issue Committee- 4, Working Committee Meeting- 29, Asset liability Management Committee- 4

Governance

Social

- Our strength lies in our ground level knowledge and the strong bond that we have created with our stakeholders
- SCNL is reaching its borrowers through a suite of financial and non-financial services, tailored to meet their needs, including lending under Joint Liability Group model, loans to individual businesses, product financing, community level initiatives, financing household level toilet and water facility
- Almost all of SCNL clients are women, 74% of whom are based in rural hinterlands of India
- Around 72% of the clients are from BPL category



SCNL and the UN Sustainable Development Goals

Contact Information



Company (Investors & Media) :

Ms. Aditi Singh
Head – Strategy

E: aditi.singh@satincreditcare.com
T: +91 124 4715 400

Ms. Shweta Bansal
DGM - Investor Relations

E: Shweta.bansal@satincreditcare.com
T: +91 124 4715 400

www.satincreditcare.com

